

PROCUREMENT CAPABILITY ASSESSMENT 2012

1.0 SUMMARY

- 1.1. The Procurement Capability Assessment (PCA) for Local Authorities is carried out by Scotland Excel, between October and December each year. The assessment for Argyll and Bute Council for the year 2012 was carried out in Kilmory on the 8th October 2012. This report provides a brief overview of the assessment.

2.0 RECOMMENDATIONS

- 2.1. That the Council note the contents of this report, along with Appendices 1, 2 and 3.
- 2.2. That the Council supports the Procurement and Commissioning Team in achieving a further improved score next year, which will require a commitment to the various actions in the summary report – Appendix 1.

3.0 DETAIL

- 3.1. The objective of the Procurement Capability Assessment (“PCA”) is to assist organisations to improve their structure, capability, processes and ultimately performance, by attaining a level of performance that is appropriate to the scale and complexity of their business.
- 3.2. The Scottish Government endorses the PCA as a key tool to help organisations drive local best practice, deliver savings and demonstrate they are working towards improving their capability.
- 3.3. Better procurement can help us do more with less and the PCA represents a real opportunity to understand procurement capability at a local, sectoral and national level, allowing improvement plans to be implemented to ensure the promotion of efficiency and effectiveness and continuous improvement.
- 3.4. This is the fourth year of national PCAs and some questions and levels in the PCA questionnaire have been clarified, merged, amended and obsolete questions deleted in line with feedback from public bodies.
- 3.5. The PCA consists of several questions under the following sections: Procurement Leadership and Governance; Procurement Strategy and Objectives; Defining the Supply Need; Procurement Commodity/Project Strategies and Collaborative; Contract and Supplier Management; Key

Purchasing Processes and Systems; People and Performance Measurement.

- 3.6. Following assessment of these areas, the assessor places the overall performance of the Council in one of the following categories:

Developing; Conformance; Improved Performance or Superior Performance.

- 3.7. This year Argyll and Bute Council achieved a score of 53%, surpassing our target of 50% and putting the Council in the Improved Performance category. This represents a significant increase of 12 percentage points from our 2011 score of 41% and places the Council in the Improved Performance category. This represents a great deal of improvement. The assessors felt it reflected the investment the Council had made in procurement this year.
- 3.8. Achieving “Improved Performance” provides the Council with a solid base for the next phase of procurement performance, with procurement working hand-in-hand with service teams to deliver a high-performing organisation that consistently delivers excellent services at low costs benchmarked against other top service providers.
- 3.9. This will require even more challenge and change for the procurement and commissioning team and their internal customers, and of course the continued backing of the senior management team in terms of resource and influence to deliver the ambition of a high-performing Council.
- 3.10. Appendix 2 shows Argyll and Bute Council’s score for 2011 in comparison with the rest of the local authorities. Please note the assessments for 2012 have not been completed yet therefore the data is not available for 2012.
- 3.11. Some areas for improvement were highlighted during the assessment – please refer to Appendix 1 for details. Should these improvements be made, the Council could achieve a further improved score next year. The internal target for next year is being set at 57%.

4.0 CONCLUSION

- 4.1. The increase of 12 percentage points is substantial, and reflects the significant investment that the Council and the Procurement and Commissioning Team had made in improving procurement over the last 2 years.
- 4.2. There remain some areas where further improvement could be made and there is more detailed consideration of these areas in Appendix 1.

5.0 IMPLICATIONS

5.1 Policy - none

5.2 Financial - none

5.3 Legal - none

5.4 HR - none

5.5 Equalities - none

5.6 Risk - If the team are not supported to make the improvements highlighted, an improved score will not be achieved in next year's PCA.

5.7 Customer Service - none

6.0 APPENDICES

- 6.1** Appendix 1 – Summary PCA Report 2012
- Appendix 2 – 2011 PCA national results
- Appendix 3 – PCA 2012 Score Sheet

Executive Director of Customer Services

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For Further information please contact:

Anne MacColl-Smith, Procurement and Commissioning Manager, 01546 604194