



Advanced Procurement
for Universities & Colleges

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Maureen Watt
Convener
Infrastructure and Capital Investment Committee
Scottish Parliament
Holyrood
Edinburgh

Dear Convener,

I write as follow up to my attendance at the Infrastructure and Capital Investment Committee on the 13th November 2013, which I attended to give evidence in relation to the Procurement Reform Bill on behalf of the Scottish University and College sectors.

A portion of the discussion was focused on the impact on research activity in Scottish Universities and the desire on our sector's part to have an exemption for research related spend for the reasons expressed. We raised this as an outstanding matter as although we had been advised that an exemption may be included and indeed there was an intension to do so, we could not be clear on the scope of such an exemption as the definition / detailed wording had not been agreed. There is an exemption of sorts in the 2012 Public Contracts Regulations for research related spending, it is incredibly narrow however and does not in fact provide an effective exemption in any meaningful way.

We had concerns that through the drafting process of relevant regulations to accompany the Procurement Reform Bill, that we may end up with the same scope by way of exemption to that in the 2012 Public Contracts Regulations, thus not alleviating our concerns over the scope of the Bill in relation to research and thus not being able to be considered an effective exemption. These concerns, for the avoidance of doubt, is the context in which we answered questions in relation to a Scottish Government intention to include an exemption for research.

Since my attendance at the Committee, I have spoken further with members of the Scottish Government's Scottish Procurement and Commercial Directorate (SPCD) on this matter and they have kindly taken the time to explain the detailed process involved and the scope of their intensions. This has provided me with increased confidence that we will not arrive at the same scope / definition of research as applies in the 2012 Public Contracts Scotland Regulations and indeed that the scope (definition of research) that we have proposed will be adequately covered by the resulting exemption.

The scope for and definition of research that we have proposed, is based on the definition of research used by the European Commission, UNESCO etc, and sourced from the OECD Frascati Manual. That definition incorporated into an exemption, we proposed to SPCD to be as follows:

Contracts to be excluded from the scope of the Bill: "Contracts related to and / or for the aim of enabling research and experimental development comprising creative work undertaken on a systematic basis in order to increase the stock of knowledge, including knowledge of man, culture and society, and the use of this stock of knowledge to devise new applications."

I felt it appropriate therefore to write to you to provide this clarification and to confirm that *if* we obtain the outcomes that the SPCD intend (the scope of the research exemption fully covering the above although we appreciate the wording may vary in line with drafting protocols etc), that the concerns that we have raised around research impacts will be substantially addressed (although as mentioned in Committee, we would have preferred an exemption to be included in the body of the Bill, if it is provided for permanently in relevant regulations as suggested, then this I feel would be deemed by our sector to be a welcome outcome).

I hope this clarification is useful and that you find it aligned to dialogue that you may have received from the SPCD.

Yours Sincerely,

A handwritten signature in blue ink, appearing to be 'Angus Warren', with a long horizontal flourish extending to the right.

Angus Warren
Chief Executive