

**REPORT TO:** Cabinet

**MEETING DATE:** 12 September 2023

**BY:** Executive Director for Council Resources

**SUBJECT:** ELC Procurement Annual Report

---

## **1 PURPOSE**

- 1.1 To inform the Cabinet of East Lothian Council's Annual Procurement Report 2022-2023.

## **2 RECOMMENDATIONS**

- 2.1 To note the report.

## **3 BACKGROUND**

- 3.1 Under the obligations of the Procurement Reform (Scotland) Act 2014, a Contracting Authority is obliged to prepare and publish an annual procurement report on its regulated procurement activities as soon as reasonably practicable after the end of its financial year. This report covers the period from 01 April 2022 to 31 March 2023.
- 3.2 The Act details that the annual procurement report should be relevant and proportionate to its size and spend. The annual report can aid visibility of purchasing of purchasing activities; be a mechanism for conveying how a contracting authority is meeting legislative requirements and outline how a contracting authority's procurement activity is contributing to the delivery of its broader aims and objectives.
- 3.3 The East Lothian Council Plan 2017 – 2022 was issued in June 2017, and this feeds into the Corporate Procurement Strategy 2017 – 2022, which sets out actions to deliver against the four key objectives within the Council Plan:
- Growing our Economy – to increase sustainable economic growth as the basis for a more prosperous East Lothian

- Growing our Communities – to give people a real say in the decisions that matter most and to provide communities with the housing, transport links, community facilities and environment that will allow them to flourish
- Growing our People – to give our children the best start in life and protect vulnerable and older people.
- Growing the capacity of our Council – to deliver excellent services as effectively and efficiently as possible within our limited resources.

3.4 This is the final Procurement Annual Report against the Corporate Procurement Strategy, 2017 – 2022. Future Procurement Annual Reports will be against the new ELC Procurement Strategy, which was approved by Cabinet in January 2023.

3.5 The annual report (see appendix 1 to this report) provides details of our monitoring and review of procurement activities against the four key objectives outlined above. In addition, the report provides the following:

- A summary of regulated procurements completed
- A review of regulated procurement compliance
- Community benefits and supported business summaries
- Details of procurement savings, benefits, added value, collaboration and strategic partnerships
- A summary of Future regulated procurements

## **4 POLICY IMPLICATIONS**

4.1 The production of an Annual Procurement Report is an obligation of Procurement Reform (Scotland) Act 2014, as outlined in the Corporate Procurement Strategy 2017 – 2022.

## **5 INTEGRATED IMPACT ASSESSMENT**

5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

## **6 RESOURCE IMPLICATIONS**

6.1 Financial - None

6.2 Personnel - None

6.3 Other – N/A

## 7 BACKGROUND PAPERS

7.1 None.

Appendix 1 East Lothian Council Annual Procurement Report 2022- 2023  
Annual Procurement Report Template (Annex A)

<b>AUTHOR'S NAME</b>	Michelle Coyle
<b>DESIGNATION</b>	Service Manager - Procurement
<b>CONTACT INFO</b>	mcoyle1@eastlothian.gov.uk
<b>DATE</b>	18 August 2023



# East Lothian Council Annual Procurement Report 2022-23



## CONTENTS

<b>1. INTRODUCTION</b>	<b>3</b>
<b>1.1 COVID-19 RESPONSE AND RECOVERY</b>	<b>4</b>
<b>1.2 SUSTAINABLE PROCUREMENT DUTY</b>	<b>4</b>
<b>2. MONITORING AND REVIEW OF PROCUREMENT ACTIVITIES</b>	<b>7</b>
<b>3. SUMMARY OF REGULATED PROCUREMENTS COMPLETED</b>	<b>8</b>
<b>4. REVIEW OF REGULATED PROCUREMENT COMPLIANCE</b>	<b>9</b>
<b>5. COMMUNITY BENEFITS SUMMARY</b>	<b>13</b>
<b>6. SUPPORTED BUSINESSES SUMMARY</b>	<b>14</b>
<b>7. PROCUREMENT SAVINGS, BENEFITS AND ADDED VALUE</b>	<b>15</b>
<b>8. COLLABORATION AND STRATEGIC PARTNERSHIPS</b>	<b>15</b>
<b>9. FUTURE REGULATED PROCUREMENTS SUMMARY</b>	<b>16</b>
<b>10. ANNUAL PROCUREMENT REPORT OWNERSHIP AND CONTACT DETAILS</b>	<b>17</b>
<b>APPENDIX 1 – SUMMARY OF COMPLETED REGULATED PROCUREMENTS</b>	<b>18</b>
<b>APPENDIX 2 – SUMMARY OF FUTURE REGULATED PROCUREMENT ACTIVITY</b>	<b>22</b>
<b>APPENDIX 3 – PROCUREMENT SUSTAINABILITY CHARTER</b>	<b>24</b>

## 1. INTRODUCTION

Under the obligations of the Procurement Reform (Scotland) Act 2014, a Contracting Authority is obliged to prepare and publish an annual report on its regulated procurement activities as soon as reasonably practicable after the end of its financial year. This report covers the period from 01 April 2022 to 31 March 2023.

The Act details that the annual procurement report should be relevant and proportionate to its size and spend. The annual report can aid visibility of purchasing of purchasing activities; be a mechanism for conveying how a contracting authority is meeting legislative requirements and outline how a contracting authority's procurement activity is contributing to the delivery of its broader aims and objectives.

The East Lothian Council Plan 2017 – 2022 was issued in June 2017, and this feeds into the Procurement Strategy, also valid from 2017 – 2022. The Council Plan covers 4 key objectives:

- **Growing our Economy** – to increase sustainable economic growth as the basis for a more prosperous East Lothian
- **Growing our Communities** – to give people a real say in the decisions that matter most and to provide communities with the housing, transport links, community facilities and environment that will allow them to flourish
- **Growing our People** – to give our children the best start in life and protect vulnerable and older people.
- **Growing the capacity of our Council** – to deliver excellent services as effectively and efficiently as possible within our limited resources.

This is the final Procurement Annual Report against the Procurement Strategy 2017 – 2022.

A new Council Plan 2022 – 2027 was agreed by Council in August 2022 and this has feed into ELC new Procurement Strategy for 2023 – 2028.

The Council Plan 2022 provides information on the Lothian Health and Care System (LHCS) and its aspiration to become an Anchor institution. One of the key actions to deliver on this aspiration is ensuring that NHS Lothian contributes actively to emerging community planning partnership discussions about Community Wealth Building.

The new Procurement Strategy 2023 – 2028 was approved by Cabinet in January 2023. It includes commitments to Community Wealth Building in line with the Scottish Governments Policy Actions for Cities and Regions. Community wealth building (CWB) is a people-centred approach to local economic development, which redirects wealth back into the local economy, and places control and benefits into the hands of local people. The core principle for Procurement is developing local supply chains of businesses likely to support local employment and keep wealth within communities.

The Procurement Annual Report for 2023-2024 will be the first report against the new Procurement Strategy 2023 – 2028.

## 1.1 COVID-19 RESPONSE AND RECOVERY

East Lothian Council issued its Recovery and Renewal plan in November 2021 with the aim to prepare East Lothian in respect of the formal and longer term Recovery & Renewal Phase, embracing the opportunity to 'build back better' and ensuring the maximisation of the opportunity for a sustainable and green recovery.

### Key priority areas:

1. Support our communities to tackle inequality and social exclusion.
2. Climate and ecological emergency.
3. Support business, employment and promote inclusive economic growth.
4. Help our children and young people achieve their full potential.
5. Deliver improved connectivity and digital innovation to ensure the most effective use of all of our resources.
6. Maintain and develop resilient and sustainable services.
7. Develop our people and future ways of working.
8. Invest in regeneration and a sustainable future.

The full plan can be viewed at: [Recovery and renewal plan 2021 - East Lothian Council | East Lothian Council](#)

The Council Management Team (CMT) took a decision that the council would move from response and into the 'recovery' phase of the pandemic from Monday, 13 June 2022.

## 1.2 SUSTAINABLE PROCUREMENT DUTY

The sustainable procurement duty requires that before a contracting authority buys anything, it must think about:

- how it can improve the social, environmental and economic wellbeing of the area in which it operates, with a particular focus on reducing inequality
- how its procurement processes can facilitate the involvement of SMEs, third sector bodies and supported business
- how public procurement can be used to promote innovation

It requires a contracting authority to be aware of how its procurement activity can contribute to national and local priorities and to act in a way to secure this.

Procurement spend should be considered in this context, before the start of the formal procurement process, by all those involved, including: external stakeholders, budget holders, commissioners and policy leads.



In support of this, the council approved a [Sustainable Procurement Policy](#) and in November 2020. Our Sustainable Procurement Charter is provided in Appendix 3. All elements of the charter are enshrined in our Procurement Strategy, Procedures and Working Instructions. For individual procurements, our aim is that commodity strategies align with good practice, legislative requirements and ensure consideration of the sustainable procurement duty at an early stage in the procurement process. Examples of how we have achieved this in delivery of procurements are as follows:

Charter element	How achieved
<b>Promoting equality</b>	Inclusion within strategy template for development of regulated procurements.
<b>Facilitating a varied economy</b>	<p>Invitation to quote guidance that a minimum of 3 suppliers be invited, with one being local and one being new. As part of the new Procurement Strategy 2023-28 approved in January 2023, ELC agreed a 3 tier definition of 'local':</p> <ul style="list-style-type: none"> <li>• Local 1: East Lothian</li> <li>• Local 2: the Lothian's (adds in Edinburgh, Midlothian &amp; West Lothian)</li> <li>• Local 3: the South-East Scotland City Region (adds in Fife and Scottish Borders)</li> </ul> <p>This new definition is now incorporated into the Council Plan quarterly performance reporting. Using local supplier data to help shape the Council's Community Wealth Building agenda.</p>
<b>Promoting Innovation</b>	Use of Prior Information Notices where applicable
<b>Fair work practices</b>	Committing to becoming a living wage employer. Progressing to accreditation during next reporting period.
<b>Stakeholder engagement</b>	<p>Meet the Buyer Events</p> <p>Internal customer survey (96% overall satisfaction with Procurement services)</p> <p>Recruitment to Commissioning Officer role in Council for children's services which includes engaging with third sector providers.</p>

<b>Health &amp; Safety Compliance</b>	Inclusion within strategy template for development of regulated procurements.
<b>Fairly &amp; ethically traded goods sourcing</b>	Inclusion within strategy template for development of regulated procurements.
<b>Healthy, sustainable food provision</b>	ELC Schools Catering Teams received 'Food For Life Served Here' Silver award in Oct 22. Food for school meals procured using collaborative contracts arrangements and includes use of organic and local sourced products.
<b>Prompt payment</b>	Part of the Council Plan quarterly performance reporting Updated contract documentation including standard Terms & Conditions for contracts
<b>Information governance</b>	Updated contract documentation included review of data sharing and information sharing provisions. Updated Procurement Standing Orders approved in January 2023 and revised working instructions support information governance processes.
<b>Environmental impact and Climate Change</b>	Inclusion within strategy template for development of regulated procurements (use of Sustainability Test). Completed categorisation and prioritisation process using the Scottish Government Sustainability Tools. Sustainability Test developed for Construction, Social Care, ICT, Waste and Transport.
<b>Community benefits</b>	Updated Community Benefit Process New procurement software system for recording contracted obligations and delivery.
<b>Modern Slavery Act</b>	Use of mandatory exclusion criteria at supplier selection stage (SPD). Updated clause included in Council's Conditions of Contract.

## 2. MONITORING AND REVIEW OF PROCUREMENT ACTIVITIES

The progress against the Procurement Strategy's key priorities is monitored by the Chief Officers and Heads of Services.

The Procurement and Commercial Improvement Programme (PCIP) assessment provides a means of measuring and reporting on the procurement and commercial capability of organisations through the provision of evidence, based around a series of set questions and other evaluation methods.

East Lothian Councils last assessment was in 2019. Assessments were paused during the Covid-19 Pandemic but revised PCIP Pulse Check assessments are to commence in 2023. This PCIP Pulse Check focuses on the policies and procedures driving procurement performance and, more importantly, the results they deliver. The PCIP assessment process includes Full, Medium and Lite Assessments. The choice of assessment to apply will be dependent on several factors, as assessed by the appropriate Centre of Expertise (CoE). East Lothian Council are participating in a Pilot of the PCIP Pulse Check assessment along with 2 other Local Authorities in August 2023.

The procurement service has adopted a continuous improvement approach in an ongoing effort to improve our service, moving from as was, to better towards best. A Service Plan 2022/23 – 2025/26 was developed in May 2022, with 26 specific improvement actions identified. An annual review and update of that Service Plan was undertaken in May 2023. Good progress against the action plan has been made with 25 of 26 actions complete, with one carrying over to the new Action and Improvement Plan 2023-24 that has 24 specific improvement actions.

Key areas of progress during 2022-23 include:

- New customer-focused team structure
- Approval of our new Procurement Strategy 2023-28
- Updated Procurement Procedures (Standing Orders) and working instructions
- Implementation of new procurement software
- Development of new Contract and Supplier Management (CSM) and Evaluation toolkits
- Launch of a new Introduction to Procurement E-Learning module
- New standard conditions of contract (Terms & Conditions) and ITT Templates
- Updated Community Benefits Approach

The information below details the overall spend profile of East Lothian Council:

East Lothian Council Procurement Spend Profile 2022-2023	
Total Procurement Spend	<b>£181,767,127</b>
SME Spend	£97,534,049
Third Sector Spend	£21,587,268
Total Local Spend	£36,848,782

\*\* Figures taken from Spend Analysis Hub

### 3. SUMMARY OF REGULATED PROCUREMENT COMPLETED

Section 18(2) of the Procurement Reform (Scotland) Act 2014 requires organisations to include “a summary of the regulated procurements that have been completed during the year covered by the report”. This is to demonstrate that East Lothian Council is acting in a transparent manner, and carrying out its public procurements in an open and inclusive fashion.

A regulated procurement is one which has a value of over £50,000 for Goods and Services, and £2m for Works.

East Lothian Council Regulated Procurement Profile 2022-2023	
Regulated Procurement Value	<b>£33,630,232</b>
Number of regulated contracts awarded	60
Total number of Suppliers on awarded contracts	70
SME Suppliers	39
Third Sector Bodies	9

Further details are shown in shown in Appendix 1.

A range of procurement routes are utilised to ensure best value, from calling off from National Frameworks let by Procurement Scotland, utilising Sector based Collaboration Frameworks, such as Scotland Excel, and Scottish Procurement Alliance, working with other Councils with a similar requirements and procuring as an individual Council. There have been no Non Competitive Actions sanctioned by the Corporate Procurement team during the period covered by this Annual Report.

#### 4. REVIEW OF REGULATED PROCUREMENT COMPLIANCE

Section 17 of the Procurement Reform (Scotland) Act 2014 makes it mandatory for regulated procurements to be carried out in accordance with the organisation’s procurement strategy. Section 18(2) states that a review must detail “the extent to which any regulated procurements did not comply, and a statement detailing how the organisation will ensure that future regulated procurements do comply”

This is to demonstrate the importance of procurement to the organisation in enabling successful delivery of its objectives, and how it has contributed to the achievement of its purpose.

The 4 key objectives of the Council Plan 2017-2022 were outlined in section 1 Introduction. The tables below show how the Procurement Strategy 2017-2022 supported delivery of these key objectives:

Growing Our Economy	How Achieved	When	Successful Outcome
<b>Improve ability of local businesses to access East Lothian Council contracts.</b>	Engage with local businesses to increase participation in tendering opportunities.	On-going, Compliant	Increased engagement with local SMEs, and awareness of our tendering opportunities.
	Lot contracts appropriately.		Full-day virtual National meet the buyer event.
	Ensuring service departments expand their list of contractors to include local providers in Quick Quote opportunities.		ELC ‘Meet the Council’ event (Nov 22).
	Attending / organising national / local meet the buyer events, raising awareness of tendering opportunities via social media alerts and seeking feedback from suppliers		Local companies on our contract register (81 at Aug 23).
	As part of the new Procurement Strategy approved in January 2023. ELC agreed a 3 tier definition of ‘local’:		New definition of ‘Local’ recognises that not all goods, works or services can be sourced within East Lothian and that we purchase from suppliers based in neighbouring Local Authorities and they purchase from East Lothian based suppliers. ‘Local’ procurements have mutual benefit across neighbouring Local Authority boundaries.
<ul style="list-style-type: none"> <li>• Local 1: East Lothian</li> <li>• Local 2: the Lothian’s (adds in Edinburgh, Midlothian &amp; West Lothian)</li> <li>• Local 3: the South-East Scotland City Region (adds in Fife and Scottish Borders)</li> </ul>	This new definition is now incorporated into the Council Plan quarterly performance reporting.		

<b>Assisting the supply chain</b>	<p>Publishing our Contracts Register with complete information so that companies can see where opportunities can be sought as Tier 2 suppliers.</p> <p>Measure prompt payment from main contractors by incorporating payment term information into Balanced Scorecards, where relevant.</p>	Ongoing, Compliant	<p>Mapping the supply chain using Government's 'Grow Local platform' to see which local companies are available to provide services / products in demand by the Council.</p> <p>Using local supplier data to help shape the Council's Community Wealth Building agenda.</p> <p>Compliance with Public procurement - prompt payment in the supply chain: SPPN 2/2022</p>
-----------------------------------	---	--------------------	---

Growing our Communities	How Achieved	When	Successful Outcome
<b>Consult with the communities concerning our procurement activity</b>	<p>Surveys of community groups and stakeholders when relevant procurements are being tendered. Consultation at commencement of process and engagement throughout.</p> <p>Membership of Tender Evaluation Panels where it is appropriate.</p> <p>Engage in discussion regarding Community Benefits provision.</p>	On-going, Compliant	<p>Community council feedback is used to build community benefit wish lists for each region which forms part of tender requirements for potential bidders used on a proportionate basis.</p> <p>Successful and targeted Community Benefits are delivered in line with the need of communities in East Lothian. Please refer to Annex A for statistics.</p>
<b>Enhance Recording of Community Benefit opportunities</b>	Introduction of new procurement software to assist with recording and monitoring of community benefits.	On-going, Compliant	Ability to see what CBIP has taken place and where gaps in provision lie.

Growing our People	How Achieved	When	Successful Outcome
<b>Ensure Best Value in contracts let for our Adult and Children's Wellbeing Service</b>	<p>Joint meetings with Integrated Joint Board, Service Dept and Procurement Team.</p> <p>Awareness of forthcoming requirements from Contract Register and stakeholder engagement to build our procurement pipeline</p>	On-going, Compliant	Procurement Strategy signed off identifying spend and potential savings.

Growing the Capacity of our Council	How Achieved	When	Successful Outcome
-------------------------------------	--------------	------	--------------------

<p><b>Ensure all contract requirements are known for the next 3 years</b></p>	<p>Setting up and holding meetings with Service Managers on a regular basis.</p> <p>Following these meetings ensure Contracts Register (pipeline) is regularly updated and complete.</p> <p>Newly introduced procurement software has specific module to improve proactive management of the procurement 'pipeline'.</p>	<p>On-going, compliant</p>	<p>Majority of contract requirements known, enabling market intelligence to take place, and contract management can be documented.</p> <p>Ability to highlight prioritise Procurements and to resource appropriately.</p> <p>Recognition of collaborative opportunities and allowing identification of savings.</p> <p>External Contract Register is complete.</p>
<p><b>Initiate improved Contract and Supplier Management</b></p>	<p>Categorise frequency of meetings held with suppliers depending on the contract.</p> <p>Simplify segmentation.</p> <p>Ensure standard set of KPIs are built into contracts.</p> <p>Procurement software has specific section to improve proactive contract management.</p> <p>Scotland Excel delivered Contract Management training to 55 staff across the Council. Contract Supplier Management toolkit developed.</p>	<p>On-going</p>	<p>Early identification of risks to contract provision, and ability to react to those.</p> <p>Achieve better value from Contracts by proper management.</p> <p>Enhanced relationships with Suppliers and Stakeholders.</p>
<p><b>Introduce Benefits Tracking into Contracts</b></p>	<p>Utilise the Public Benefits Reporting Guidance methodology.</p> <p>New procurement software has specific section to improve proactive tracking of contracted benefits and savings.</p>	<p>On-going</p>	<p>Quantify the contribution from Procurement to Service Departments and their budgets which will be recorded in the Contract Register.</p>
<p><b>Review and improve on the current systems to allow better tracking of no/off contract spend throughout the Council.</b></p>	<p>Review of current systems analysis of whether a new system would be required which would enable more rigorous scrutiny of spend across the Council.</p>	<p>On-going</p>	<p>Improved knowledge of on/off contract spend allowing the Contracts Register to be more up to date.</p> <p>More opportunities for local suppliers to compete for.</p>

			Improved controls on spend allowing for more targeted savings objectives to be set.
<b>Training delivered across all service departments, Elected Members and New Employees</b>	Contract management training delivered, development of e-learning module (launched 1 Apr 23). Members induction training.  Procurement Communications planning. Internal 'Inform' Procurement e-newsletters issued regularly (7 issued in reporting period).	On-going, compliant	Procurement Awareness and Compliance from all departments.  Education of risks of non-compliance, and highlighting previously unknown procurement requirements from service users.

Note: Those requirements marked “on-going” are monitored as part of service planning.

Delivered objectives against the Procurement Strategy include:

- engaging with local suppliers
- improvement of payment terms to suppliers
- publication of the Contract Register
- partnering and advising Services
- facilitating Tender Evaluation Panels
- contract and supplier management and general ad-hoc procurement training delivered to Service Users
- introduction of benefit tracking
- simplified procurement forms and processes
- Implementation of new Procurement Software (contracts register, pipeline and contract & supplier management modules)
- Utilising the new Contract Register to detail what has been agreed with contractors
- work in collaboration with Service Managers to plan for value-added procurement interventions

Areas for on-going improvement include

- optimisation of our systems / evaluation of new needs to track on / off contract spend
- implementing contract management into the lifecycle of contracts across the Council
- supporting the P2P (purchase-to-pay) project and the wider council in delivering consistency and accuracy related to downstream processes
- digital procurement process
- Embedding the sustainable procurement duty - continual improvement of the economic, social and environmental wellbeing of East Lothian

These above areas for on-going improvement have been incorporated into the new Procurement Strategy 2023-28.



## 5. COMMUNITY BENEFITS SUMMARY

The Procurement Strategy which is used at the commencement of all Regulated Procurements details the considerations by Service Departments given to all aspects of the Procurement Reform (Scotland) Act 2014; for example, sustainability, community benefits, fair work practices, as part of its methodology. This is used to ensure that all Regulated Procurements comply with the obligations of the Procurement Reform (Scotland) Act.

Section 18(2) of the Procurement Reform Act 2014 states that it is mandatory for an annual procurement report to include “ **a summary of any community benefit requirements imposed as part of a regulated procurement that were fulfilled during the year covered by the report**”

The Council approved a Community Benefit Strategy in 2017, where any spend over £50k (including aggregated spend), requires the successful contractor to engage with East Lothian Works and our Community Benefits co-ordinator. This is at a significantly lower level than the £4m required by the Scottish Government. In addition to this Community Benefits form integral part of the Sustainable Procurement Charter (Appendix 3.) and consequently being embedded in all relevant procurement processes.

### Community Benefits delivered from April 2022 to March 2023:

Benefit Type	Number of Benefits delivered	Number of Benefits pending delivery
Community Engagement	5	15
Education & Outreach	3	10
Employment & Skills Activities	3 (32 jobs in total)	6
Local economy and social enterprises	1	3
Protecting and Improving our Environment	0	3
Training & Work Experience	1 (2 modern apprenticeships)	14

An updated Community Benefits approach was adopted in April 2023, which will ensuring the delivery of community benefits in future contracts. 36 regulated contracts were awarded between April 2022 and March 2023 contained Community Benefit Requirements.

East Lothian Council’s Community Benefit **wish list** is used in all contracts over £50k. The wish list is populated by community councils, education and employability to reflect their needs and widen the scope of assistance contracted suppliers can offer.

We have improved the recording of contracted Community Benefits and their delivery with the implementation of our new procurement software, as well as deploying map functionality on our website that will show where community benefits have been delivered from 2023 onwards.

## 6. SUPPORTED BUSINESSES SUMMARY

Section 18(2) of the Procurement Reform (Scotland) Act 2014 requires organisations to include “a summary of any steps taken to facilitate the involvement of supported businesses in regulated procurements during the year covered by the report”.

There were no Regulated Procurements which utilised Supported Businesses. The reason for this is that the goods, services or works associated with the awarded contracts over the reporting period are not currently provided by existing supported businesses. However, consideration is always given to the use of Supported Businesses where appropriate and available.

## 7. PROCUREMENT SAVINGS, BENEFITS AND ADDED VALUE

Delivering value through Procurement is a key element and driver continual Service Improvement. In this reporting period the saving and benefit definitions has been defined and agreed by Senior Council Officers as follows:

### Cost Savings:

- Cashable Savings
- Cost Avoidance
- Commercial and Operational Efficiencies

**Cash Savings delivered:**  
**£1,471,172**

### Benefits and Added Value:

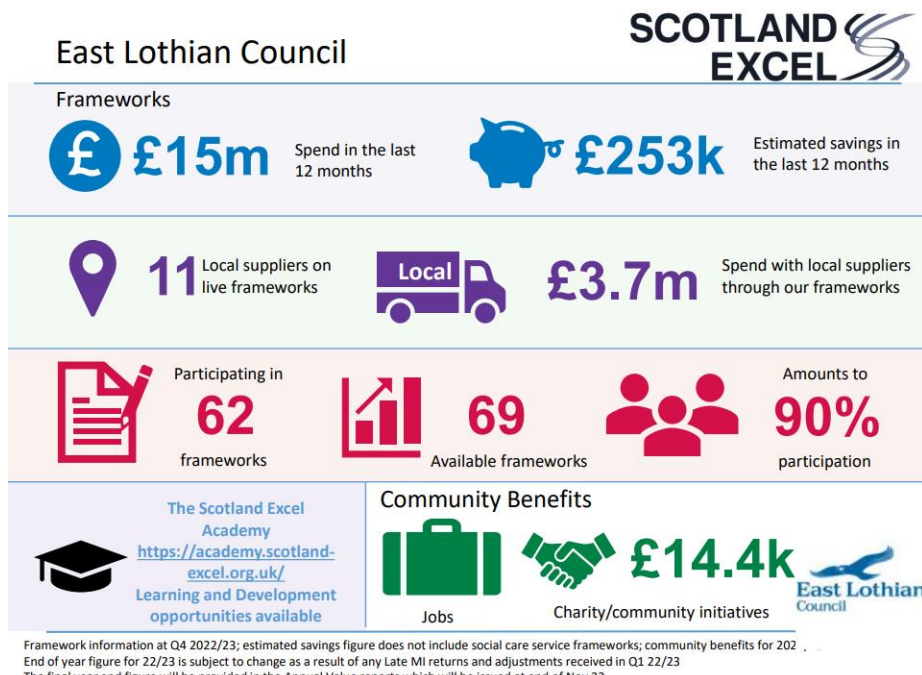
- Community Benefits
- Sustainability
- Innovation

**Non Cash Savings delivered:**  
**£276,363**

## 8. COLLABORATION AND STRATEGIC PARTNERSHIPS

In line with East Lothian Council's Corporate Procurement Strategy 2017-2022, collaborative Frameworks and opportunities have been considered and put in place where proven to be of benefit to the Council thus delivering added value and efficiency.

58% of all contracts during the reporting period utilised a collaborative Framework. The Council has utilised 72% of 69 available Scotland Excel Frameworks resulting in the following results:



## 9. FUTURE REGULATED PROCUREMENT SUMMARY

Section 18(2) of the Procurement Reform (Scotland) Act 2014 states it is mandatory that an annual procurement report must include 'a summary of the regulated procurements the authority expects to commence in the next two financial years'.

Future regulated procurements have been identified via the following means:

- Current contracts on the Council's register that will expire and need to be extended or re-tendered over the next two years.
- New procurements identified via future work plans provided by Council service areas / teams.

The full list of anticipated procurements for the next two years can be found in Appendix 2. Please note that the list is subject to change to accommodate emerging priorities and changing community needs.

## 10. ANNUAL PROCUREMENT REPORT OWNERSHIP AND CONTACT DETAILS

The Executive Director for Council Resources is responsible for establishing the strategic framework and direction of procurement across East Lothian Council.

Sarah Fortune  
Executive Director for Council Resources  
East Lothian Council  
John Muir House  
Haddington  
EH41 3HA

Email: [sfortune@eastlothian.gov.uk](mailto:sfortune@eastlothian.gov.uk)

**APPENDIX 1 - REGULATED CONTRACTS FROM 1 APRIL 2022 TO 31 MARCH 2023**

Type	Contract Award Date	Name of Supplier	Subject Matter	Estimated Value of the Contract	Contract Start Date	End Date (disregarding any option to extend)
Goods	01/04/2022	Brakes	Frozen Foods	£1,600,000.00	01/04/2022	31/03/2026
Goods	14/04/2022	Mellor	Supply of new buses for the fleet programme 2022-2023	£901,560.00	01/09/2022	31/08/2024
Services	19/04/2022	Children 1st, Who Cares Scotland	Services for children and their families (Kinship Care Support, Advocacy, FGDM)	£1,094,994.00	19/04/2022	18/04/2024
Services	25/04/2022	Carr Gomm	Mental Health Recovery Service interim contract	£495,576.00	25/04/2022	25/10/2023
Goods	28/04/2022	Thomas Sherriff	Greens Machine, Utility Vehicle-Grounds Machinery Investment Plan 2022-2023	£80,691.00	01/06/2022	31/05/2024
Services	12/05/2022	Royal Blind Asylum and School trading as Sight Scotland	Visual Impairment Services for Education	£473,250.00	01/08/2022	31/07/2025
Goods	16/05/2022	Sharp Business Systems	Supply of Furniture for Ross High School	£77,541.64	16/05/2022	16/08/2022
Services	17/05/2022	James Tait & Son	Grass Verge Cutting Services	£135,000.00	17/05/2022	16/05/2023
Services	23/05/2022	Novus Solutions	Electrical Installation Condition Report (EICR) 2022-2023	£361,650.00	01/06/2022	31/05/2023
Works	08/06/2022	Cruden Building (East) Limited	Proposed Housing at Lempockwells Pencaitland	£5,979,234.80	08/06/2022	02/01/2025
Services	09/06/2022	Sidey Solutions Limited	Purchase of UPVC Windows and door replacements 2022-2023	£1,800,000.00	08/06/2022	06/08/2023
Services	09/06/2022	Sidey Solutions Limited	Purchase of Block Windows Replacement-PVC 2022-2023	£400,000.00	08/06/2022	07/06/2023
Services	09/06/2022	Sidey Solutions Limited	Purchase of Fire doors replacements 2022-2023	£240,000.00	10/06/2022	09/06/2023
Services	10/06/2022	Portakabin	Design, Installation And Hire Of Classroom Temporary Unit, Aberlady PS	£150,654.33	10/06/2022	30/06/2023
Services	28/06/2022	Glendale Grounds Management Ltd	Ash Dieback Survey	£55,559.00	01/08/2022	31/07/2023

**APPENDIX 1 - REGULATED CONTRACTS FROM 1 APRIL 2022 TO 31 MARCH 2023**

<b>Services</b>	29/06/2022	Civica	Remote Technical Support for Capita Revenues & Benefits System	£149,875.00	01/07/2022	30/06/2025
<b>Services</b>	22/07/2022	AC's Taxis & Minibuses	Home to School mini competition for route support (2022-2023)	£158,650.00	17/08/2022	28/06/2024
<b>Goods</b>	26/07/2022	Lawrence Vehicles Limited (DAF Franchised Dealers)	Purchase of 18 tonne tipper	£145,565.00	10/10/2022	09/10/2024
<b>Services</b>	03/08/2022	Softcat PLC	Library Management System	£195,593.81	24/12/2022	24/12/2027
<b>Services</b>	09/08/2022	Access UK Limited	Social Care Case Management System	£1,160,300.00	09/08/2022	08/08/2027
<b>Services</b>	15/08/2022	British Telecommunications	Fixed Telephony Services	£340,756.92	15/08/2022	14/08/2025
<b>Services</b>	15/08/2022	British Telecommunications	Mobile Telephony Services	£367,128.00	15/08/2022	14/08/2025
<b>Services</b>	29/08/2022	Jadu	Content Management System	£51,681.25	01/09/2022	31/08/2024
<b>Services</b>	30/08/2022	Softcat PLC	School web filtering licence and hardware support	£75,000.00	30/08/2022	29/08/2025
<b>Services</b>	31/08/2022	InPhase	Performance Reporting Management System	£62,301.60	31/08/2022	30/08/2024
<b>Services</b>	01/09/2022	Public-I	Hybrid Meetings System	£112,251.19	01/09/2022	31/08/2024
<b>Services</b>	22/09/2022	Place 2 Be	Provision of Play/Art/Creative Therapy in ELC schools	£354,890.00	25/10/2022	24/10/2025
<b>Services</b>	11/10/2022	Various suppliers	Emergency Accommodation for Homelessness	£2,800,000.00	11/10/2022	10/10/2024
<b>Goods</b>	18/10/2022	Strathclyde Insulating Glass Ltd	Supply and Delivery of Glass and Glazing	£120,000.00	29/03/2023	29/03/2025
<b>Goods</b>	25/10/2022	Vauxhall Motors Limited	Purchase of Electric Cars	£460,759.88	01/04/2023	31/03/2025
<b>Services</b>	03/11/2022	The Mudd Partnership Ltd	Leadership Development Consulting Programme	£86,948.00	15/11/2022	30/06/2023
<b>Services</b>	12/11/2022	Eve Coaches Ltd, Torrance Taxis	Home to school mini competition	£76,000.00	15/11/2022	14/11/2023
<b>Goods</b>	17/11/2022	Lawrence Vehicles Limited (DAF Franchised Dealers)	Purchase of 32 tonne hooklift	£160,842.00	02/12/2022	01/12/2024
<b>Goods</b>	24/11/2022	JCT Ltd	Supply of Kitchens	£1,280,000.00	02/12/2022	01/12/2024
<b>Services</b>	26/11/2022	Sidey Solutions Limited	Windows and doors repairs -additional funding 2022-2023	£830,000.00	08/12/2022	31/03/2023

**APPENDIX 1 - REGULATED CONTRACTS FROM 1 APRIL 2022 TO 31 MARCH 2023**

<b>Goods</b>	28/11/2022	Sharp Business Systems	Penston House Fixed Furniture & Equipment	£285,519.00	01/02/2023	31/03/2023
<b>Services</b>	29/11/2022	Capgemini UK Plc	Consultancy Services to Support Care at Home project work	£50,600.00	02/12/2022	30/04/2023
<b>Services</b>	29/11/2022	Sidey Solutions Limited	Purchase of UPVC Windows and door replacements 2022-2023	£830,000.00	07/12/2022	31/03/2023
<b>Services</b>	02/12/2022	Marsh Ltd	Engineering Inspection & Insurance Services	£316,514.76	02/01/2023	01/11/2027
<b>Goods</b>	22/12/2022	BOMAG (Great Britain) Limited	Purchase of one Road Planer	£321,000.00	01/03/2023	29/03/2025
<b>Services</b>	23/12/2022	Idox Software Limited	Idox Hosted Solution	£896,606.40	12/01/2023	02/11/2026
<b>Goods</b>	05/01/2023	James A Cuthbertson Ltd	Purchase of Multi-use 100hp, 4WD Tractor	£135,450.00	31/05/2023	30/05/2025
<b>Services</b>	19/01/2023	MHB Consultants Ltd	Ground investigations at Cockenzie	£51,046.39	19/01/2023	31/03/2023
<b>Services</b>	02/02/2023	Alzheimer Scotland - Action on Dementia	Post diagnostic support services for dementia	£1,059,331.00	01/04/2023	31/03/2026
<b>Goods</b>	07/02/2023	Lawrence Vehicles Limited (DAF Franchised Dealers)	Purchase of 2 x 26 tonnes tippers	£434,684.00	03/07/2023	08/02/2025
<b>Goods</b>	07/02/2023	Lawrence Vehicles Limited (DAF Franchised Dealers)	Purchase of 4 X 18 tonnes tippers	£538,756.00	04/07/2023	03/07/2025
<b>Goods</b>	08/02/2023	Karma International Technologies Pvt Ltd	Period product provision	£72,000.00	24/02/2023	25/02/2024
<b>Services</b>	13/02/2023	Haddington Care Ltd	Respite Provision for Carers	£288,600.00	06/03/2023	03/05/2025
<b>Services</b>	27/02/2023	Penumbra	Support Service for People with Complex Mental Health Needs	£3,472,945.00	01/05/2023	30/04/2026
<b>Services</b>	28/02/2023	Prepaid Financial Services Limited	Prepaid Cards (ELHSCP and Children's Services)	£88,000.00	01/03/2023	01/03/2026
<b>Services</b>	02/03/2023	Capita Business Services Ltd	Income Management System	£55,871.28	01/04/2023	31/03/2026
<b>Services</b>	07/03/2023	Lothian Centre for Inclusive Living	Independent Living Services (Financial Management)	£270,520.00	01/04/2023	31/03/2026
<b>Goods</b>	13/03/2023	Western Nissan Straiton	Purchase of Diesel & Electric Vans	£568,166.00	03/07/2023	02/07/2025
<b>Services</b>	21/03/2023	ChangeWorks	Energy Efficiency advice-fuel poverty	£79,579.00	01/04/2023	31/03/2024
<b>Goods</b>	21/03/2023	Thomas Sherriff	Grounds Maintenance equipment 2022-2023	£217,132.00	01/05/2023	30/04/2025



**APPENDIX 1 - REGULATED CONTRACTS FROM 1 APRIL 2022 TO 31 MARCH 2023**

<b>Goods</b>	23/03/2023	Rentokil Initial Services Limited	Washroom Solutions and Sanitary Products (Delivery and Provision of)	£104,000.00	01/04/2023	31/03/2025
<b>Services</b>	24/03/2023	XMA	Education Web Filtering and Mobile Device Management	£190,000.00	01/04/2023	31/03/2028
<b>Services</b>	31/03/2023	AECOM Limited	SATC Dunbar (Beltonford) to Haddington (Abbeytoll) access engineering designs	£233,703.08	31/03/2023	30/09/2023
<b>Services</b>	31/03/2023	Lloyds Banking Group	Banking Services	£105,000.00	01/06/2023	31/05/2026
<b>Services</b>	31/03/2023	Stantec UK Ltd	Economic Development Strategy Consultancy Services	£130,955.00	01/04/2023	31/03/2028

## APPENDIX 2 - SUMMARY OF FUTURE REGULATED PROCUREMENT ACTIVITY

Description of Contract	Expected Contract Notice publication date	Expected Contract Award Date	Expected Contract Start Date	Estimated Value of the Contract
Hire of Plant and Tools	01/09/2023	03/11/2023	15/11/2023	£1,000,000.00
Treasury Management Services	tbc	tbc	02/01/2024	£70,000.00
Emergency Lighting	15/10/2023	15/12/2023	03/01/2024	£500,000.00
IT Service Desk Support Platform	tbc	tbc	05/01/2024	tbc
Pest Control Services	01/10/2023	10/01/2024	29/02/2024	£120,000.00
Development Support Contract	30/09/2023	30/12/2023	31/03/2024	£350,000.00
Community Supports Framework - Adult Social Care	01/11/2023	15/01/2024	01/04/2024	tbc
Mental Health Recovery Service	tbc	tbc	01/04/2024	tbc
Advocacy Services (Adult Social Care)	tbc	tbc	01/04/2024	tbc
Care at Home and Housing Support	tbc	tbc	01/04/2024	tbc
Supported buses tender	01/02/2024	01/04/2024	01/05/2024	£500,000.00
Provision of Electrical Fixed Wire Testing and Reporting	30/11/2023	29/02/2024	01/06/2024	£160,000.00
Computer Services	30/12/2023	30/03/2024	01/07/2024	£60,000.00
Waste Transfer and Transport Operations	01/01/2024	01/04/2024	01/07/2024	£2,875,000.00
Transport Services (Home to School transport and Hire of Bus, Taxi or Van Services)	31/01/2024	30/04/2024	01/08/2024	tbc
Cashless Catering and Online School Payments	tbc	tbc	01/08/2024	£65,000.00
Audio Visual Maintenance and Repair	12/02/2024	12/05/2024	13/08/2024	£60,000.00
Fire Extinguishers & Fire Fighting Equipment	23/02/2024	23/05/2024	24/08/2024	£120,000.00
Card Payment Services	29/02/2024	29/05/2024	01/09/2024	£120,000.00
Occupational Health and Physiotherapy	26/05/2024	26/08/2024	27/11/2024	tbc
Home To School Pupil Platform System	06/07/2024	06/10/2024	07/01/2025	£135,000.00
Services to Support Engagement, Inclusion, Attainment and Achievement in Schools	10/07/2024	10/10/2024	11/01/2025	tbc

## APPENDIX 2 - SUMMARY OF FUTURE REGULATED PROCUREMENT ACTIVITY

Sheriff Officer & Debt Collection Services	01/08/2024	01/11/2024	02/02/2025	£500,000.00
Lift Servicing and Maintenance	01/09/2024	01/12/2024	02/03/2025	£250,000.00
Fuel Supplies	30/09/2024	30/12/2024	01/04/2025	£2,000,000.00
Non domestic maintenance for gas, oil, LPG, solar and heat pump appliances	30/09/2024	30/12/2024	01/04/2025	£800,000.00
Advice Services	30/09/2024	30/12/2024	01/04/2025	tbc
Education wifi network support and maintenance	30/09/2024	30/12/2024	01/04/2025	£130,000.00
Accommodation and Support Services for women and children affected by domestic violence	tbc	tbc	tbc	tbc
Supply & Maintenance of Stair lifts, Ceiling track hoists & Bidet toilets	tbc	tbc	tbc	£400,000.00
Young People's Support Service (Substance Misuse)	tbc	tbc	tbc	£250,000.00
Intruder Alarms	tbc	tbc	tbc	£180,000.00
Fire Detection Alarm Systems	tbc	tbc	tbc	£200,000.00
CCTV Security Systems	tbc	tbc	tbc	tbc
Servicing of Domestic Gas Heating Systems	tbc	tbc	tbc	tbc
Housing Support Services	tbc	tbc	tbc	tbc



# Sustainable Procurement Charter





East Lothian Council is committed to minimising the environmental impact of goods, services and works procured whilst maximising social and economic benefit for the community it serves.



### Promoting equality

As a responsible employer the council is committed to promoting equal opportunities to all of the East Lothian community, employees and suppliers alike. Consideration of equal opportunities is fully integrated into our procurement practices and is fully committed to the values and ethos of the Equality Act 2010. Consideration of equal opportunities is fully implemented into our procurement practices and is fully committed to the values and ethos of the Equality Act 2010.



### Facilitating a varied economy

Facilitating SME's, social enterprises, supported business and third sector in the procurement process. Our procurement strategy aims to achieve a mixed economy of suppliers to support and develop our local rural market, particularly, micro, small and medium sized enterprises, Third Sector organisations and supported business. This approach includes that contracts are simplified, standardised and advertised in such a way that SMEs, third sector organisations and supported businesses are aware of the opportunities by using The Public Contracts Scotland (PCS) portal, meet the buyer events and lotting system to help reduce any barriers to involvement in procurement opportunities.



### Promoting innovation

Influencing the market towards innovative solutions can focus public spending on sustainable goods, services and works and create an important catalyst for local job creation, sustainable innovation and market development. Our procurement strategy notes the importance of innovation through procurement and we encourage all our suppliers to consider an innovative approach to the way goods and services are delivered.



### Fair work practices

East Lothian Council is committed to encouraging the wider adoption of the Scottish Living Wage by suppliers and to support this has adopted the Scottish Government guidance on the Selection of Tenderers and Award of Contracts which address Fair Work Practices as part of the procurement for relevant contracts. The Living Wage is an hourly rate set by the Living Wage Foundation and is revised in November every year. The current rate is £9.00 (November 2019).



### Stakeholder engagement

Service user and, where appropriate, wider community consultation is an integral part of commissioning considerations. The strategic importance and complexity of required outcomes will mainly govern the level of consultation undertaken and the choice of the procurement route followed. The final decision on these matters will always be considered in light of what is likely to provide best value for the local community.



### Health & Safety compliance

East Lothian Council is committed to achieving a culture that ensures it complies with all current Health and Safety legislation and in so doing endeavours to provide safe places and safe systems of work. This principal extends to those employed to do contracted works for and on behalf of the council. The council will only employ contractors who are fully accreditedSSIP members of Constructionline or equivalent.



### Fairly & ethically traded goods sourcing

The council supports the Fair Trade initiative because it reflects our commitment to sustainable development and offers the prospect that marginalised producers across the world will receive fairer deals for their produce. The council will promote the use of fair trade products across all its services and raise awareness of fair trade amongst its staff and customers. The council will (to the extent permitted by procurement legislation) embed Fair Trade into contracts with suppliers where it has a direct bearing on the required goods, services and works.



### Healthy, sustainable food provision

The procurement of food considers the wider community focus of improving the health and wellbeing of young people and communities in East Lothian. Promoting a sustainable food supply chain by using national Scottish Frameworks (SXL) which supports the use of Scottish produce and the delivery of healthy choices to support healthy eating. Food security and ethics are of equal importance and the council follows Scottish Government guidance to ensure consideration of the highest levels of animal welfare.



### Prompt payment

The effect of late payment on SME's can be significant, impacting cash flow and the ability to trade. As direct support the council has a prompt payment policy and related performance indicator which aims to make payment of invoices within 30 days of receipt of a valid invoice. To make sure this policy flows through all stages of the supply chain, our terms and conditions of contract obliges our contracted suppliers to make payment of valid invoices within a similar 30 day period.



### Information governance

East Lothian Council regards information as a valuable corporate asset which must be obtained, processed and protected diligently, lawfully and ethically. The approach to information governance focuses on safeguarding customers, providing business transparency and ensuring legislative compliance. Relationships with 3rd parties who handle data on behalf of the council, or with whom we share data are carefully managed. Contracts include information governance compliance conditions with these arrangements being documented and monitored. We will expect all suppliers to take the same robust approach to information management as we do, even after their contract has expired.



### Environmental impact and Climate Change

East Lothian Council is committed to reducing its environmental impact, including carbon emissions, and improving sustainability wherever possible. The Climate Change (Scotland) Act 2009 places duties on the council to deliver services in a way which supports this, and the Council's Climate Change Strategy 2020–2025 sets out our commitment to achieving this through both internal activities, such as energy saving within buildings, and our work with partners. The way that the council procures goods and services can have a huge environmental impact, and by purchasing items which can demonstrate a reduced negative effect on wildlife, natural resources and carbon emissions, we can reduce our carbon footprint and support suppliers to do the same.



### Community benefits

Improving the economic, social and environmental wellbeing of the area. Adding value to communities through Community Benefits\* or social requirements is intended to ensure that wider local economic and social issues are considered when delivering construction works, service or supplies contracts. This is achieved through the inclusion of specific clauses within contracts known as community benefit clauses (CBCs).



### Conflict of interest

Council Officers and Members conducting business on behalf of the organisation have a responsibility to do so in a manner that is objective and ethical. As such we require any individual whether employee or supplier to declare such an interest before any procurement activity commences as the best way to handle conflicts of interest is to avoid them entirely.

### Modern Slavery Act 2015

The council adopts a zero tolerance approach to modern slavery and human trafficking. We expect all those who work for and with us to adhere to this approach. As appropriate we will address areas of concern in the tendering process through requiring minimum standards and contract management.

\*To find out more about Community Benefits visit:

[www.eastlothian.gov.uk/communitywishlist](http://www.eastlothian.gov.uk/communitywishlist)

For more information:

Email [procurement@eastlothian.gov.uk](mailto:procurement@eastlothian.gov.uk) or call **01620 827827** and ask for 'Procurement'  
East Lothian Council, John Muir House, Brewery Park, Haddington, East Lothian EH41 3HA



Versions of this leaflet can be supplied in Braille, large print, audiotope or in your own language. Please phone Customer Services if you require assistance on 01620 827199





## Annual Procurement Report template

[NOTE: reference to contract is also to be construed as meaning a framework agreement]

<b>1. Organisation and report details</b>	
a) Contracting Authority Name	East Lothian Council
b) Period of the annual procurement report	1 April 22 to 31 March 23
c) Required by s18 Procurement Reform (Scotland) Act 2014 to prepare an annual procurement report? (Yes / No)	Yes
<b>2. Summary of Regulated Procurements Completed</b>	
a) Total number of regulated contracts awarded within the report period	60
b) Total value of regulated contracts awarded within the report period	£33,630,232
c) Total number of unique suppliers awarded a place on a regulated contract awarded during the period	70
i) how many of these unique suppliers are SMEs	39
ii) how many of these unique suppliers are Third sector bodies	9
<b>3. Review of Regulated Procurements Compliance</b>	
a) Number of regulated contracts awarded within the period that complied with your Procurement Strategy	60
b) Number of regulated contracts awarded within the period that did not comply with your Procurement Strategy	0
<b>4. Community Benefit Requirements Summary</b>	
<b>Use of Community Benefit Requirements in Procurement:</b>	
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.	1
c) Total Number of regulated contracts awarded with a value of less than £4 million that contain Community Benefit Requirements	36

**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)	32
e) Number of Apprenticeships Filled by Priority Groups	2
f) Number of Work Placements for Priority Groups	3
g) Number of Qualifications Achieved Through Training by Priority Groups	15
h) Total Value of contracts sub-contracted to SMEs	-
i) Total Value of contracts sub-contracted to Social Enterprises	-
j) Total Value of contracts sub-contracted to Supported Businesses	-
k) Other community benefit(s) fulfilled	8

**5. Fair Work and the real Living Wage**

a) Number of regulated contracts awarded during the period that included a Fair Work First criterion.	29
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.	25
c) Number of unique suppliers who are accredited Living Wage employers and were awarded a regulated contract during the period.	16

**6. Payment performance**

a) Number of valid invoices received during the reporting period.	84,045
b) Percentage of invoices paid on time during the period ("On time" means within the time period set out in the contract terms.)	81.8%
c) Number of regulated contracts awarded during the period containing a contract term requiring the prompt payment of invoices in public contract supply chains.	37
d) Number of concerns raised by sub-contractors about the timely payment of invoices within the supply chain of public contracts.	0

**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:	0
i) spend within the reporting year on regulated contracts	0
ii) spend within the reporting year on non-regulated contracts	0

**8. Spend and Savings Summary**

a) Total procurement spend for the period covered by the annual procurement report.	£181,767,127
b) Total procurement spend with SMEs during the period covered by the annual procurement report.	£97,534,049
c) Total procurement spend with third sector bodies during the period covered by the report.	£21,587,268
d) Percentage of total procurement spend through collaborative contracts.	58%
e) Total delivered cash savings for the period covered by the annual procurement report	£1,471,172
f) Total non-cash savings value for the period covered by the annual procurement report	£276,363

**9. Future regulated procurements**

a) Total number of regulated procurements expected to commence in the next two financial years	95
b) Total estimated value of regulated procurements expected to commence in the next two financial years	£105,000,000

## NOTES

- Reference to contract is also to be construed as meaning a framework agreement.
- Please provide exact figures wherever possible, rather than estimations.
- Please distinguish between the 'zero' value and where information is either not recorded or not available.

**1. Organisation and report details**

- a) Enter the name of the contracting authority to which the report refers.
- b) Enter the actual period of the report (for example, 01 April 22 to 31 March 23 or 1 August 22 to 31 July 23.)
- c) Has the report been prepared because there is a requirement to do so under [Section 18 of the 2014 Act](#)?

**2. Summary of regulated procurements completed**

- a) This is the total number of all regulated contracts that were awarded during the reporting period as a result of regulated procurements.
- b) This is the total estimated value (excluding VAT) of all regulated contracts that were awarded during the reporting period as a result of regulated procurements.
- c) This is the total number of unique suppliers that were awarded a place on a regulated contract which was awarded during the reporting period (where a supplier has been awarded more than one framework, or contract only one instance should be recorded).
  - i) Number of unique SME suppliers that were awarded a place on a contract awarded during the reporting period (an SME means an enterprise which employs less than 250 staff) (where a SME supplier has been awarded more than one framework, or contract only one instance should be recorded).
  - ii) Number of unique third sector suppliers that were awarded a place on a contract awarded during the reporting period (where a third sector supplier has been awarded more than one framework, or contract only one instance should be recorded).

**3. Review of regulated procurements compliance**

- a) Total number of regulated contracts awarded within the reporting period that complied with the commitments and policies set out in your corporate procurement strategy.
- b) Total number of regulated contracts awarded within the reporting period that did not comply with commitments and policies set out in the corporate procurement strategy.

**4. Community benefit requirements summary**

- a) Total number of individual regulated contracts awarded within the reporting period with a value of £4 million or greater.
- b) Total number of individual regulated contracts awarded within the reporting period with a value of £4 million or greater that contain Community Benefit requirements.
- c) Total number of regulated contracts with a value of less than £4 million that contain Community Benefit requirements.
- d) Total number of jobs filled by individuals within a priority group during the period of the report.
- e) Total number of apprenticeships filled by priority groups during the period of the report.
- f) Total number of work placements delivered for priority groups during the period of the report.
- g) Number of qualifications achieved during the period of the report through training by priority groups.
- h) Total value of contracts subcontracted to SMEs during the period of the report
- i) Total value of contracts subcontracted to Social Enterprises during the period of the report.
- j) Total value of contracts subcontracted to Supported Businesses during the period of the report.

- k) Other community benefits that were fulfilled during the period of the report that do not fall into one of the preceding categories.

[Scottish Procurement Policy Note 10/2020](#) clarifies the Scottish Government's policy on measuring social impact through procurement and support for application of this policy in the form of the sustainable procurement duty tools and accompanying guides.

## 5. Fair Work and the real Living Wage

- a) Number of regulated contracts awarded during the reporting period that include a scored Fair Work First criterion where it was relevant to do so. The Scottish Government asks employers to adopt fair working practices, specifically: Appropriate channels for effective voice, such as trade union recognition; Investment in workforce development; No inappropriate use of zero-hours contracts; Action to tackle the gender pay gap and create a more diverse and inclusive workplace; Payment of the real Living Wage; Offer flexible and family friendly working practices for all workers from day one of employment; Oppose the use of fire and rehire practice.
- b) Total number of unique suppliers that have committed to pay the real Living Wage to persons involved in producing, providing or constructing the subject matter of regulated procurements; this number will include suppliers who are awarded onto a framework agreement and will also reflect those suppliers who are accredited as Living Wage employers.
- c) Number of unique suppliers who are accredited Living Wage employers and were awarded a regulated contract during the period of the report; this number will include suppliers who are awarded onto a framework agreement.

[Fair Work First: guidance](#) outlines our Fair Work First approach and exemplifies the Fair Work First criteria in practice. It should be used by those involved in awarding public sector grants, other funding, and public contracts as well as those who receive funding through public sector grants, sponsorship arrangements with the Scottish Government and/or are involved in the delivery of contracts.

## 6. Payment performance

- a) Total number of valid invoices received during the period of the report.
- b) The percentage of valid invoices received during the period of the report that were paid on time (for example, within the time period set out in the contract terms).
- c) Total number of regulated contracts awarded during the period of the report that contained a contract term requiring the prompt payment of invoices in public contract supply chains.
- d) Total number of concerns raised by sub-contractors within the timeframe covered by the report about timely payment of invoices relating to the supply chain of public contracts.

[Scottish Procurement Policy Note \(SPPN\) 02/2022](#) provides details of how public bodies are to embed prompt payment performance in the supply chain through procurement processes.

## 7. Supported businesses summary

- a) Total number of all regulated contracts that were awarded to supported businesses during the reporting period (this includes contracts reserved for supported businesses)
- b) Total amount of spend with supported businesses during the reporting period (through regulated and non-regulated contracts).
  - i) Total spend with supported businesses during the reporting period through regulated contracts (*including spend within the period on contracts placed before the period*).
  - ii) Total spend with supported businesses during the reporting period through non-regulated contracts (*including spend within the period on contracts placed before the period*).

Organisations as defined by [regulation 21 of the Public Contracts \(Scotland\) Regulations 2015](#) are commonly referred to as supported businesses. [Scottish Procurement Policy Note \(SPPN\) 04/2017](#) contains information on: determining whether an organisation meets the definition of a supported

business for the purposes of public procurement legislation; identifying supported businesses; and monitoring and reporting.

## **8. Spend and savings summary**

- a)** Total amount of procurement spend during the reporting period.
- b)** Total amount of procurement spend with SMEs during the reporting period.
- c)** Total amount of procurement spend with third Sector bodies during the reporting period.
- d)** Percentage of total procurement spend during the reporting period that is through collaborative contracts.
- e)** Total amount of cash savings delivered for the period of the report.
- f)** Total non-cash savings value for the period covered by the annual procurement report.

[Procurement benefits reporting: guidance](#) is available to help procurement teams identify savings and benefits from procurement activity. It is also important that these savings and benefits are reported in a consistent manner across sectors.

## **9. Future regulated procurements**

- a)** Total number of all regulated contracts that are expected to commence in the next two financial years.
- b)** Total estimated value of all regulated contracts that are expected to commence in the next two financial years.

While it is acknowledged that at the time a contracting authority prepares its annual procurement report, it is unlikely to know what its precise requirements will be over the course of the next two financial years, it should be in a position to provide a brief forward plan of anticipated procurements relevant and proportionate to the contracting authority's size and spend.