

## 6. Procurement Service Audit Action Plan Update

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### Purpose of the Report

To address the issue raised by the Audit Committee on the 26<sup>th</sup> February 2009, (Minute 67, resolution 2) when the Procurement and Support Services Manager was asked to submit a progress report to the Committee on the Procurement Service Audit Action Plan.

### Recommendation

The Audit Committee is asked to note and comment on the action plan attached.

### Background

At the meeting of the Audit Committee held on the 26<sup>th</sup> February 2009, members were able to read and comment on the South West Audit Partnership report on Procurement conducted in 2008 in which only a "partial assurance" had been given. During that meeting members of the Committee were able to question the Procurement and Support Services Manager, the Head of Internal Audit and the lead Group Auditor for SSDC about the content of the report. A number of areas of concern were discussed and assurances and or clarification were provided to members from comments and feedback provided by officers present.

I believe the significant action item needing further work and feedback to the Audit Committee was item 2.1a and related to the central contracts register being maintained and in place by June 2009.

### Maintaining a Contracts Register

I am pleased to report that after much effort the Procurement Officer with information and data obtained from the spend analysis had duly completed a full revision of the contracts register. The contracts register has now been published on the Council intranet site so that all procurement users and services can access it.

The Procurement Officer (Melanie Jones) had been able to cross reference the spend data with the contracts that services were nominating and indicate any missing contracts or high spend areas that they should have a contract for.

It requires one to one meetings between the Procurement Officer and the procurement lead officers in the services to finally reach an agreed contract register for the service.

However, as mentioned above the contracts register now exists, and to ensure it is kept as up to date as far as we can the Procurement Officer developed an online form for services to use to notify us of any changes. The register is published on the Council's Intranet.

## Financial Implications

That we may not deliver best value and efficiency in terms of use of resources. Further, that with a disaggregated spend we may breach the E.U procurement rules without realising we had done so.

## Risk

Whilst the creation and maintenance of a contracts database was seen as an important element in the corporate procurement unit's ability to view and influence spend activity, it is not the only way in which such can be obtained. The Head of Finance and the Procurement and Support Services Manager are looking at other ways in which we can strengthen this position.

This is especially true given the loss of the Procurement Officer post in the current re-structure, as this will mean that at the corporate centre we now only have one officer attempting to influence all procurement activity at the Council and this could be a very real risk to keep the register up to date and useful.

## Implications for Corporate Priorities

All.

## Other Implications

Use of resources score under CAA (Comprehensive Area Assessments) inspections.

**Background Papers:** *Minutes of Audit Committee meeting held on the 26<sup>th</sup> February 2009.*  
*SWAP Internal audit action plan/procurement*

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