ANNUAL PROCUREMENT REPORT

Executive summary

1. The first SPCB Procurement Strategy covered the period 1st January 2017 to 31 March 2018. In accordance with the Procurement Reform (Scotland) Act 2014 the SPCB is also required to publish a procurement report that records its performance and achievements in delivering its Procurement Strategy.

2. Leadership Group is invited to offer feedback on the contents of the Procurement Report before it is issued to the SPCB for information and published.

Issues and options

3. Best practice guidance and related standard template published by the Scottish Government provide useful information on putting together an annual report.

4. The Procurement Reform (Scotland) Act 2014 provides that the Procurement Report must as a minimum:

   • Provide a summary of Regulated procurements completed in the period covered by the Procurement Strategy;
   • Review compliance of these Regulated procurements with the Corporate Procurement Strategy’s commitments;
   • Summarise community benefits achieved;
   • Summarise opportunities provided to supported businesses;
   • Provide a summary of Regulated procurements expected to commence in the next two financial years.

5. Section 2 of the report (review of Regulated procurements compliance) is the core section as it describes in some detail what we have done to achieve the delivery of our Procurement Strategy, with specific reference to the stated aims and commitments. It provides transparency on how we use public funds, treat our suppliers, and deliver social, economic and environmental outcomes in our procurements.

6. To avoid duplications, key activities and commitments delivered are incorporated in the tables in that section of the report.

7. We have achieved compliance with the Procurement Reform (Scotland) Act 2014 in all aspects of our procurement, with one exception in respect of a non-competitive action granted to extend a current contract for a short period to enable completion of the mobilisation of the new contract.

8. Where improvements to our procurement practices could be made, these are identified in the report and have been incorporated in our continuous improvement programme.
9. We have continued to work towards achieving sustainability improvements in our contracts. Notable achievements include:

- Zero Waste Scotland produced a case study of our furniture contract to illustrate how circular economy outcomes can be achieved;
- Two contracts were awarded to supported businesses;
- Community benefits were successfully implemented in all high value contracts;
- Bidders’ approach to fair work practices, including payment of the living wage has been incorporated in several contracts.
- Our Contractor Assessment Questionnaire introduced during the period of this report has a strong focus on social and ethical issues in the supply chain.

10. Significant savings were also achieved, mainly from utilising collaborative frameworks.

11. We have continued to dedicate time to enhancing procurement skills both in the Procurement office and colleagues across the Parliamentary service. Our approach is described in Section 7 of the report.

12. The Strategy showed a pathway to acting on improvements. This reporting period was particularly busy as we delivered five high value/risk procurements and whilst we were able to complete most key improvement activities, reduction in our procurement resources prevented us from completing the development of some of the interactive training and on-line guidance we had set to deliver. These will be prioritised and re-planned.

**Resource implications**

13. None in relation to publication of the report. Improvement opportunities and outstanding actions will be prioritised and fed into our continuous improvement programme. We are confident that these can be delivered as part of normal business.

**Dependencies**

14. None.

**Governance issues**

15. The SPCB is required to publish this first Procurement Report and publish a report annually thereafter.

16. The Procurement Report should be issued to the SPCB for information prior to publication.
Publication Scheme

17. This paper should not be published until the Procurement Report has been approved and published.

Next steps

18. Comments from Leadership Group will be taken into account and the report finalised.

Decisions

19. Leadership Group is invited to provide feedback on the contents of the proposed Annual Report and agree its publication.

Procurement
August 2018