

S47. AUDIT REPORT – PROCUREMENT IN COUNCILS

The committee considered a report by the Director of Corporate and Neighbourhood Services which provided a summary of the Audit Scotland 'Procurement in Councils' report.

The report outlined the key messages contained in the Audit Scotland report, highlighted references to the Council and summarised the Council's current position against each Audit Scotland recommendation. David McGhee provided an overview of the report.

The committee asked what benefit Scotland Excel brought to the Council. David McGhee highlighted Scotland Excel's knowledge of suppliers and the use of national contracts.

Members asked for information about the reporting of contracting savings achieved through contract awards. David McGhee stated that there was a weekly bulletin for contract approval which included local financial benefits.

The committee expressed concern that when Scottish Government funding for Scotland Excel expires in 2016 that the deficit would be passed on to Councils. David McGhee advised that Scotland Excel's future funding position was not clear. Any change to the funding position would be reported to members. Scotland Excel were having to actively look at their running costs. David McGhee advised that more information on the funding position was expected in the next 12 to 18 months.

Members asked about the Council's use of national contracts. David McGhee advised that the default position was to use national contracts but that each case was evaluated to ensure participation was appropriate. The 90% participation rate was higher than most other Councils.

The committee asked about environmental improvements. David McGhee stated that sustainability was a key focus and that the Council was only the second local authority to get a gold award for timber related products purchasing. A documented process was in place to evidence that raw materials were drawn from sustainable sources.

Decision

The committee:-

- (1) noted the report, and**
- (2) agreed to refer to the Executive the issue of procurement training.**