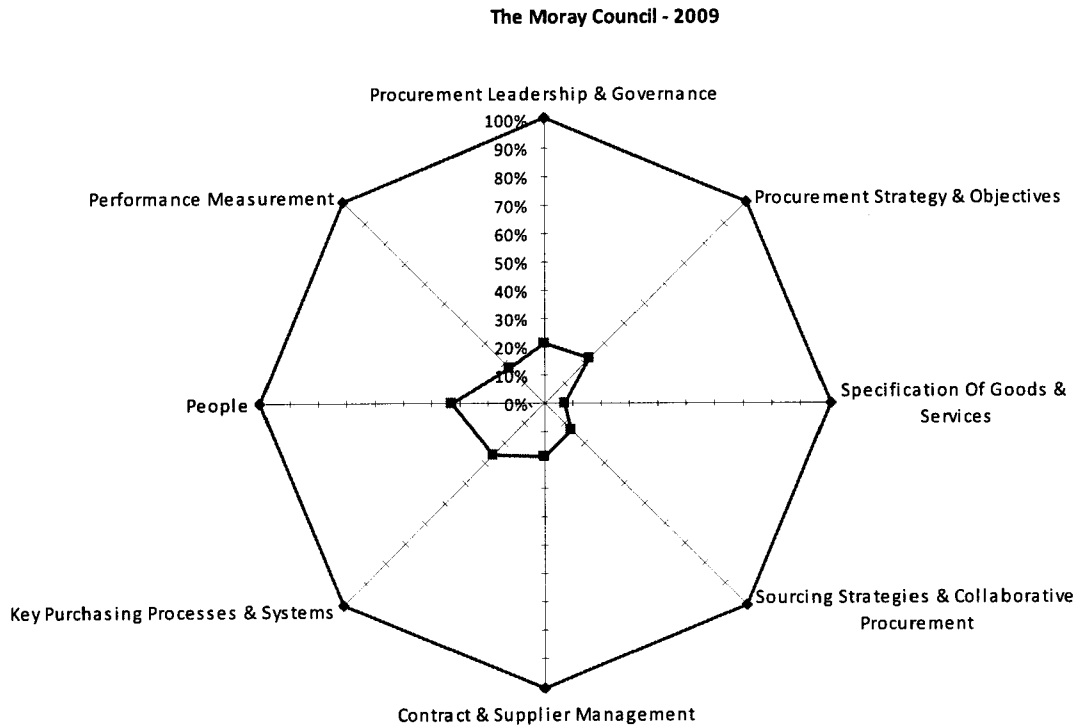


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Results from the Moray Procurement Capability Assessment



Section	Score	Max	Min	Value*
Procurement Leadership & Governance	13	32	8	21%
Procurement Strategy & Objectives	10	24	6	22%
Specification Of Goods & Services	6	20	5	7%
Sourcing Strategies & Collaborative Procurement	25	72	18	13%
Contract & Supplier Management	25	64	16	19%
Key Purchasing Processes & Systems	16	36	9	26%
People	18	36	9	33%
Performance Measurement	9	24	6	17%
Overall	122	308	77	19%

Extract from communication from Dorothy Cowie, Director of Scotland Excel outlining the introduction of the Procurement Capability Assessment

Following John Swinney's letter of 15th July, Scotland Excel has been working with the Heads of Procurement across local government to create and deliver a Procurement Improvement Programme, starting with a Procurement Capability Assessment of each local authority. Given the current economic and financial climate the programme is a timely reminder of the

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contribution that procurement can make to savings and service improvement in the public sector. We are now well in to the assessment schedule and I thought I'd update you on how it has been going.

First, the response to the programme has been extremely positive. Twenty seven councils have dates in the diary for an assessment and a quarter of them have already been assessed. These latter have all been honest, realistic and open in presenting evidence and in the actual scoring.

As to the scores themselves, they are, as expected in the early years of this type of programme, towards the lower end of the scoring matrix. It is important to remember that although there may have been significant investment in procurement over the last few years, we are at the early stages of the journey towards 'superior performance' and so should not be disappointed at the low scores, but focussed on the opportunity for progression and improvement that is being highlighted. To this end, it is critical to understand the context behind these scores.

1. This is an assessment of procurement as a corporate function and not just of the procurement team. Many service areas still remain outwith the scope of the corporate procurement function and because procurement is a process and not just a function, this is being reflected in the scores achieved.
2. The assessment and the scoring matrix are based on McClelland attributes and levels of performance. Like every maturity model, McClelland rightly sets the bar high for 'superior performance' - it is very difficult to achieve. This will involve a journey over some years that will require sustained commitment from procurement professionals, senior management and elected members. This is evidenced by the fact that the NHS in Scotland have been using this tool for three years and are only now moving from Conformance to Improved Performance on the scoring matrix.

There will be a day in December for Heads of Procurement to compare, consider and act on all of the results and I am not looking to pre-empt the conclusions and analysis that will occur on that day. But I am keen to make clear that modest scores from the first year of Capability Assessments is both expected and necessary to identify the opportunities for improvement.

There will be full report of the overall results to chief executives once the group has reviewed and compared the results in December.