

PROCUREMENT ANNUAL REPORT 2019/2020

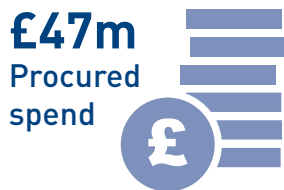


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Scottish Enterprise's Procurement Annual Summary

Looking back at 2019/2020...



Introduction

The Procurement Reform (Scotland) Act 2014 sets out how Scottish public bodies, including Scottish Enterprise (SE), buy their goods, works and services using effective and efficient public procurement. The Act requires SE to publish an annual Procurement Strategy explaining how we intend to carry out our regulated procurement work (procurements of £50k and over).

The Act also requires us to publish an annual Procurement Report detailing how our procurement activities and performance have complied with our Procurement Strategy for that year. This Annual Report demonstrates our delivery against our Procurement Strategy and those commitments for the period 1 April 2019 to 31 March 2020.

At the end of 2019/20 COVID-19 was spreading about the world. Since then Scottish Enterprise, working in partnership, has been providing appropriate support and guidance to businesses to enable them to get through this difficult period. SE's Procurement team has been and will continue to work to ensure we can undertake this work in accordance with the relevant Scottish Procurement Policy Notes (SPPN). In line with the Act, this Procurement Annual Report reflects the procurement work of Scottish Enterprise in 2019/20, before the Scottish economy was affected by COVID-19 and before the responding shift of Scottish Enterprise's priorities due to the pandemic.

Our Strategic Priorities

'Protecting Scotland's Future: The Government's Programme for Scotland 2019-2020, Scotland's Economic Action Plan' and the Enterprise and Skills Strategic Board's Action Plan, set out our ambition, working with our partners, to create a more successful country, with opportunities for all of Scotland. The Scottish Enterprise (SE) Strategic Framework 2019-22, 'Building Scotland's Future Today' presented clearly our priorities, areas of focus and what we intended to deliver as an organisation. It built on our achievements in recent years and highlighted how we would work with partners to support Scotland's sustainable long-term economic growth.

As part of our work to ensure SE's procurement activity benefits Scottish communities further, in 2019/20 SE Procurement reviewed our approach to contracting, placing a greater emphasis on creating opportunities for local and regional suppliers. Before implementing this collaborative approach to Community Wealth Building, we reviewed available evidence from similar approaches elsewhere and developed our own baseline to ensure that we could measure progress.

"...procurement is a powerful tool helping us shape and deliver our ambitions for an inclusive society where the benefits of economic prosperity are shared."¹

In 2019/20 SE further embedded sustainability into our procurement activity. The sustainable procurement duty, outlined in the Procurement Reform (Scotland) Act 2014, required that before SE buys anything, we must think about how we can improve the social, environmental and economic wellbeing of Scotland and its people, with a particular focus on reducing inequality, facilitating the involvement of SMEs, third sector bodies and supported businesses, as well as promoting innovation.

1. Annual report on procurement activity in Scotland: 2019

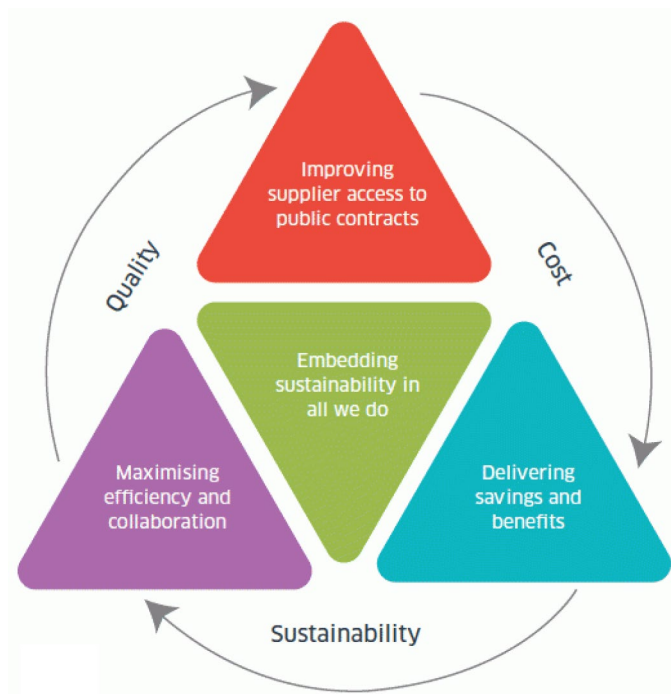
www.gov.scot/publications/annual-report-procurement-activity-scotland-2019/pages/1/

Our Approach to Procurement

Our Procurement Strategy 2019/20 set out how we planned to carry our regulated procurement work. During the period 2019/20, all regulated contracts were awarded in a way that meets the policies and standards set out in that strategy, and throughout this report we explain how this has been achieved.

SE Procurement follows the 'Scottish Model of Procurement', using the Scottish Government's Procurement Journey as the basis for our operations. Our policy is, except in exceptional circumstances to advertise tender opportunities above £50k, excluding VAT, on the Public Contracts Scotland portal to reach the widest possible number of potential suppliers.

SE has used collaborative Framework Agreements developed by the Scottish Procurement and Commercial Directorate, and Crown Commercial Services where appropriate. Where no appropriate frameworks are available, for regulated procurement (over £50k), the Procurement team has worked with our internal customers to develop and procure standalone contracts. We have used the open procedure for most of our regulated procurement activity. This increases opportunities for suppliers (SMEs in particular) and reduces paperwork and timescales. We have continued to award our contracts based on the Most Economically Advantageous Tender (MEAT), considering a balance between price and quality in all procurement decisions.



2. Scottish Model of Procurement

www.gov.scot/publications/scottish-government-procurement-strategy-2017-2019/pages/4/

Summary of Regulated Procurement Completed

Our contracts continue to deliver a range of economic, social and environmental benefits which support the Scottish economy. In 2019/20 there were 51 regulated procurement projects with a value of £23.8m. As a number of our procurements were multi lot tenders, the 51 projects resulted in 72 contracts being awarded to 60 unique suppliers. During the reporting period our contracts generated savings of £1.2 million. Of those contracts, six were collaborative contracts let in cooperation with other organisations and four contracts were awarded without a competitive procurement process. A full summary of regulated procurement data can be found in [Annex 1](#).

	2018/19	2019/20
Regulated Contracts Awarded ³	99	72
Value of Regulated Contracts Awarded £	£46m	£23.8m
Spend £ ⁴	£36m	£47m
Savings £	£1.6m	£1.2m
Savings %	4%	2.6%
% spend in Scotland ⁵	76%	69%

3. Contract value of the top 20 high value procurements in 2018/19 was almost double the value of 2019/20 top 20 high value procurements.

4. A new Purchase Order system was introduced in February 2019. All reported spend from that date includes VAT

5. Source: Community Wealth Building Analysis Report 2019/20.



Aberdeen harbour South Harbour

Analysis of the procurement processes undertaken:

Procedure	2018/19	2019/20
Open	30	23
Restricted	2	0
Framework Call off	21	20
Extension	1	2
Single tender	8	4
VEAT	1	2
Total	63	51

Of the 23 tenders using the open procedure, 16 were route 2 and seven were route 3. There were 20 call offs from frameworks.

- nine from Scottish Government frameworks
- six from Crown Commercial Services frameworks
- four from Scottish Enterprise's internal frameworks
- one from an Eastern Shires Purchasing organisation framework

There were four single tenders, two were for exhibition stand space where there was only one supplier who could provide the service, one was commercially confidential (a stock market transaction that could not be advertised for commercial/legal reasons) and one was for a unique online service. There were two VEAT (Voluntary Ex-Ante Transparency) notices for extensions to tax services and digital decommissioning services.

A summary of the contracts awarded in 2019/20 are in [Annex 2](#). Details of our contract awards are available on the Public Contracts Scotland website. To ensure transparency and to assist prospective suppliers, existing suppliers and other stakeholders, the Procurement section on the Scottish Enterprise website contains more information on our approach to procurement such as our Procurement Strategy, our Procurement Forward Plan and our suite of standard terms and conditions.

Review of Regulated Procurement Compliance

Our Procurement Strategy 2019/20 outlined how we intended to carry out regulated procurement projects. During this period, all regulated contracts were awarded in a way that complied with the policies and procedures set out in that document.

We have worked with internal and external stakeholders and the supply chain, collaborated across the public sector, undertaken a continuous improvement review and further developed the SE Procurement team. We have measured our progress through customer and supplier surveys, and external evaluation through the Scottish Government assessment.

Our collaboration

Working collaboratively, with external stakeholders and partners can bring opportunities such as improved projects and savings, though there are potential risks too, such as extended timescales. In 2019/20, SE has undertaken collaborative procurements with public sector partners such as Scottish Government, South of Scotland Enterprise, and Highlands and Islands Enterprise. In the period covered by this annual report we have undertaken six collaborative procurement projects.

More widely, and to continue to develop and improve Scottish public sector procurement, SE Procurement has continued working with Scottish Government and our public sector partners. In 2019/20, SE has supported and contributed to the Procurement Collaboration Group, managed one of the Central Government Sector Best Practice Cluster Groups aimed at sharing relevant knowledge across the sector, and worked with others including Ayrshire Councils' on Community Wealth Building. We have assisted where requested, with Scottish Government User Intelligence Groups for specific collaborative tendering activities.

To ensure that we continue to keep up to date and incorporate current good practice, members of the Procurement team attended the Annual Scottish Procurement Conference, Procurex in October 2019.

Procurement and Commercial Improvement Programme (PCIP)

The Scottish Government undertook Procurement and Commercial Improvement Programme (PCIP) assessments across public sector organisations to ensure continuous improvement through review and benchmarking, and to embed best practice across the public sector procurement community. SE underwent a PCIP assessment in July 2019 and was ranked in the highest performance band available.

Innovation in Procurement

SE has continued to encourage innovation by using output-based specifications, dis-aggregating requirements and accepting variant bids where appropriate. We understand that small and medium enterprises (SME's) can often offer innovation as well as value for money, therefore we have worked to reduce barriers to allow SME's to access SE's procurement opportunities. The Procurement team has worked collaboratively with other relevant public sector organisations to develop innovative solutions and we sit on the Scottish Government's Procurement Innovation Leadership Group and sub-group. This group aims to improve and further develop the Scottish public sector's approach to the procurement of innovation by assessing the potential for innovative solutions to challenges across the Scottish public sector.



Our Procurement team

SE has ensured that the Procurement team have the professional skills, knowledge, qualifications and experience to undertake their work professionally. We have continued to invest in their skills and capability development through the SG Procurement Competency Framework and individual annual development plans. The plans include flexible and ongoing learning which is important in maintaining a responsive and up to date team. In 2019/20, the SE Procurement team has undertaken annual EU procurement training, sustainability training and code of conduct training.

There has been and will continue to be a focus on developing the Procurement team professionally to ensure they have both the skills and knowledge to maximise the benefits of procurement to SE.

- the Head of Procurement holds a specialist MBA with Procurement
- the Team Leader has an MSc in Procurement.
- six members of the Procurement team are members of the Chartered Institute of Procurement and Supply (MCIPS)
- two members of the Procurement team are working towards MCIPS.

To further ensure that we have the skills to deliver the specific specialist needs of our internal customers, two members of the team are Chartered members of the British Institute of Facilities Management, two hold a BSc in Quantity Surveying, two have Business degrees, one has a Law degree and one has a degree in Economics and Sociology.

Our scheme of 'delegated purchasing authority', means that all staff who procure have undergone annual procurement training. Delegated authority is only given to those who can demonstrate they have the right skills, competencies and knowledge of our procurement policies and procedures.

Our customer and supplier surveys

During 2019/20, the Procurement team issued surveys to both internal customers and suppliers after each regulated procurement project. This was to gauge the levels of satisfaction with both the service received and the procurement process. The responses to the internal survey have shown that the Procurement team is meeting our internal customer needs, with 100% of those who replied saying that they felt that the Procurement team added value, worked effectively and were proactive throughout the procurement exercise. The responses to the supplier survey were equally positive with the suppliers who responded saying that they felt that the process was clear to follow and that they were fairly and equally treated.

	2018/19	2019/20
Internal Customer satisfaction (%)	100	100
Supplier Satisfaction (%)	100	100

As with previous years, in 2019, SE participated in the Scottish Meet the Buyer event, an event designed to help prospective and existing suppliers understand and access public sector procurement and SE's procurement opportunities.



Contract and Supplier Management

In 2018/19, the Procurement team undertook contract management training. In 2019/20 we have strengthened our contract management guidance for Project Managers within our procedures and processes to ensure they are aware of good practice within the Procurement Journey. Project Managers monitor their projects including the associated contracts to ensure compliance and that outputs are delivered. As part of this, we require Project Managers to report on specific policy objectives including the forecast and delivery of Community Benefits. We continue to work with other teams within SE to further develop and strengthen contract and supplier management as well as outcomes reporting.

Our Continuous Improvement

When necessary, we take account of additional guidance such as Scottish Procurement Policy Notes (SPPNs) from Scottish Government and the various Scottish Government working groups.

In 2019/20, the Procurement team set up the Content Review Group with the remit to review all our processes and procedures to incorporate best practice, improve internal guidance, minimise administration and digitise our procedures where possible. This work is ongoing.

Sustainable Procurement

In 2018/19, we published the SE Sustainable Procurement Strategy 2019/22. This set out how we intended to ensure best practice and to meet our legal and financial obligations, achieve wider economic, social and environmental benefits, and consider sustainability through our procurement lifecycle. In line with the Climate Change Duties, SE Procurement has encouraged our project managers to act in a way that is most sustainable by asking relevant questions at the outset of a procurement project. To support this for each regulated procurement project, in 2019/20 we have developed sourcing strategies that include the SG Sustainability Test.

Identified through completion of the SG's sustainability test, we have continued to consider the whole life cost and environmental impact of construction projects as appropriate including:

- Specifying high BREEAM ratings for sustainable design and construction where appropriate
- Encouraging recycling and the reuse of materials
- Maximising the use of materials from sustainable sources in accordance with the government buying standards.
- Considering EPC ratings during the procurement of construction contracts where relevant.

Further, SE is required to assess relevant works contracts for Building Information Modelling (BIM). BIM uses digital technology to improve the sharing and analysis of data during the construction and operational phase of projects. Additionally, for any Regulated works, construction or building related contracts, SE has also committed to undertaking a detailed Whole Life Cost (WLC) analysis using the Scottish Futures Trust WLC Appraisal Tool.

In 2019/20, we have also worked to reduce consumption of paper, energy, water and generation of waste where possible, and to reuse or reallocate materials to avoid over-consumption. We have also considered Fair Trade or equivalent products wherever relevant and have worked to reduce the use of single use plastics. In addition, our Environmental Management System has been certified to ISO14001 standard since 2017.

Small and Medium Enterprises (SMEs)

Our 2019/20 Procurement Strategy encouraged SMEs to bid for contracts by reducing barriers to allow SME's to access SE's procurement opportunities, splitting larger contracts where appropriate, ensuring that financial thresholds and other short-listing criteria do not unreasonably discriminate against participation by SME's and ensuring equality through our processes. We continue to have over 50%contracted spend with SMEs. This is in line with our Sustainable Procurement Strategy and our Community Wealth work.

“We recognise that businesses including SMEs are critical to the economic health of the country.”⁶

	2018/19	2019/20
% contracted spend with SME's (%)	59	51

6. Annual report on procurement activity in Scotland: 2019

www.gov.scot/publications/annual-report-procurement-activity-scotland-2019/pages/7/

Fair Work First

We have incorporated evaluation of workforce matters into all tenders where the use of labour is key to the delivery of the contract. SE is a Real Living Wage Employer. We are committed to promoting the use of the Real Living Wage and this is reflected throughout our tender processes. Where suppliers have staff working on SE premises, we ensure that these employees are being paid the Real Living Wage. Also, we monitor the use of zero hours contracts to ensure that these are not used by our suppliers in an inappropriate manner in the delivery of any services to SE. The SE Strategic Framework 2019/22 recognises that SE has an important role to play in promoting Scotland's Business Pledge and creating sustainable economic growth. We include questions on the real living wage, the use of zero hours contracts and Business Pledge Accreditation within our tenders for the purposes of monitoring and reporting on these. The figures below demonstrate that we are making real progress in ensuring Fair Work practices are embraced by our supply chain.

	2018/19	2019/20
% of contracted suppliers committed to paying the Real Living Wage	47	60
% of contracted suppliers committed to no inappropriate use of zero hours	52	55
% of contracted suppliers with Business Pledge accreditation	12	33



SCOTTISH
**Business
 Pledge**

Community Benefits

Community Benefits are an important element of the sustainable procurement duty. They can be used to build economic, social and environmental benefits into the delivery of public sector contracts in Scotland. Within our standard invitation to tender for regulated procurement projects SE states that we expect suppliers to provide a Community Benefits proposal within tender returns.

During the period of the Annual Report, 26 regulated procurement projects have proposed community benefit activities as a result of having been awarded an SE contract. Through following up on existing contracts with community benefit clauses for the 2019/20 period, 27 suppliers reported they have delivered over 100 community benefit activities as detailed below:

Community Benefit Activity Undertaken ⁷	Number
Apprenticeships	3
Charitable donations	8
Engagement with schools, colleges, and/or universities	26
Mentoring	6
Placements	2
Professional advice, Mentoring and support provided to the community	35
Sponsorship	1
Subcontracting to SMEs	8
Volunteering	10
Work experience	4
Total	103

7. It was reported by a number of suppliers that COVID-19 had interrupted their planned community benefit activities.

Supported Businesses and Third Sector

Our 2019/20 Procurement Strategy noted the importance of providing opportunities for Supported Businesses and third sector organisations to participate in public procurement and SE is committed to working with Supported Businesses and third sector organisations where possible. Procurement legislation defines Supported Businesses as businesses for which the core purpose is the social and professional integration of disabled or disadvantaged persons and where at least 30% of the employees of those businesses are disabled or disadvantaged people. To this end, in 2019/20 we have awarded 11 contracts to Supported Businesses with a total value of £144,782.91.

Of particular note, in 2019/20, was the procurement of our meeting room hospitality framework. The third sector organisation, Social Bite, won two of the lots to provide catering for meetings for four of our Central Belt offices. Social Bite is a Social Enterprise offering all profits to good causes and free food to those who find themselves homeless.



They are also a Scottish Government designated Supported Business, offering employment within their organisation to people who have been homeless. Further, Social Bite helped us towards our sustainability objectives by providing reusable platters, recyclable packaging and locally sourced ingredients.

	2018/19	2019/20
No. of contracts awarded to a Supported Business	15 ⁸	11 ⁹
Total Value of contracts awarded to Supported Businesses	£171K	£145K

8. No regulated procurements were carried out in 2018/19, these were call offs from the Supported Businesses framework, quick quotes or NCA.

9. No regulated procurements were carried out in 2019/20, these were call offs from the Supported Businesses framework, quick quotes or NCA.

Equality

The Fairer Scotland Duty, Part 1 of the Equality Act 2010, came into force in Scotland in April 2018. This requires public authorities, in the exercise of their functions, to have due regard to how they can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions. Equality Act 2010 and the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012, require us to consider equality throughout our tender processes such as undertaking an Equality Impact Assessment. In 2019/20, project managers have carried out Equality Impact Assessments (EQIA) on relevant regulated procurements which has helped to ensure that equality is better reflected in our contracts. This work has included encouraging bids from companies owned by under-represented groups and ensuring that our services serve the needs of under-represented groups in the community more effectively.

Suppliers are required to provide details of any equality policies and systems that they have in place that will be utilised when delivering the contract. This is included in our standard terms and conditions. Discrimination in relation to the treatment of workers in the main contract and sub-contracts is also addressed in tender documentation and our standard terms and conditions.

Management of Risk including Fraud

The Procurement team has continued to maintain high standards of compliance with policy, procedures and process. Our procurement activity is audited by SE internal Audit several times a year and the results of these audits are consistently positive, confirmed by the fact that no category “A” recommendations have been made in the last eight years.

In addition, the Procurement team has continued to undertake quarterly audits of low value procurement across SE and these audits have consistently demonstrated high levels of compliance. Where issues are identified, the Procurement team follow up with the relevant project manager to ensure that where appropriate, additional training is given, improvements are identified and implemented.

We have a Risk Management Policy and Procedure, with guidance for risk management available at project level via SE’s Project Lifecycle guidance. In relation to procurement, a risk assessment has been undertaken for each regulated procurement project with risk management allocated to relevant individuals. We have a divisional risk register and, where required, these have been escalated to the SE corporate risk register in line with SE’s Risk Management arrangements.

We have continued to identify, manage and control risk by developing policy and procedures that also consider operational efficiency and effectiveness along with compliance. The Procurement team has considered risk proportionately in their activities – for example, ensuring that financial thresholds and other short-listing criteria do not unreasonably discriminate against participation by SME’s.

To support our approach to risk management, we have a named procurement anti-fraud champion and a procurement anti-fraud senior responsible owner. All SE staff are bound by SE’s code of conduct policy. Additionally, and in line with the Bribery Act 2010, we include an anti-corruption and anti-bribery clause in our standard terms and conditions. SE has a Counter Fraud Policy which outlines how fraud may occur and be identified, who is responsible for reporting fraudulent activity and who to report it to. Appropriate preventive mechanisms, including separation of duties, are in place to counter the risk of fraud.

SE has a comprehensive whistle-blowing policy which encourages employees to raise concerns about possible improprieties in the conduct of our business – whether in matters of financial reporting or other malpractices – at the earliest opportunity and in an appropriate way. In line with good practice there is an internal contact and an external helpline which provides anonymity if necessary.

We are committed to paying our suppliers promptly and include a clause in our standard terms and conditions stating that we will pay undisputed invoices within 30 days from receipt. Additionally, to ensure that this flows through the supply chain, we have included

a clause, in our standard terms and conditions, stating that any work sub-contracted under the contract must be subject to a clause requiring the payment of the sub-contractor within 30 days of receipt of a valid invoice. SE policy is to pay valid invoices within 10 working days for all suppliers. In the year ended 31 March 2020, Scottish Enterprise paid 81% (2019: 76%) of suppliers' invoices within the standard. The average number of days taken to pay valid invoices during the year was 8.3 days (2019: 9.8 days). We will continue our commitment to pay undisputed invoices within 10 days.

Health and Safety

We recognise the importance of ensuring that we comply with the Health and Safety at Work Act etc. 1974 and have a comprehensive Health and Safety Policy and associated guidance/procedures which relate to staff and contractors. Health and Safety policies and associated information are requested where relevant from contractors and suppliers as part of the procurement process. Further Health and Safety policies are covered in our standard terms and conditions to ensure that contractors and suppliers comply with all relevant Regulations and best practice.



Procuring Food

There are very few circumstances where SE buys food directly. In 2019/20 our meeting room hospitality framework met those requirements and achieved a range of benefits, such as healthy eating and nutrition, promoting fresh, seasonal, fairly traded and local produce and to UK buying standards. These standards take account of factors including, production, traceability, authenticity, origin, ethical trading, animal welfare, environmental standards and health and waste.

Future Regulated Procurement

In accordance with the Procurement Reform (Scotland) Act 2014, we have published our planned regulated procurement work for 2020/21 and 2021/22. However, at the beginning of 2020/21, it became apparent that SE needed to reassess our priorities and adapt rapidly to assist businesses and support the wider economy in light of COVID-19. This work is continuing and therefore, our list of future procurement projects is being developed and flexed, on an ongoing basis, to respond to changing priorities. The forward plan has been compiled through co-ordination between the Procurement team and the other teams within SE. Consistent with previous years, we will update our forward plan on a six-monthly basis, and this will be published on [scottish-enterprise.com](https://www.scottish-enterprise.com). At present, in the next two years we anticipate starting around 86 procurements. A full list of known regulated procurements is in [Annex 3](#).

The owner of this Procurement Annual Report 2019/20 on behalf of the Scottish Enterprise is Phil Martin, our Head of Facilities Management, Procurement and Risk.

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Glen Affric - @scotent



@scotent

ANNEX 1

Annual Procurement Report template

1. Organisation and report details	
a) Contracting Authority Name	Scottish Enterprise
b) Period of the annual procurement report	01/04/19 - 31/03/20
c).Required by s18 Procurement Reform (Scotland) Act 2014 to prepare an annual procurement report? (Yes / No)	Yes
2. Summary of Regulated Procurements Completed	
a) Total number of regulated contracts awarded within the report period	72
b) Total value of regulated contracts awarded within the report period	£23,761,463
c) Total number of unique suppliers awarded a place on a regulated contract awarded during the period	60
i) how many of these unique suppliers are SMEs	39
ii) how many of these unique suppliers how many are Third sector bodies	3
3 Review of Regulated Procurements Compliance	
a) Number of regulated contracts awarded within the period that complied with your Procurement Strategy	72
b) Number of regulated contracts awarded within the period that did not comply with your Procurement Strategy	None
4. Community Benefit Requirements Summary	
Use of Community Benefit Requirements in Procurement:	
a) Total Number of regulated contracts awarded with a value of £4 million or greater.	1
b) Total Number of regulated contracts awarded with a value of £4 million or greater that contain Community Benefit Requirements.	0
c) Total Number of regulated contracts awarded with a value of less than £4 million that contain a Community Benefit Requirements	26
Key Contract Information on community benefit requirements imposed as part of a regulated procurement that were fulfilled during the period:	
d) Number of Jobs Filled by Priority Groups (Each contracting authority sets its own priority groups)	0
e) Number of Apprenticeships Filled by Priority Groups	0
f) Number of Work Placements for Priority Groups	0
g) Number of Qualifications Achieved Through Training by Priority Groups	0
h) Total Value of contracts sub-contracted to SMEs	N/K
i) Total Value of contracts sub-contracted to Social Enterprises	N/K
j) Total Value of contracts sub-contracted to Supported Businesses	N/K
k) Other community benefit(s) fulfilled	103
	Cont.

ANNEX 1 (continued)

Annual Procurement Report template

5. Fair Work and the real Living Wage	
a) Number of regulated contracts awarded during the period that have included a scored Fair Work criterion.	12
b) Number of unique suppliers who have committed to pay the real Living Wage in the delivery of a regulated contract awarded during the period.	36
c) Number of unique suppliers who are accredited Living Wage employers and were awarded a regulated contract awarded during the period.	16
d) Number of unique suppliers who have signed up to the Scottish Business Pledge and were awarded a regulated contract awarded during the period.	20
6. Payment performance	
a) Number of valid invoices received during the reporting period.	14,419
b) Percentage of invoices paid on time during the period ("On time" means within the time period set out in the contract terms.)	80.96%
c) Number of regulated contracts awarded during the period containing a contract term requiring the prompt payment of invoices in public contract supply chains.	72
d) Number of concerns raised by sub-contractors about the timely payment of invoices within the supply chain of public contracts.	N/K
7. Supported Businesses Summary	
a) Total number of regulated contracts awarded to supported businesses during the period	0
b) Total spend with supported businesses during the period covered by the report, including:	£173,148.85
i) spend within the reporting year on regulated contracts	0
ii) spend within the reporting year on non-regulated contracts	£173,148.85
8. Spend and Savings Summary	
a) Total procurement spend for the period covered by the annual procurement report.	£47,175,598
b) Total procurement spend with SMEs during the period covered by the annual procurement report.	£23,885,005
c) Total procurement spend with Third sector bodies during the period covered by the report.	£592,707
d) Percentage of total procurement spend through collaborative contracts.	12%
e) Total targeted cash savings for the period covered by the annual procurement report	4%
i) targeted cash savings for Cat A contracts	-
ii) targeted cash savings for Cat B contracts	-
iii) targeted cash savings for Cat C contracts	-
f) Total delivered cash savings for the period covered by the annual procurement report	£1,220,128.76
i) delivered cash savings for Cat A contracts	£822,093.28
ii) delivered cash savings for Cat B contracts	£17,188.92
iii) delivered cash savings for Cat C contracts	£380,846.56
g) Total non-cash savings value for the period covered by the annual procurement report	£138,000
9. Future regulated procurements	
a) Total number of regulated procurements expected to commence in the next two financial years	86
b) Total estimated value of regulated procurements expected to commence in the next two financial years	£65,549,167

ANNEX 2

Regulated procurement projects completed in 2019/20

Contract Title	Contract Award Notice Publication Date *	Contract Start Date	Contract End Date (excluding extension period)	Appointed Supplier Name	Contract Value
Cyber Voucher Scheme	10/02/19	01/11/19	30/09/20	Targeting Innovation	£54,930
Specialist Digital Resource	10/05/19	15/05/19	15/11/19	Parity professionals Ltd	£700,000
				BE-IT	
				Calba Limited	
				People Source	
				James Harvard	
Due diligence-co. in distress	20/06/19	20/06/19	12/07/19	Ernst & Young LLP	£61,197
R&D Grant Technical Due Diligence	01/07/19	01/07/19	30/06/22	Optimat	£396,000
				LCG Limited	
Leadership Development	09/07/19	12/08/19	11/08/20	Franklin Covey	£88,215
Preparing to Raise Venture Capital Investment	10/07/19	04/07/19	04/07/22	Maryanne Johnston	£75,000
Provision of information and support for the Global Business Services sector in Scotland	13/08/19	12/08/19	11/08/20	Everest Group Consulting Ltd	£165,000
US Market-Scottish MedTech and Digital Health companies	13/08/19	12/08/19	11/08/22	AVIA	£123,420
Abu Dhabi International Petroleum Exhibition and Conference 2019 - Stand Space	16/08/19	11/11/19	14/11/19	DMG Events	£57,220
				DMG World Media Abu Dhabi Ltd	
SE Property Portfolio Valuation Service	19/08/19	06/08/19	31/07/22	Montagu Evans	£220,000
America Healthcare	20/08/19	01/10/19	30/09/22	Future Value Associates Ltd	£1,546,730
Energy Market Expert Support Framework	22/08/19	05/08/19	05/08/22	Synergie Environ Limited	£175,000
				Locogen Limited	
				Xodus Group	
				Cenex	
MIPIM 2020 and MIPIM 2021 - Stand Design and Build	29/08/19	02/09/19	31/03/20	JNM Exhibition Services	£183,400
Brexit Events - Event Management	04/09/19	02/09/19	01/09/20	Metro Broadcast Ltd	£100,000

* Either awarded through Public Contracts Scotland between 1st April 2019 and 31st March 2020, or otherwise concluded.

Cont.

ANNEX 2 (continued)

Regulated procurement projects completed in 2019/20

Contract Title	Contract Award Notice Publication Date *	Contract Start Date	Contract End Date (excluding extension period)	Appointed Supplier Name	Contract Value
SE Property Asset Management	12/09/19	21/08/19	30/06/23	Colliers International	£2,869,063
Brexit Events and Information Services Framework	13/09/19	03/09/19	02/09/20	Institute of Export and International Trade	£150,000
Seafood Expo Global 2020 - Stand Space	16/09/19	21/04/20	23/04/20	Diversified Communications	£275,000
Scottish Manufacturing Advisory Service (SMAS) Conference 2020	26/09/19	23/09/19	30/06/20	Speakeasy Productions	£65,890
Advancing Manufacturing Challenge Fund (AMCF) project assessment Framework	01/10/19	02/09/19	29/11/19	Optimat Limited Frontline Consultants	£99,000
Data quality and Reporting	01/10/19	26/08/19	31/03/20	James Harvard Ltd	£603,200
Decommissioning Services	01/10/19	19/08/19	31/07/21	Dog Digital	£192,000
Future Industry Leadership Programme (FILP)	01/10/19	24/09/19	23/09/22	UQ Consulting Ltd	£76,734
International Networks Expansion – BA	01/10/19	26/08/19	31/03/20	James Harvard Ltd	£136,600
Oil & Gas activity survey	01/10/19	27/08/19	26/08/22	Aberdeen & Grampian Chamber of Commerce	£69,420
Print Services	01/10/19	20/06/19	19/06/21	APS Group (Scotland) Ltd	£800,000
Scottish Investment Bank (SIB) to Scottish National Investment Bank (SNIB) transition Project	01/10/19	15/07/19	14/07/20	ASA Recruitment	£64,505
Single Entry Point	01/10/19	26/08/19	31/03/20	James Harvard Ltd	£363,400
Dumfries AV Equipment	04/10/19	04/10/19	11/10/19	Computacentre	£60,000
Scotland/Canada Ocean Technologies R&D Platform	09/10/19	14/10/19	13/10/22	Subsea UK	£175,000
Catering Supplies	31/10/19	16/10/19	15/10/22	Tchibo Coffee International Ltd	£110,000
				Walkers Shortbread Ltd	
Business Response Framework	18/11/19	20/10/19	19/10/22	Ernst & Young LLP	£1,750,000
				Grant Thornton	
				KPMG	
				Scott-Moncrieff	

* Either awarded through Public Contracts Scotland between 1st April 2019 and 31st March 2020, or otherwise concluded.

Cont.

ANNEX 2 (continued)

Regulated procurement projects completed in 2019/20

Contract Title	Contract Award Notice Publication Date *	Contract Start Date	Contract End Date (excluding extension period)	Appointed Supplier Name	Contract Value
Venue finding	18/11/19	01/12/19	30/11/22	Execspace	£1,600,000
Mobile World Congress 2020 & 2021 - Stand Design & Build	20/11/19	11/11/19	02/03/20	Rocket Exhibition & Events Ltd	£94,113
Gulfood 2020 & 2021 - Stand Design & Build	06/12/19	11/12/19	28/02/20	JNM Exhibition Services	£65,400
Water and Waste-Water services	09/12/19	09/12/19	-	Anglian Water	£230,000
Employee Benefits	13/12/19	12/11/19	11/11/22	Edenred (UK Group) Ltd	£96,000
Seafood Expo Global 2020 - Stand Design & Build	20/12/19	13/12/19	30/04/20	Global Experience Specialists	£624,600
South of Scotland Property Study	07/01/20	09/01/20	31/03/20	Ryden LLP	£71,120
Tax Advisory Services	08/01/20	01/01/20	31/03/20	Ernst & Young	£220,000
Media Buying for Scotland	09/01/20	03/01/20	31/08/23	The Media Shop Scotland Ltd	£2,000,000
Media Buying for Overseas	10/01/20	03/01/20	31/08/23	Carat Scotland	£5,500,000
Ecommerce Cluster Integrator	15/01/20	02/12/19	02/07/20	Ecommerce Excellence	£74,700
Principally Women - Leadership and Confidence Masterclasses for Women	28/01/20	21/01/20	20/01/21	Elevator	£170,000
				The Leadership Factory	
				Connect Three Solutions	
				Adult Learning Improvement Network (ALIN)	
International Networks Digital Solution	29/01/20	27/01/20	31/02/23	Ember Technology	£101,400
Industrial Biotechnology Network Integrator	31/01/20	01/04/20	31/03/23	Industrial Biotech Innovation Centre, IBioIC, (University of Strathclyde)	£279,736
Energy Park Fife - Supervisor and Project Management Services	06/02/20	07/10/19	31/03/21	Ironside Farrar	£72,500
Attracting Capital: Specialist Resource	27/02/20	16/03/20	15/03/21	Green Park Interim and Executive Ltd	£338,580
Commercially (Confidential)	19/03/20	01/05/20	01/09/20	-	£107,000
Hydrogen Vision for Scotland	30/03/20	18/02/20	31/05/20	Ove Arup & Partners Limited	£147,117
Online Platform	31/03/20	01/04/20	31/03/21	UserZoom	£65,150
CRM	-	28/08/19	27/11/19	BE-IT Resourcing	£79,920

* Either awarded through Public Contracts Scotland between 1st April 2019 and 31st March 2020, or otherwise concluded.

ANNEX 3

Forward plan of regulated procurement projects

Contract Title	New/ Re tender/ Call off	Anticipated Contract Notice Publication Date	Anticipated Contract Award Date	Anticipated Start Date
Cleaning, Waste Management & Security Services	Re tender	Aug-20	Sep-20	Oct-20
Edinburgh Bio-Quarter Diligence Part 1	New	Aug-20	Sep-20	Sep-20
Loch Lomond Shores - Managing Agent Appointment	Re tender	Aug-20	Oct-20	Oct-20
Scottish Enterprise Portfolio - H&S Consultancy & Risk Assessments	Re tender	Aug-20	Oct-20	Nov-20
Consortium Expert Support Framework	Re tender	Sep-20	Feb-21	Mar-21
IP Due Diligence Framework	Re tender	Sep-20	Nov-20	Nov-20
Organisational and Workplace Innovation Review Framework Technical &	Re tender	Sep-20	Feb-21	Mar-21
Commercial Due Diligence Framework	Re tender	Sep-20	Nov-20	Nov-20
Workplace Innovation Workshops Framework	Re tender	Sep-20	Feb-21	Mar-21
Planned, Preventative and Reactive Maintenance	Re tender	Sep-20	Nov-20	Jan-21
Legal Services Framework (2020-24) (with HIE and SoSE)	Re tender	Sep-20	Nov-20	Dec-20
SPRITE: Sustainable Mobility Cluster Builder	New	Sep-20	Oct-20	Oct-20
Photographic Management Services Framework	Re tender	Sep-20	Jan-21	Jan-21
Advanced Certificate in International Trade	Re tender	Sep-20	Oct-20	Nov-20
Compressed Book and Video Talk Provision	Re tender	Sep-20	Jan-21	Feb-21
Pensions – Administrative, Actuarial and Ancillary Services and Investment Consulting	Re tender	Sep-20	Dec-20	Mar-21
Project Development and Management Courses	Re tender	Sep-20	Feb-20	Mar-21
Edinburgh Bio-Quarter - Security Personnel	Re tender	Sep-20	Dec-20	Jan-21
Scottish Enterprise Portfolio - Cleaning (Alba/D10)	Re tender	Sep-20	Jan-21	Feb-21
Scottish Enterprise Portfolio - Lifts	Re tender	Sep-20	Jan-21	Feb-21
Scottish Enterprise Portfolio - M&E (PPM & Reactive) + Security Systems + Fire Maintenance	Re tender	Sep-20	Nov-20	Dec-20
Scottish Enterprise Portfolio - Waste Management & Recycling	Re tender	Sep-20	Dec-20	Jan-21
Strategy Planning Workshops Framework	Re tender	Oct-20	Feb-21	Mar-21
Scottish Enterprise Research Databases	Re tender	Oct-20	Mar-21	Apr-21
Cloud Service Provider	Call Off	Oct-20	Nov-20	Nov-20
Facilities Management - Office Support	Re tender	Oct-20	Mar-21	May-21
Ocean Power Innovation Network	New	Oct-20	Nov-20	Jan-21
Edinburgh Bio-Quarter - AV Equipment	Re tender	Oct-20	Mar-21	Apr-21
SE Pensions advice	Re tender	Nov-20	Apr-21	Jun-21

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ANNEX 3 (continued)

Forward plan of regulated procurement projects

Contract Title	New/ Re tender/ Call off	Anticipated Contract Notice Publication Date	Anticipated Contract Award Date	Anticipated Start Date
All Energy 2021 - Stand Design & Build	Call Off	Nov-20	Dec-20	May-21
Managing People For Growth Framework	Re tender	Jan-21	Jun-21	Jul-21
High Growth Start-Up Advisors	Re tender	Jan-21	Jun-21	Jul-21
International Investment Database (Re-tender)	Re tender	Jan-21	May-21	Jun-21
Searchable Database of UK Companies	Re tender	Jan-21	May-21	Jun-21
Postal Services	Re tender	Jan-21	Mar-21	Jun-21
Digital Marketing Services	Call Off	Jan-21	Mar-21	Mar-21
BIO 2021 - Stand Design & Build	Call Off	Jan-21	Feb-21	Jun-21
Offshore Europe 2021 & 2023 - Stand Design & Build	Call Off	Jan-21	Mar-21	Sep-21
Provision of a Company Sponsored Cash Benefits Healthcare Plan	Re tender	Jan-21	May-21	Jun-21
Domain Name Management	New	Jan-21	May-21	Jun-21
UK Banking Services	Call Off	Jan-21	May-21	Jun-21
Provision of information and support for the Global Business Services sector in Scotland	New	Jan-21	Jul-21	Aug-21
Bio-Quarter Private Sector Partner Procurement	Re tender	Mar-21	Nov-22	Dec-22
Print Services and Exhibition Logistics	Re tender	Mar-21	Sep-21	Sep-21
Edinburgh Bio-Quarter Diligence Part 2	Re tender	Apr-21	May-21	Jun-21
SDI Technical Support Framework	Re tender	Apr-21	Oct-21	Nov-21
Insurance Brokers Call off	Re tender	Jun-21	Sep-21	Nov-21
Overseas and International Travel, Accommodation and Security Services	Re tender	Jun-21	Sep-21	Nov-21
Scottish Enterprise Portfolio - Landscaping	Re tender	Jun-21	Oct-21	Jan-22
Seafood Expo Global (SEG) 2020-2022 - Stand Design & Build	Call Off	Aug-21	Nov-21	Dec-21
Workplace Innovation - Leadership Development Programme	Re tender	Sep-21	Feb-22	Mar-22
Document Storage and Archiving	Re tender	Sep-21	Jan-22	Mar-22
Scottish Enterprise Portfolio - Landscaping Consultant	Re tender	Sep-21	Dec-21	Mar-22
External Audit Services (Subsidiary Companies + Pension Scheme)	Re tender	Sep-21	Dec-21	Jan-22
Exhibition Pavilion Framework	Re tender	Oct-21	Mar-22	Apr-22
Export Advisory Service Framework	Re tender	Oct-21	Mar-22	Apr-22
Preparing to Export Framework	Re tender	Oct-21	Mar-22	Apr-22
Smart Financial Due Diligence	Re tender	Nov-21	Apr-22	May-22

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ANNEX 3 (continued)

Forward plan of regulated procurement projects

Contract Title	New/ Re tender/ Call off	Anticipated Contract Notice Publication Date	Anticipated Contract Award Date	Anticipated Start Date
SIB Support Services Framework	Re tender	Nov-21	Feb-22	Feb-22
R&D Grant Due Diligence	Re tender	Jan-22	May-22	Jun-22
Preparing to Raise Venture Capital Investment	Re tender	Jan-22	Jun-22	Jul-22
International e-Trade Framework	Re tender	Jan-22	May-22	Jun-22
Business 2 Business Social Media Services	Re tender	Jan-22	May-22	Jun-22
Energy Market Expert Support Framework	Re tender	Feb-22	Jul-22	Aug-22
Employee Benefits	Re tender	Mar-22	Oct-22	Nov-22
America Healthcare	Re tender	Mar-22	Sep-22	Oct-22
Travel - Meeting room/events	Re tender	Mar-22	May-22	Nov-22
FDI Benchmarking	Re tender	Mar-22	Sep-22	Sep-22
FDI Markets	Re tender	Mar-22	Sep-22	Sep-22
Business Response Framework	Re tender	Apr-22	Sep-22	Oct-22
Domestic travel	Re tender	Apr-22	Aug-22	Dec-22
Provision of Media Planning, Buying for Domestic Media Buying	Call Off	Jan-23	Jul-23	Aug-23
Provision of Media Planning, Buying for International Media Buying	Call Off	Jan-23	Jul-23	Aug-23
Penn Tester	Call Off	TBC	TBC	TBC
Project Management Solution	New	TBC	TBC	TBC
Special Projects	Call Off	TBC	TBC	TBC
HR Systems (SDS/EIS)	Re tender	TBC	TBC	TBC
Water and Waste-Water services	Call off	TBC	TBC	TBC
Access Control	New	TBC	TBC	TBC
Scotland's Investment Market in the Context of the UK & ROI	New	TBC	TBC	TBC
Michelin Scotland Innovation Parc (MSIP) Accelerator	Re tender	TBC	TBC	TBC
Potential Evaluation procurement for IC programme	New	TBC	TBC	TBC
Corporate Merchandising	Call Off	TBC	TBC	TBC
Graphic Design & Copywriting frameworks	Re tender	TBC	TBC	TBC
International Selling Programme	New	TBC	TBC	TBC
Market Visit Support Framework	Re tender	TBC	TBC	TBC

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ANNEX 4

Glossary

Term	Description
CIPS	The Chartered Institute of Purchasing and Supply (CIPS) is the leading body representing the field of purchasing and supply chain management.
Collaboration	When two or more groups of people or organisations engage in procurement work together for mutual benefit (CIPS).
Contract Compliance	Items covered by a contract are procured from the contracted supplier using the contract terms.
Contract Management	The process of monitoring the performance of a supplier to contract.
Framework Agreement	An agreement or other arrangement between one or more contracting authorities and one or more economic operators which establishes the terms (in particular the terms as to price and, where appropriate, quantity) under which the economic operator will enter into one or more contracts with a contracting authority in the period during which the framework agreement applies.
OJEU	Official Journal of the European Union.
Open Procedure	A one-stage procedure whereby all suppliers are invited to tender for the contract or framework agreement. The organisation cannot limit the number of bids it receives.
Output Specification	The specification requirements set out in terms of what you want to achieve, leaving the tenderers to decide on how they will deliver those requirements. This can lead to innovation by the tenderers. The services detailed in the output specification should be capable of objective assessment so that the performance of the supplier can be accurately monitored.
Procurement Journey	Revised public procurement toolkit with guidance and templates on the procurement process or Construction manual when appropriate. The Procurement Journey will be enhanced on an ongoing basis with feedback from users and any other identified good practice guidance and tools where appropriate to ensure a standardised approach to the supply base.
Procurement strategy	Strategy for procurement within an organisation (can be called policy).
Public Contracts Scotland	The national advertising portal used to advertise all Scottish Government goods, services or works contract opportunities.
Small Medium Enterprise (SME)	The category of micro, small and medium-sized enterprises (SMEs) is made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding 50 million euro and/or an annual balance sheet total not exceeding 43 million euro.
Supplier	An entity who supplies goods or services; often used synonymously with “vendor”.
Supported Business	Either the organisation’s main aim should be the social and professional integration of disabled or disadvantaged persons, or the contract should be performed within a sheltered employment programme.
Value for Money	An economic assessment by the public sector as to whether a project represents value for money; the optimum combination of cost and quality to provide the required service.
Whole Life Costing	The costs of acquiring goods or services (including consultancy, design and construction costs, and equipment), the costs of operating it and the costs of maintaining it over its whole life through to its disposal – that is, the total ownership costs. These costs include internal resources and overheads.

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