

# North Lanarkshire Council Report

## Finance and Resources Committee

Does this report require to be approved?  Yes  No

Ref JMcK/BF

Date 20/11/24

## Procurement and Commercial Improvement Programme (“PCIP”) Assessment Results for North Lanarkshire Council 2023/24

**From** James McKinstry, Chief Officer (Assets and Procurement)

**E-mail** McKinstryJ@northlan.gov.uk **Telephone** 07939 281 102

### Executive Summary

The ‘Procurement and Commercial Improvement Programme’ (“PCIP”) is a national assessment process used to appraise the procurement and commercial capability of public bodies. Scotland Excel conduct the PCIP assessments for the local authority sector.

This is the third round of PCIP assessments; previous assessments were carried out in 2017 and 2019. For the 2023/24 assessment programme, North Lanarkshire were 1 of 20 local authorities that decided to undergo assessment, while 12 opted not to participate.

Based on the comparable questions used in all three rounds of PCIP assessments, North Lanarkshire have continued to improve its overall scoring.

There are no outputs with a league table of scores by each participating local authority, however the supporting report from Scotland Excel provides a question-by-question comparison allowing the council to see where its individual score ranks alongside the other 19 participants.

The identified strengths and feedback provided by Scotland Excel will be used to help the council maintain progress and improvement in its procurement function and associated commercial activities.

### Recommendations

It is recommended that the Finance and Resources Committee:

- (1) Endorse the content of this report; and
- (2) Acknowledge the Scotland Excel PCIP Assessment Report.

### The Plan for North Lanarkshire

Priority All priorities

Ambition statement All ambition statements

Programme of Work All Programmes of Work

## 1. Background

- 1.1 The 'Procurement and Commercial Improvement Programme' ("PCIP") is a national assessment process used to appraise the procurement and commercial capability of public bodies.
- 1.2 As the centre of expertise for 'local authority' procurement, Scotland Excel have the assignment to conduct the PCIP assessments within the local authority sector.
- 1.3 The PCIP assessment programme was introduced in 2015 and the previous PCIP assessments for North Lanarkshire Council were carried out in 2017 and 2019, both using a question set of 23 items.
- 1.4 The 2023/24 PCIP assessment format was designed to be a 'pulse check' in which 11 questions would be used, focussing on policies, procedures and performance. Of the 11 questions, 10 questions belonged to the full question set used in 2017 and 2019, while 1 new question was introduced to cover 'climate change'.
- 1.5 The assessment scoring model for 2023/24 was as follows:
  - Developing Area;
  - Improving Area;
  - Good Practice; or
  - Advanced Practice.
- 1.6 A change for 2023/24 determined that no partial or half scores would be given. The assessments would require all elements within the scoring criteria to be demonstrated for the public body to achieve the desired level.

---

## 2. Report

- 2.1 The 2023/24 PCIP assessment was the council's third PCIP assessment with Scotland Excel, and our first 'pulse check'.
- 2.2 The finalised 2023/24 PCIP assessment scores for the council were:

PCIP QUESTION	Level Achieved
1 Procurement Influence	Advanced Practice
2 Procurement Strategy	Advanced Practice
3 Learning and Skills: Capability	Improving Area
4 Risk Management	Good Practice
5 Commercial Awareness and Acumen	Good Practice
6 Continuous Improvement of Procurement Activity	Good Practice
7 Climate Change	Improving Area
8 Implementation & Exit Strategies, Life Cycle Planning	Good Practice
9 Contract and Supplier Management	Good Practice
10 Contractual Obligations & Additional Benefits	Improving Area
11 Lessons Learned	Good Practice

- 2.3 As can be seen from the table with results above, the council achieved the highest level of 'Advance Practice' in 2 of the 11 question themes, with 6 determined to be 'Good Practice'. There were 3 themes identified as 'Improving', and we were not assessed as 'Developing' for any question.

- 2.4 There are no outputs with a league table of scores by each participating local authority, however the supporting report from Scotland Excel (reference to **Appendix 1** of this report) provides a question-by-question comparison allowing the council to see where its individual score ranks alongside the other 19 participants.
- 2.5 If we consider that 10 of the questions were applicable for the previous two rounds of PCIP assessments the council has undertaken, then the council can show improvement in each successive result. For comparison, our results would be:
- 2017 – 57.50%
  - 2019 – 68.75%
  - 2024 – 75.00%
- 2.6 Whilst the PCIPs are not supposed to be directly comparable, particularly due to the increased expectation in assessors score guide for 2023/24 and the stricter assessment criteria that does not afford half marks, we can clearly see continual progress in a challenging and robust assessment process.
- 2.7 Based on our internal comparator scores increasing through each PCIP assessment, we are demonstrating a continuous upward trend, and it is an external testimony presenting a positive message that our application of procurement, our procurement function and procurement professionals are doing things well.

---

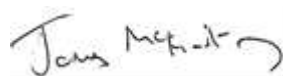
### **3. Measures of success**

- 3.1 The scores achieved against each PCIP assessment theme, including qualitative feedback from Scotland Excel, must be used as the basis determining focus areas for improvements to the council's procurement activity and processes, while building upon the identified strengths.
- 3.2 The council continue to achieve a comparable higher overall score in each successive PCIP assessment.

---

### **4. Supporting documentation**

Appendix 1 – Scotland Excel's Report to North Lanarkshire Council, outlining the PCIP Assessment 2023/24 scores and feedback.



**James McKinstry**  
**Chief Officer (Assets and Procurement)**

---

## 5. Impacts

<p><b>5.1 Public Sector Equality Duty and Fairer Scotland Duty</b> Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?</p> <p>If Yes, has an assessment been carried out and published on the council's website? <a href="https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments">https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments</a> Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p><b>5.2 Financial impact</b> Does the report contain any financial impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
<p><b>5.3 HR policy impact</b> Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
<p><b>5.4 Legal impact</b> Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
<p><b>5.5 Data protection impact</b> Does the report / project / practice contain or involve the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to <a href="mailto:dataprotection@northlan.gov.uk">dataprotection@northlan.gov.uk</a> Yes <input type="checkbox"/> No <input type="checkbox"/></p>

<p><b>5.6</b></p>	<p><b>Technology / Digital impact</b>  Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi?  Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>  If Yes, please provide a brief summary of the impact?</p> <p>Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?  Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p><b>5.7</b></p>	<p><b>Environmental / Carbon impact</b>  Does the report / project / practice contain information that has an impact on any environmental or carbon matters?  Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>  If Yes, please provide a brief summary of the impact?</p>
<p><b>5.8</b></p>	<p><b>Communications impact</b>  Does the report contain any information that has an impact on the council's communications activities?  Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>  If Yes, please provide a brief summary of the impact?</p>
<p><b>5.9</b></p>	<p><b>Risk impact</b>  Is there a risk impact?  Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>  If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?</p>
<p><b>5.10</b></p>	<p><b>Armed Forces Covenant Duty</b>  Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?  Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>  If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.</p>
<p><b>5.11</b></p>	<p><b>Children's rights and wellbeing impact</b>  Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?  Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>  If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).</p> <p>If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?  Yes <input type="checkbox"/> No <input type="checkbox"/></p>

# North Lanarkshire Council

## PCIP Pulse Check Assessment Report 2024

# Introduction

On 21<sup>st</sup> March 2024 Scotland Excel carried out a Procurement and Commercial Improvement Programme (PCIP) Pulse Check assessment with North Lanarkshire Council as part of the third round of such assessments of local authorities in Scotland.

This document sets out:

- The questions assessed and levels achieved.
- The key strengths and opportunities for development that the assessors identified from the PCIP
- Qualitative narrative that identifies positive changes in local practice.

## Supporting you to improve

As the national centre of expertise for local government procurement, Scotland Excel is responsible for working with Scottish councils to improve procurement performance and practice. Working across the sector, and with individual councils, we can provide a range of support.



**Workshops** – covering a range of issues identified as key challenges across the sector, including input from experts and practitioners.



**Accredited work based learning and development** – delivered in person and online through the Scotland Excel Academy ([academy.scotland-excel.org.uk](https://academy.scotland-excel.org.uk))



**Tailored change support** – bespoke change support, delivered by our Project & Account Managers, to enable the change you need.

# Overview of PCIP

## Background

The Procurement and Commercial Improvement Programme (PCIP) was introduced in 2015 and is a maturity model designed to assess Scottish public sector procurement performance in a common format.

The annual assessments set out to build foundations of good public sector procurement and to signpost good practice. The assessments were demonstrably at the heart of procurement improvements across Scotland.

The PCIP is a continuation of the work undertaken by the Procurement Capability Assessment (PCA) carried out on an annual basis since 2008 until introduction of the PCIP.

PCIP Pulse Check commenced in 2023, with the offer of a new approach to further support the sector. The PCIP Pulse Check focuses on the policies and procedures driving procurement performance and, more importantly, the results they deliver. These pulse checks were undertaken with the assumption that the foundation elements identified and implemented since The McClelland report remain in place within organisations.

For PCIP Pulse Check, the assessment model developed offers a reduced question set and streamlined process for organisations whilst still assessing and supporting current procurement priorities. This hybrid model allows for greater flexibility and consists of a blended question set that can be tailored to the organisation and the sectoral context.

The model consists of eleven mandatory questions and nine discretionary questions.

Each question has four levels that an organisation may indicate it has achieved and will be assessed on the day. The levels are:

1. Developing Area
2. Improving Area
3. Good Practice
4. Advanced Practice

Further information on the PCIP can be obtained at the Scottish Government website:

<https://www.procurementjourney.scot/pcip/pcip-overview>

**SCOTLAND  
EXCEL** 



# Overview of PCIP

## **PCIP Assessments 2023/2024**

Scotland Excel worked with colleagues within Scottish Government and in conjunction with other public sector centres of expertise and our own Procurement Improvement Programme Steering Group, made up of local government procurement managers to consider the assessment route for 2023/24.

Of the thirty-two councils, twelve opted to not participate in this tranche of assessments. Irrespective of participation, all good practice and learning gathered as a result of the assessments will be shared with all members.

A number of councils volunteered to undertake pilot assessments. Output from these pilot sessions was shared with the wider community.

Prior to the commencement of assessments, Scotland Excel undertook a series of workshops across the sector to review typical evidence and to discuss each of the eleven mandatory questions as a group to achieve a common understanding.

The sector agreed to proceed with assessments on the understanding that council level results will not be shared beyond individual councils. Sector reporting, where possible, will be shared beyond individual councils.

Unlike previous PCIPs, there is no overall score that an organisation can compare with other organisations or sectors. Any comparisons will have to be undertaken based on the four levels indicated within this document.

One of the main benefits of sectoral assessment is the location and signposting of good practice. This will be a key aim of this assessment cycle.

## **A note on the assessment approach and judgments**

Scotland Excel assessors have made the judgements and recommendations in this report based on evidence presented to them by your council, either in the form of documentation or verbal evidence.

PCIP is not an audit. Restraints on time and resources, coupled with a desire to ensure a proportionate approach to the assessments, means it is not possible for assessors to independently verify the evidence on the assessment day. Instead, evidence is assessed in good faith with the onus on the council to be open and transparent.

## Summary of overall performance

### Overall performance

North Lanarkshire Council undertook the PCIP assessment in March 2024. The table shows what level your organisation thought they would achieve for each question prior to the assessment and the levels that were achieved on the day.

Question	Level Council Requested	Level Council Achieved
1 – Procurement Influence	Advanced Practice	Advanced Practice
2 – Procurement Strategy	Good Practice	Advanced Practice
3 – Learning & Skills	Improving Area	Improving Area
4 – Risk Management	Good Practice	Good Practice
5 – Commercial Acumen	Good Practice	Good Practice
6 – Continuous Improvement	Good Practice	Good Practice
7 – Climate Change	Developing Area	Improving Area
8 – Implementation & Exit Strategies	Good Practice	Good Practice
9 – Contract & Supplier Management	Improving Area	Good Practice
10 – Contractual Obligations	Improving Area	Improving Area
11 – Lessons Learned	Good Practice	Good Practice

# North Lanarkshire Council v All Councils

## Q1: Procurement Influence

This question focuses on what level of influence the procurement function has over routine and major procurement activity and what the procurement function delivers to the organisation:

- Procurement professionals set all sourcing procedures
- Procurement procedures and national policy are being adhered to
- All influenceable spend has had procurement input helping to deliver sustainable and wider socio-economic outcomes

## Q2: Procurement Strategy

This question focuses on links between the organisation's procurement strategy and its corporate strategy. It also considers if the procurement strategy is delivering the sectors strategic objectives.

In particular it looks at:

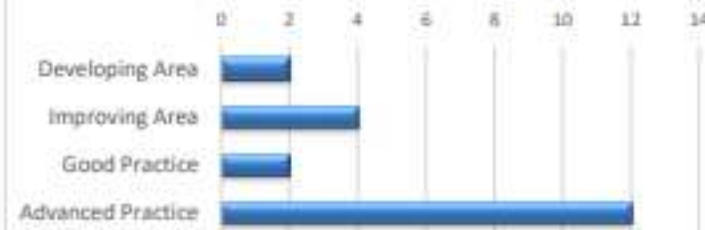
- Does the procurement function understand their sector environment
- How procurement helps the organisation deliver its objectives, embedding wider national ambitions, such as climate.

### Q1. Procurement Influence

Level Achieved

Developing Area	Improving Area	Good Practice	Advanced Practice
-----------------	----------------	---------------	-------------------

Q1. Procurement Influence (Sector Results)

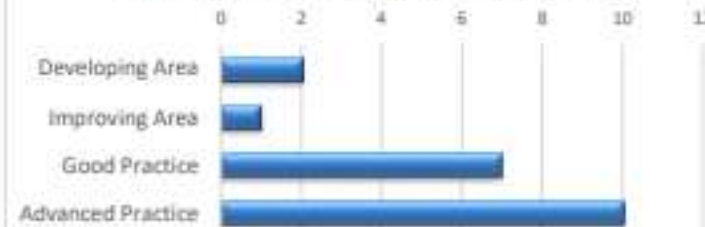


### Q2. Procurement Strategy

Level Achieved

Developing Area	Improving Area	Good Practice	Advanced Practice
-----------------	----------------	---------------	-------------------

Q2. Procurement Strategy (Sector Results)





## North Lanarkshire Council v All Councils

### Q3: Learning & Skills

This question focuses on what the organisation does to develop existing procurement individuals and future talent:

- Development of existing professionals including undertaking a formal assessment of skills.
- Utilises a range of development methods including coaching and mentoring.
- Supports the development of future talent.
- Skills are recorded and tracked.

### Q4: Risk Management

This question focuses on the organisation's approach to managing risk and contingency planning within procurement activity. In particular it looks at:

- The corporate level understands how procurement risks affect the organisation and manages them well.
- There is a clear understanding of why a Counter Fraud Strategy (CFS) is required, with controls in place.

#### Q3. Learning & Skills

Level Achieved

Developing Area	Improving Area	Good Practice	Advanced Practice
-----------------	----------------	---------------	-------------------

Q3. Learning & Skills (Sector Results)

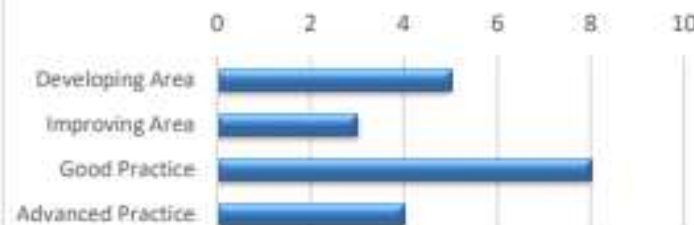


#### Q4. Risk Management

Level Achieved

Developing Area	Improving Area	Good Practice	Advanced Practice
-----------------	----------------	---------------	-------------------

Q4. Risk Management (Sector Results)



## North Lanarkshire Council v All Councils

### Q5: Commercial Awareness & Acumen

This question focuses on the organisation's approach to promote commercial competence and ensure it is embedded within its organisation and culture. In particular it looks at:

- Procurement focus on commercial acumen; judgement and negotiation skills.
- When making commercial decisions, there is clear evidence of data and information gathering to create an informed assessment of costs, benefits and risks to manage the commercial risk and exposure to customers.

### Q6: Continuous Improvement of Procurement activity

This question focuses on the organisation's approach to drive continuous improvement in its procurement activity. In particular it looks at:

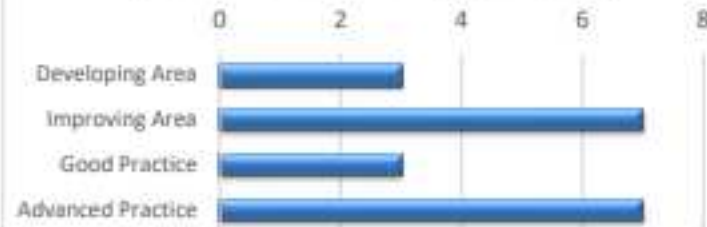
- How the organisation measures performance.
- Does the organisation seek to improve procurement activities, processes and procedures.

#### Q5. Commercial Acumen

##### Level Achieved

Developing Area	Improving Area	Good Practice	Advanced Practice
-----------------	----------------	---------------	-------------------

##### Q5. Commercial Acumen (Sector Results)

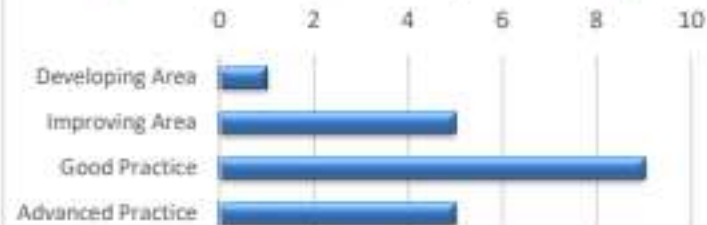


#### Q6. Continuous Improvement

##### Level Achieved

Developing Area	Improving Area	Good Practice	Advanced Practice
-----------------	----------------	---------------	-------------------

##### Q6. Continuous Improvement (Sector Results)



# North Lanarkshire Council v All Councils

## Q7: Climate Change

This question focuses on the organisation's approach to embedding climate and circular economy considerations into its corporate procurement strategy and delivery.

In particular it looks at:

- Does senior management actively measure and recognise the positive environmental impact that procurement can make in a planned, organisational approach?
- Are progress and achievements included in the organisation's annual procurement reports?

## Q8: Implementation & Exit Strategies

This question focuses on the how the organisation uses implementation plans and exit strategies efficiently.

In particular it looks at:

- how procurement will ensure new contracts will be successfully implemented and drive maximum benefits, timescales, uptake etc.
- Show consideration has been given to the end of an agreement - processes for implementation and exit plans.





# North Lanarkshire Council v All Councils

## Q9: Contract and Supplier Management

This question focuses on the organisation's approach to managing contracts and suppliers. In particular it looks at:

- The organisation has an understanding of who its key suppliers are, how suppliers should be managed and the benefits from contract and supplier management
- CSM being used to drive compliance with Ts & Cs and delivery of targeted outcomes – i.e. prompt payment through the supply chain; climate etc.

## Q10: Contractual Obligations

This question focuses on what the organisation does to work with suppliers throughout the life of a contract.

In particular it looks at:

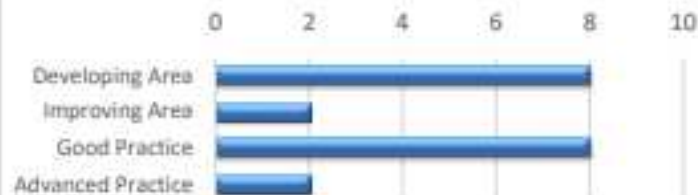
- Ensure suppliers are delivering what has been agreed and the process to ensure contractual obligations are met.
- How additional benefits are identified and delivered to both parties through continuous improvement and partnership models to drive additional value.

### Q9. Contract & Supplier Management

Level Achieved

Developing Area	Improving Area	<b>Good Practice</b>	Advanced Practice
-----------------	----------------	----------------------	-------------------

Q9. Contract & Supplier Management (Sector Results)



### Q10. Contractual Obligations

Level Achieved

Developing Area	<b>Improving Area</b>	Good Practice	Advanced Practice
-----------------	-----------------------	---------------	-------------------

Q10. Contractual Obligations (Sector Results)



## North Lanarkshire Council v All Councils

### Q11: Lessons Learned

This question focuses on what benefits have been delivered through reviewing lessons learned from procurement exercises.

In particular it looks at:

- The process for reviewing, collating and distributing lessons learned as part of continuous improvement.
- That lessons learned have been applied and shared across similar organisations to maximise cross sectoral benefits.

#### Q11. Lessons Learned

##### Level Achieved

Developing Area	Improving Area	Good Practice	Advanced Practice
-----------------	----------------	---------------	-------------------

##### Q11. Lessons Learned (Sector Results)





## Key areas of strength

The PCIP assessment identified the following key areas of strength based on the evidence provided. Please note it is not intended to be an exhaustive list.

Ref	Description
S1	<ul style="list-style-type: none"><li>The council has a clear governance structure with all high value and high-risk procurement influenced by the Corporate Procurement Team. This ensures strong procurement controls and influence.</li></ul>
S2	<ul style="list-style-type: none"><li>There is clear senior management support for procurement across the organisation with procurement clearly supporting the organisation aims of the council. The procurement strategy benefits from wide organisational input and collaboration.</li></ul>
S3	<ul style="list-style-type: none"><li>Risk Management is clearly a key part of the procurement process. Risks are collated and mitigation plans shared.</li></ul>
S4	<ul style="list-style-type: none"><li>Regular senior representation at key high value/strategic supplier meetings. Innovation is facilitated and responsibilities of dedicated contract owners clearly defined.</li></ul>

## Key opportunities for further improvement

The PCIP assessment also highlighted the following key opportunities for further improvement. Please note it is not intended to be an exhaustive list.

Ref	Description
<i>11</i>	<ul style="list-style-type: none"><li>• Develop formal mentoring, coaching, secondment opportunities and similar as an integral part of training. Capture and record benefits directly linked to training investment.</li></ul>
<i>12</i>	<ul style="list-style-type: none"><li>• Ensure climate considerations are embedded within governance processes with clear accountability. Enable cross functional working that supports aligned climate and circular economy ambitions.</li></ul>
<i>13</i>	<ul style="list-style-type: none"><li>• Consider amending governance process to facilitate a more expediated approval process, for example special committees and/or retrospective reporting.</li></ul>
<i>14</i>	<ul style="list-style-type: none"><li>• Ensure that findings from independent project reviews are used to develop and deliver continuous improvement.</li></ul>

## Further information

Scotland Excel would like to thank you for completing the PCIP Pulse Check Assessment 2023/24. We appreciate your organisation's professionalism and are grateful for the preparation and hard work that was provided to support the assessment.

### PCIP assessment information

North Lanarkshire Council Procurement and Commercial Improvement Programme (PCIP) Pulse Check assessment was carried out on 21<sup>st</sup> March 2024.

### What's next

It is proposed that all organisations will undertake a fourth assessment within two to three years. Scotland Excel will be in touch in due course.

In the meantime, Scotland Excel will work with councils to share and discuss examples of best practices by facilitating workshops sessions during August 2024. This will also be supported via the PIP Steering group.

Scotland Excel will continue to work across the sector, and with individual councils to provide a range of support. If you need help with any of the identified opportunities for improvement, please contact us.

### Further information on PCIP

You can find out more about PCIP on the Procurement Journey website here:

<https://www.procurementjourney.scot/pcip/pcip-overview>

### Contact details

For support and further information, please contact your account manager:

### Further information about Scotland Excel

To find out more about Scotland Excel, please visit our website:

[www.scotland-excel.org.uk](http://www.scotland-excel.org.uk)

**SCOTLAND  
EXCEL** 