

Scottish Children's Reporters Administration
Agenda of Executive Management Team Meeting
Held on Wednesday, 06 March 2019 at Ochil, Stirling

AGENDA

		Paper	Action
1.	Apologies		
2.	AOB		
3.	Minute of Previous Meeting 13 February 2019		
4.	Matters Arising		
5.	Vacant Space	Verbal	EM
6.	Procurement Strategy & Procurement Policy Update		EM
7.	Hearing Rooms Improvement Update		EM
8.	Effective Participation Project update	Verbal	LB
9.	Court Management Network <ul style="list-style-type: none"> Draft Minute 		MS
10.	QA case sampling action plan		LB
11.	March Board Reports		
	Standing Items		
12.	Information Governance		MS
13.	Digital Strategy Update <ul style="list-style-type: none"> Business Readiness - Migration 	Verbal	TP/SD
14.	New Risks	Discussion	All
15.	Forward Look <ul style="list-style-type: none"> (a) YJIB chairs meeting (b) Improving outcomes for children and young people (c) strategic forum (d) Digital Delivery Oversight Committee (e) OLM/CHS/SCRA workshop (f) Operational Group (g) EQUALITIES NETWORK (h) Board Meeting 	Verbal	NH

(i)	SG/SCRA Accountability		
(j)	LRM Network		
(k)	YJIB Meeting		
(l)	NDPB forum		
(m)	ACR/YJIB meeting		
(n)	Getting it Right For Children and Young People Affected by substance use National Secure Adolescent Inpatient Service (NSAIS) Stakeholder Meeting		
	Date of Next meeting; Wednesday 03 April 2019 at Ochil House, Stirling		

Present:

Neil Hunter (**NH**) – Principal Reporter/Chief Executive
Susan Deery (**SD**) – Head of HR
Lisa Bennett (**LB**) - Head of Strategy and OD
Alistair Hogg (**AH**) – Senior Operational Manager
Ed Morrison (**EM**) – Head of Finance and Resources
Tom Philliben (**TP**) – Senior Operational Manager
Malcolm Schafer (**MS**) – Head of Practice and Policy

In attendance:

Pamela Armstrong (**PA**) – Governance Officer – Minutes
Nicola Campbell (**NC**) – Interim Governance Officer

		Timescale	Action
1.	Apologies: None		
2	AOB None		
3.	Minute of previous meeting on 09 January 2019 Accuracy The minute was agreed as accurate		
4.	Matters Arising Board Reports <ul style="list-style-type: none"> Finished Board reports to be sent to the Governance Officer prior to EMT for review. March Board reports will be reviewed during the 06 March EMT May Board reports will be reviewed during the 08 May EMT September Board reports will be reviewed during the 04 September EMT December Board reports will be reviewed during 04 December EMT 		

	<ul style="list-style-type: none"> Delegated Procurement Officers, who are largely LSM's can assist with low level purchasing and may be able to work on low lever projects. A delegated Purchaser route may provide stability. EMT congratulated both the Finance and Procurement teams on continued good work done under challenging circumstances. <p>Agreed:</p> <ul style="list-style-type: none"> Approved subject to Challenge and Review. 		
8.	<p>HR Team SD provided a verbal update advising the need to strengthen the HR team.</p> <p>Agreed:</p> <ul style="list-style-type: none"> To agree the approach ahead of Challenge and Review and subject to budget availability. 		
9.	<p>Audit & Risk Committee The agenda was reviewed ahead of the 28 February meeting.</p>		
10.	<p>Information Governance – IG/ICO Finding MS introduced.</p> <p>Issues arising during discussion:</p> <ul style="list-style-type: none"> ICO have commented that SCRA should consider the use of tracking for sensitive mail. ICO are not requiring us to use tracked mail but to consider it as an option and to provide good reasons for whatever approach is adopted. There is a concern that as well as the cost of sending tracked mail, there would be a resulting increase in cost in terms of staff time. There is a potential budget issue however this is not the prime consideration. There would be problems in term of delay if implemented, resulting in operational 		

	<p>consequences more than budgetary consequences.</p> <ul style="list-style-type: none"> Correspondence relating to court is currently sent recorder however, a lot of that is returned to us. <p>Agreed:</p> <ul style="list-style-type: none"> Edinburgh and Glasgow localities to check court mail returns over a 2 week period. 		AH/TP/MS
11.	<p>Digital Strategy Update – Role Access TP provide a verbal update.</p> <p>Issues arising during discussion:</p> <ul style="list-style-type: none"> An open access system is unlikely to be the starting point. Discussion is ongoing around determining the starting point for access and the ability to change access as required. <p>Agreed:</p> <ul style="list-style-type: none"> TP to think further about opportunities within Digital. Business Readiness, in particular migration to be brought to March EMT meeting. 		<p>TP</p> <p>TP/SD</p>
12.	<p>Forward Look The forward plan was reviewed.</p>		
13.	<p>New Risks No new risks were identified</p>		
	<p>Date of next meeting Wednesday 06 March at Ochil House</p>		

SCOTTISH CHILDREN'S REPORTER ADMINISTRATION

REVISION OF CORPORATE PROCUREMENT STRATEGY & PROCUREMENT POLICY MANUAL

Accountable Director: **Head of Finance &
Resources**

Report Prepared By: **Procurement Officer**

Date: **26th February 2019**

Recommendations:

1. To approve SCRA's revised Corporate Procurement Strategy and Procurement Policy in line with the Procurement Reform (Scotland) Act 2014 (the Act) which further aligns SCRA with Scottish Public Sector best practice.
2. To note the recommendation regarding Works thresholds.

Reason for Report: For approval

Resource Implications: Not applicable

Strategy: In accordance with approved Procurement Policy

Consultation: Scottish Procurement Directorate (Scottish Procurement)

Equalities Duties: An equalities impact assessment is not required.

Document Classification: Not protectively marked

1. Introduction

- 1.1 SCRA's current Corporate Procurement Strategy, covering the period 2016-20, was published in December 2016 following changes to procurement legislation. Under the Act, we are required to revise this Strategy annually before the start of each new financial year. A copy of the revised Strategy is attached at Appendix 1.
- 1.2 This is the final year of the Corporate Procurement Strategy. A new one will be developed in March 2020 covering the period 2020-24.
- 1.3 SCRA's current Procurement Policy was published in November 2016. This has been reviewed and updated to ensure compliance with latest best practice and is attached at Appendix 2.

2. Main Changes

- 2.1 The main changes to the Strategy were:

- to include an additional key priority at 5.8 regarding information governance
- to update the values at 6.2.3 for Works contracts

- 2.2 Procurements for Works contracts below the thresholds set out in the Act (£2m) are not regulated by legislation and contracting authorities have more discretion below these thresholds around how such procurements are conducted.

The updated Construction Procurement Manual sets out guidance on how to take these procurements to market and this is known as Construction Procurement Route 1 (CPR1) A or B. Similar processes to those for above threshold procurements should be followed, proportionate to the complexity and value of the contract.

Although the guidance recommends using CPR1 A for contracts below £500k, the Procurement Team recommend using this for contracts below £250k. This means they can be taken to market without advertising, for example by inviting selected suppliers to bid using the Quick Quote facility on Public Contracts Scotland. If an assessment of risk determines that they need wider marketing, CPR1 B will be used.

Where possible, SCRA will openly advertise contract opportunities between £250k and £500k on Public Contracts Scotland using CPR1 B. SCRA's procedure for Works contracts is currently being updated.

- 2.3 The main changes to the Policy were:

- the addition of a list of general policies (Section 3)
- to add guidance on completion of the New Supplier Form (Section 6.5)
- to update the Works thresholds, as above (Section 6.6)
- to include reference to the Change Control Process (Section 11)

- 2.4 The updated Strategy is required to be published and a copy sent to the Scottish Ministers.
- 2.5 The Strategy and Policy will also be emailed to all Delegated Purchasers, the Contracts Review Group and will be placed on the Procurement page of Connect and SCRA's website so that they are accessible to SCRA staff at all levels of the organisation and also to external readers and suppliers.

3. Continuous Improvement

- 3.1 The Procurement Officers will work with the Equalities Lead to develop an amendment to the Policy to reflect Equalities Legislation and Duties.
- 3.2 In line with the recently updated Construction Procurement Manual, a general policy and procedure will be developed for identifying suppliers to be invited to quote for non-regulated Works contracts, using the Public Contracts Scotland Quick Quote facility.
- 3.3 A review of the Procurement information held on SCRA's website and Connect will also be carried out.

4. Recommendation

- 4.1 To approve SCRA's revised Corporate Procurement Strategy and Procurement Policy Manual in line with the Procurement Reform (Scotland) Act and Scottish Public Sector best practice.



Procurement in SCRA

Corporate Procurement Strategy 2016 – 20

Published December 2016

Annual Review March 2019

VERSION CONTROL

VERSION NO.	REVISED BY	DESCRIPTION OF CHANGES	DATE
1.0	Helen Mora	First Issued Version	30 Nov 2016
2.0	Helen Mora	Annual Review	21 Mar 2018
3.0	Helen Mora	Annual Review	26 Feb 2019

Contents

Foreword

1. Introduction
2. Strategic Context
3. Compliance with Requirements of Section 15(5) of the Procurement Reform (Scotland) Act 2014 and Statutory Guidance
4. Strategic Aims
5. Key Priorities
6. SCRA's Procurement Policy & Procedures
7. Supporting Policies
8. Spend Analysis & Value for Money
9. Performance Monitoring & Reporting
10. Annual Reporting
11. Ownership and contact details

Appendix A: Glossary

FOREWORD BY NEIL HUNTER, PRINCIPAL REPORTER/CHIEF EXECUTIVE

Effective and efficient procurement is very important to all public bodies and SCRA is no different in that regard. This strategy, which has been reviewed and approved by SCRA's Board, sets out how our procurement work in SCRA will benefit Localities and Head Office by ensuring that the goods and services that we consume and rely on in our day to day work represent the best value in terms of quality and price.

Accountability

Principal Reporter/ Chief Executive	<ul style="list-style-type: none">• Responsibility to ensure that procurement activity is carried out in accordance the Scottish Public Finance Manual
Head of Finance & Resources	Sponsor of the Procurement Strategy
Procurement Officers	<ul style="list-style-type: none">• Responsibility for delivering the Procurement Strategy• Ensure full compliance with Public Sector Regulations• Ensure services purchased are safe for children, young people, their families and staff to use
Delegated Purchasers	<ul style="list-style-type: none">• Support delivery of the Procurement Strategy
Contracts Review Group	Support the Procurement Team Membership drawn from across the organisation

Approach

A solid approach to procurement, captured by this strategy, allows Localities and Teams across the country to have the kind of access to specialist support and advice they need, now and in the future, to make wise, best value decisions about goods and services, to benefit from the scale of national contracts and to vision future ways of making things ever more efficient, responsive and adaptable to our changing needs.

I know the team will really appreciate you taking the time to consider this strategy and for your continued engagement with them on this important aspect of SCRA's work.

Kind regards



Neil Hunter
Principal Reporter/Chief Executive

1. INTRODUCTION

1.1 About SCRA

The Scottish Children's Reporter Administration (SCRA) is a national body focused on children and young people most at risk. SCRA was formed under the Local Government (Scotland) Act 1994 and became fully operational on 1st April 1996. Our main responsibilities as set out in the Act are:

- To facilitate the work of Children's Reporters,
- To deploy and manage staff to carry out that work,
- To provide suitable accommodation for Children's Hearings.

The Children's Hearings System provides the operational setting in which SCRA and its partner agencies work. The aim is to provide a safety net for vulnerable children and young people, and deliver tailored solutions which meet the needs of the individuals involved, while helping to build stronger families and safer communities.

1.2 Procurement Vision

Our vision for the future is one where the approach to procurement and contract management is fully integrated into our business strategies and a culture of best practice is embedded which will deliver legally compliant procurement processes, ensuring value for money, sustainability, quality services and continuous improvement.

2. STRATEGIC CONTEXT

This document updates SCRA's 2016-20 Procurement Strategy which was published in December 2016. We need to review our Strategy each year and make changes to it where appropriate and this update is the outcome of our second review. It sets out how we plan to carry out our procurements for this financial year, 1st April 2019 to 31st March 2020, providing focus on some of those policies that we aim to support through procurement. We will publish this Strategy on our [website](#).

The Procurement Reform (Scotland) Act 2014 requires a contracting authority with expected annual procurement spend above £5 million to produce a Procurement Strategy.

The SCRA Corporate Plan 2017-20 sets out the changing environment in which the organisation will operate in the next three years, including the Scottish Government's Child Protection Improvement Programme, the review of the Blueprint for the Processing of Children's Hearings Cases, the Scottish Government's Public Service Reform agenda and the independent review of how Scotland treats its looked after children.

The procurement strategy will support delivery of the Corporate Plan's aims and objectives and will ensure compliance with national policies, legislation, tools and guidance including:

- Procurement Reform (Scotland) Act 2014;
- Procurement (Scotland) Regulations 2016;
- Public Contracts (Scotland) Regulations 2015;

- Concessions Contracts (Scotland) Regulations 2016;
- Scottish Public Procurement Policy notes;
- The Scottish Public Finance Manual
- The Construction Procurement Manual
- The Sustainable Procurement Duty tools developed by Scottish Government
- Case Law; and
- SCRA's Procurement Policy Manual

SCRA Procurement follows the "Scottish Model of Procurement" using the Scottish Government's Procurement Journey as the basis for our policy and procedures.

3. COMPLIANCE WITH REQUIREMENTS OF SECTION 15(5) OF THE PROCUREMENT REFORM (SCOTLAND) ACT 2014 AND STATUTORY GUIDANCE

In compliance with Section 15(5) of the Procurement Reform (Scotland) Act 2014 and published Statutory Guidance, SCRA is now required to set out how it will ensure its regulated procurements will:

- Contribute to the carrying out of its functions and achievement of its purposes
- Deliver value for money
- Be carried out in accordance with the General Duties and the Sustainable Procurement Duty
- Ensure payment of invoices are made no later than 30 days after the invoice relating to payment is presented:

4. STRATEGIC AIMS

The principal aims of SCRA Procurement are to:

- Deliver a professional and flexible procurement service to both internal managers and external suppliers, ensuring that SCRA receives best value for money in the procurement of all goods, services and works in order to deliver an effective and efficient service to children, young people and families.
- Contribute to SCRA carrying out its functions and the achievement of its purposes by ensuring that suitable contracts are in place, in particular to allow the dissemination of information and data and to ensure we have adequate premises for hearings to take place.
- Ensure full compliance with EU & UK Public Sector regulations, in accordance with the General Duties and Sustainable Procurement Duty, giving due regard to SCRA's needs and requirements to ensure operational effectiveness is maximised.
- Ensure SCRA's procurement practices contribute to the Scottish Government's objective for sustainable economic growth and contribute to the achievement of relevant National Outcomes.

5. KEY PRIORITIES

In order to achieve the above aims, SCRA Procurement has identified the following key priorities:

5.1 Priority one: addressing Fair Work Practices, including the Living Wage, in Procurement

In accordance with the new Statutory Guidance for Addressing Fair Work Practices, including the Living Wage, in Procurement, SCRA now considers, before undertaking a procurement exercise for regulated procurements whether it is relevant and proportionate to include a question on fair work practices as part of the competition.

5.2 Priority two: working with Suppliers (Including SME's, Supported Businesses & Third Sector)

To ensure transparency and to assist prospective suppliers, existing suppliers and other stakeholders, SCRA has a section for Procurement on the corporate website, www.scra.gov.uk, where SCRA publish the Strategy, Procurement Policy and standard Terms & Conditions and has a link to SCRA's profile on Public Contracts Scotland. This information will help suppliers to forecast when contracts will be procured and assist them in bidding for SCRA work.

SCRA is committed to reviewing and updating Procurement Policies and procedures to ensure that SCRA contributes to improving social, economic and environmental wellbeing where relevant in our regulated contracts. This on-going review will ensure that SCRA remains an inclusive organisation and encourages a diverse range of suppliers including SME's, Supported Businesses and the Third Sector. SCRA's tender strategies are designed to promote SME participation wherever possible and tender documentation is written in a manner which is easier to understand.

SCRA will continue to identify and reserve appropriate contracts for Supported Businesses.

SCRA has signed up to the Supplier's Charter. Further information about this and practical information for suppliers on bidding for public sector contracts can be found using this [link](#).

5.3 Priority three: implementing Community Benefit Requirements

SCRA's policy requires that the potential for Community Benefits to be delivered is considered at the procurement development stage for regulated procurements, prior to approval of the project procurement strategy. Community Benefits are extremely varied, and can range from training opportunities such as apprenticeships, to promoting careers to school children from disadvantaged areas. The delivery of Community Benefits is a contractual commitment.

In line with the Equality Act 2010 and the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012, we consider equality throughout tender processes and comply fully with legislation. Where relevant and proportionate, suppliers are required to provide details of any equality policies and systems that they have in place and that will be

utilised when delivering the contract. This is further addressed in SCRA's standard Terms & Conditions.

Also addressed in SCRA's standard Terms & Conditions is the Employment Relations Act 1999 (Blacklists) Regulations 2010 which addresses blacklisting activities. This is also covered in the European Single Procurement Document (ESPD) (Scotland).

5.4 Priority four: realising Sustainability

In response to the Sustainable Procurement Duty included in the Procurement Reform (Scotland) Act 2014 SCRA has updated the Procurement Policy to set out how SCRA will meet this duty including adopting best practice, meeting legal and financial obligations, securing wider economic, social and environmental benefits and encouraging the procurement of low carbon options to support the development of a low carbon economy.

SCRA will continue to consider the whole life cost and environmental impact of construction projects as appropriate, encouraging recycling and the reuse of materials through waste management plans in order to minimise waste to landfill, look to the use of low energy equipment and environmentally friendly chemicals, and maximise use of materials from sustainable sources in accordance with government buying standards.

Further, SCRA will procure fairly and ethically traded goods and services in accordance with current legislation.

5.5 Priority five: continuous improvement

Procurement Officers have developed contract management guidance and training has been provided to all staff responsible for managing contracts. However, it is clear that further work is required to strengthen contract management practices. Further training for staff will be provided and tools and techniques will be developed to support better management of contracts and suppliers.

SCRA's Contracts Review Group meets every six months with the aim of supporting the Procurement Team in ensuring SCRA receives best value for money in terms of cost, quality and sustainability whilst meeting legal obligations. The Group reviews current and future contract requirements, challenges the need for contracts and identifies areas where savings and benefits can be achieved.

SCRA Procurement work closely with the Scottish Government's Procurement Team and other public sector organisations. SCRA collaborate with other public sector organisations through membership of a multi-agency Cluster Group which facilitates the sharing of knowledge, encourages partnership working and assists the group so that the public sector can deliver value for money, pool resources and expertise and better meet the needs of their internal customers. SCRA has participated and will continue to participate in the use of Scottish Procurement collaborative frameworks as a representative of public sector organisations. SCRA has undertaken collaborative procurement with other organisations including Children's Hearings Scotland, Historic Environment Scotland and National Museums.

5.6 Priority six: ensuring Health & Safety

SCRA has a comprehensive Health & Safety Policy in place. Health and Safety Policies and associated information are requested where relevant from suppliers as part of the procurement process. Further health and safety policies are covered in SCRA's standard terms and conditions to ensure that suppliers comply with all relevant regulations and best practice.

5.7 Priority seven: Consultation & Engagement

SCRA will consult and engage with those affected by its procurements through the Contracts Review Group and User Intelligence Groups and where relevant and proportionate will engage with the wider community prior to individual regulated procurements.

5.8 Priority eight : Information Governance

SCRA will ensure that all procurements comply with existing information governance legislation and internal policies.

6. SCRA'S PROCUREMENT POLICY & PROCEDURES

The following policies are embedded into existing procurement processes and procedures in SCRA and are intended to assist decision making, management and administrative functions. Where appropriate, monitoring, review and reporting of the effectiveness of a policy is a key part of ensuring continuous improvement. In our drive for continuous improvement in our procurement activity, SCRA introduced a Procurement Compliance Check process in 2018 which is carried out at key stages of a regulated procurement. The Compliance Check looks to identify areas of policy and procedure non-compliance and put in place improvement action plans as necessary.

In addition to the national policies and legislation mentioned in section 3 Strategic Context, SCRA staff are required to take account of the following when undertaking any procurement activity:

- The requirement to have an appropriate level of Delegated Purchasing Authority;
- SCRA's Investment Decision Making (IDM) procedures;
- SCRA's Risk Management Framework;
- Specific SCRA Procurement Policy, including the requirement for procurement activity above £20k to be underpinned by an approved Procurement Strategy;
- The prompt payment of invoices for goods, services and works in line with the Scottish Government's 10 day payment policy, including the adoption of this approach in the procurement of contracts by the inclusion of clauses to ensure the same approach is adopted throughout the supply chain; and
- The requirement for suppliers to comply with relevant environmental and health and safety legislation, such as the Construction (Design and Management) Regulations 2015.

The Procurement Team comply with SCRA's policies listed at section 7 including Fraud & Corruption, Equality & Diversity and Gifts, Hospitality & Other Inducements. They maintain the highest standard of integrity in all business relationships by rejecting any business practice which might reasonably be deemed improper, never using their authority or position for their own financial gain, declaring any personal interest which might affect, or be seen by others to affect, their impartiality in decision making and never breaching the confidentiality of information received in a professional capacity.

SCRA promote the eradication of unethical business practices by undertaking due diligence, where relevant, in relation to modern slavery and other human rights and by continually developing knowledge of these issues.

6.1 Local Policies

In compliance with Section 15(5) of the Procurement Reform (Scotland) Act 2014, SCRA must include a statement on its General Policies. SCRA's response to this requirement is summarised below:

6.1.1 General policy on the use of community benefits requirements:

Policy: SCRA requires that the potential for community benefits to be delivered is considered at procurement preparation stage for regulated procurements, prior to approval of the project procurement strategy.

When developing any contract specification, consideration must be given to the suitability of including community benefit clauses, such as the requirement to provide targeted recruitment and training. The delivery of community benefits is a contractual commitment.

The delivery of community benefits through SCRA contracts will provide opportunities for targeted training and recruitment, including training and jobs for long-term unemployed people, development of the skills and qualifications of the existing workforce, apprenticeships and job start positions and professional graduate training opportunities.

Monitoring, Reviewing & Reporting will include:

- Contract management to ensure delivery in accordance with contractual requirements;
- Internal data collection to identify and analyse for trends, consistency and to inform regular lessons learned reviews to identify any improvement opportunities;
- Procurement Strategy Compliance check to provide assurance that the requirements identified at development stage were carried through to the contract;
- The outcome of the above will be summarised in SCRA's Annual Procurement Reports, as per the requirements of the Procurement Reform (Scotland) Act 2014.

6.1.2 General policy on consulting and engaging with those affected by its procurements

Policy: Consultation and engagement with key stakeholders affected by our procurement activity is embedded in our processes, both during project development and any subsequent procurement activity.

This consultation can include, for example, consultation with internal stakeholders, children and families, other public bodies, e.g. Children's Hearings Scotland, and suppliers via market engagement and meetings.

The appropriate level of consultation and engagement for a project will be identified at development stage and feedback from consultation during preparation for procurement will be reported in the procurement strategy to provide assurance that an appropriate level of consultation has been undertaken prior to approval to proceed.

Information about the progress of major projects is supported by an appropriate communications strategy. This includes the use of SCRA's Intranet site, (Connect), Team Briefs and specific project websites to provide progress reports and other information of interest to SCRA's employees.

SCRA advertises up and coming tender opportunities for regulated procurements through the Public Contracts Scotland portal and, those valued at over the relevant EU threshold are also advertised through the Official Journal of the European Union (OJEU). Where relevant, an advert should also be placed on SCRA's website.

Monitoring, Reviewing and reporting will include:

- Lessons learned review to identify any complaints regarding a failure to consult;
- Compliance checks to review level of consultation undertaken v that stated in the procurement strategy.
- Recording of any complaints about failure to consult on any of our contracts.

6.1.3 General policy on payment of a living wage to persons involved in producing, providing or constructing the subject matter of regulated procurements

Policy: This policy should be considered as early as possible in the procurement process. This makes sure that where it is relevant to how the contract is carried out, assessing a business's approach to fair employment, including the Living Wage, can be an important part of the procurement exercise.

Guidance is available to staff on what should be included, however, consideration should be given to the following for each individual contract:

- To what extent the quality of the delivery of the contract can be affected by those working on it.
- Is there is a risk that suppliers use unfair employment practices? This has mostly been in sectors where low pay is widespread and the Living Wage is not paid, or where, for example, the inappropriate use of zero hours contracts might be used in delivering the contract.

Monitoring, Reviewing & Reporting will include:

- If a commitment has been made in a tender to pay the Living Wage, we record this in the contract award notice, it will form part of the contract and we will monitor it through our contract and supplier management processes.
- Information on which of our contractors pay the Living Wage will be gathered centrally and we will include it in the annual report of our performance against this strategy.

6.1.4 General policy on promoting compliance by contractors and sub-contractors with the Health & Safety at Work etc. Act 1974 (c. 37) and any provision made under that Act

Policy: Health and Safety risks are taken into consideration at the design stage of a project and again during preparation for procurement. Factors pertaining to specific health and safety requirements are recorded in the procurement strategy as these will vary depending on the nature of the works, services or goods being purchased.

The supplier will be required to provide information with his tender that provides assurance to SCRA that the necessary legislation will be complied with.

Monitoring, reviewing and reporting will include:

- Contract management to ensure delivery in accordance with contractual requirements;
- Internal data collection to identify and analyse for trends, consistency and to inform regular lessons learned reviews to identify any improvement opportunities;
- Procurement Strategy Compliance check to provide assurance that the requirements identified at development stage of regulated procurements were carried through to the contract;
- The outcome of the above will be summarised in SCRA's Annual Procurement Report in spring 2018, as per the requirements of the Procurement Reform (Scotland) Act 2014.

6.1.5 General policy on the procurement of fairly and ethically traded goods and services

Policy: Consideration of specific requirements and availability in relation to fairly and ethically traded goods and services will be considered at project development stage and recorded in the project Procurement Strategy for approval prior to commencement.

The use of the ESPD as standard for regulated procurements allows consideration of whether a potential supplier has been convicted of certain offences and/or committed any acts of professional misconduct and allows suitability to be assessed.

Monitoring, reviewing & reporting will include:

- Contract management to ensure delivery in accordance with contractual requirements;
- Internal data collection to identify and analyse for trends, consistency and to inform regular lessons learned reviews to identify any improvement opportunities;
- Procurement Strategy Compliance check to provide assurance that the requirements identified at development stage were carried through to the contract;
- The outcome of the above will be summarised in SCRA's Annual Procurement Report in spring 2018, as per the requirements of the Procurement Reform (Scotland) Act 2014.

6.1.6 General Policy on how it intends its approach to regulated procurements involving the provision of food to:

- (i) Improve the health, wellbeing and education of communities in the authority's area, and**
- (ii) Promote the highest standards of animal welfare**

Policy: Not applicable to SCRA contracts as there is no requirement to purchase food via a regulated procurement.

6.2 Local Procedures

SCRA has a range of procurement procedures dependent on the value and nature of what is being purchased:

6.2.1 Non-Regulated Procurement (Below £50k)

Where SCRA is seeking quotes for commissions below £50,000, invitations to quote will be sent to a minimum of three appropriate suppliers, where possible through the "Quick Quote" section of the national advertising portal, [Public Contracts Scotland](#) (PCS).

SCRA has a Delegated Purchaser based in each Locality and a number based within Head Office teams. Delegated Purchasers have authority to purchase up to a total contract value of £20k using Route 1 of the Procurement Journey. Contract requirements over £20k or of lower value and more complex nature are passed to Procurement Officers to be competed.

6.2.2 Regulated Procurement (Goods & Services over £50k)

SCRA's policy, where possible, is to advertise tender opportunities over £50,000 on the national advertising portal, [Public Contracts Scotland](#) (PCS). These may also be advertised on SCRA's website, www.scra.gov.uk. Interested suppliers must formally

apply for these opportunities through the portal, and applicants will be considered in terms of their capacity and capability to meet SCRA's requirements.

SCRA's Contract Register can be viewed on PCS and interested suppliers can apply to receive automatic notifications of any future SCRA contract opportunities that may be of interest and those of many other Scottish public sector organisations.

During early strategic procurement discussions with Project Managers, options available will be discussed and agreed to ensure the most appropriate route is developed to meet their needs and ensure value for money is achieved. SCRA uses Scottish Procurement frameworks and Crown Commercial Service frameworks where appropriate.

Where there are no appropriate frameworks available, for regulated procurement (over £50k), the Procurement Team work with internal customers to design, develop and procure contracts that are fit for purpose, ensure value for money and are compliant with legislation.

SCRA uses the open process where appropriate for regulated procurements to open up the opportunity to suppliers, in particular, to SME's, and reduce paperwork and timescales.

At the end of each regulated procurement, Procurement Officers complete a Tender Recommendation Report which reviews the procurement exercise and requests approval from the Budget Holder and Principal Reporter/Chief Executive Officer before awarding the contract.

6.2.3 Non-Regulated Works Contracts (Below £2m)

SCRA Works contracts are non-regulated due to the value. Contracts less than £250k will be procured using the Quick Quote facility on Public Contracts Scotland and where possible, SCRA will openly advertise contract opportunities over £250k on Public Contracts Scotland. SCRA's procedure for Works contracts is currently being updated.

7. SUPPORTING POLICIES

The Procurement Strategy is supported by other policies and procedures on:

- Risk Management
- Fraud and Corruption
- Whistleblowing
- Records Management
- Environmental Management
- Health and Safety
- Equality and Diversity
- Gifts, Hospitality and other inducements
- Conflicts of Interest
- Anti-competitive behaviours
- Suppliers Charter

8. SPEND ANALYSIS & VALUE FOR MONEY

8.1 Expenditure profile

The Procurement Team carried out the annual spend review for 2017/18 and uploaded this information onto the Scottish Government Information Hub (Spikes Cavell). The spend figures were - Contracted Spend £4,137,441 (93%) and Non Contracted £308,090 (7%).

8.2 Ensuring Value for Money

SCRA Procurement aim to provide a high quality service for internal customers, which is responsive, pragmatic, timely and delivers value for money. Value for money is based on the optimum combination of whole life cost and quality to meet the user's requirements. SCRA awards regulated procurements on the basis of the most economically advantageous tender (MEAT) which balances value for money and the required quality of goods, services or works being procured.

Working with Project managers, SCRA Procurement has made a substantial contribution to the Scottish Government efficiency savings target of 3% and continue to provide value for money while maintaining the required quality of service.

SCRA's collaborative savings from the use of Scottish Procurement frameworks are gathered and reported every quarter, along with savings from SCRA's own procurement exercises. In addition, using Scottish Government frameworks provides a quicker, compliant procurement route for Project Managers.

8.3 Payment to Suppliers

SCRA is dedicated to paying suppliers promptly and includes a clause in tender documentation stating that, SCRA's standard payment terms are payment within 30 days, however, where possible, SCRA will endeavour to meet the Scottish Government's payment target of payment within 10 working days of receipt of a valid invoice. SCRA also encourages suppliers to offer the same terms to any sub-contractors used on SCRA contracts.

9. PERFORMANCE MONITORING & REPORTING

The Strategy will be implemented on a day to day basis by the Procurement Officers, supported by Delegated Purchasers and the Contracts Review Group. The priorities set out in the Strategy will be translated into specific actions which will be included in an annual Team Plan.

Scottish Procurement has undertaken a Procurement Health Check on SCRA's procurement policies and procedures and the results they deliver. A number of areas of good practice and some areas for improvement were identified and these will be included in Team Action Plans.

The Procurement function is subject to periodic Internal Audit review with any recommendations for improvement considered by the Executive Management Team (EMT) and Audit & Risk Committee (ARC).

The Strategy and Team Plan will be reviewed annually and the outcome of the review will be reported to the EMT and SCRA Board including information on key contracts awarded in the year, annual spend information and changes in legislation. This reporting format will be adapted to ensure the requirements for an Annual Procurement Report are fully met.

10. ANNUAL REPORTING

In accordance with Section 18(2) of The Procurement Reform (Scotland) Act 2014, the first Annual Procurement Report will cover the period 1st January 2017 to 31st March 2018 and will be prepared and published annually thereafter. The Annual Procurement Report will include:

- A summary of the regulated procurements that have been completed during the period covered by the report;
- A review of whether those procurements complied with SCRA's Procurement Strategy;
- The extent to which any regulated procurements did not comply, and a statement detailing how SCRA will ensure that future regulated procurements do comply;
- A summary of any community benefit requirements imposed as part of a regulated procurement that were fulfilled during the period covered by the report;
- A summary of any steps taken to facilitate the involvement of supported businesses in regulated procurements during the report period;
- A summary of regulated procurements expected to commence in the next two financial years; and
- Reporting on other matters as contained within this Strategy.

11. OWNERSHIP AND CONTACT DETAILS

The owner of the Procurement Strategy will be as follows:

Ed Morrison
Head of Finance and Resources
0131 244 8585
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Appendix A

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).
Commercial Awareness	Evidence of commercial acumen. Awareness of the need for efficiency, cost-effectiveness, customer / stakeholder support, a knowledge of the sector and the services the organisation provides and will provide in the future, considering the strategic objectives, current economic climate etc.. A track record of appropriate procurement skill and experience, evidence of on-going/continual training and development. (Desirable and post/org specific) professional qualification / undertaking or willingness to undertake as appropriate.
Contract Management	The process of monitoring the performance of a supplier to contract.
Corporate Social Responsibility	The idea that a company should be interested in and willing to help society and the environment as well as be concerned about the products and profits it makes.
DPA	Delegated Purchasing Authority - Is the authority given to an individual to sign-off contracts. It is not to be confused with Delegated Finance Authority as it is important that there is adequate separation of duties between the individual who has finance authority i.e. the budget holder and the individual with purchasing authority i.e. who places the contract.
DPO	Delegated Purchaser Officer - A permanent individual with Delegated Purchasing Authority (DPA).
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.
Influenceable Spend	The value of Procurement relevant spend which was actually influenced by Procurement.
Key Suppliers	Those suppliers identified as business critical in terms of risk/value and business continuity.
Maverick spend	Purchase orders placed for goods and services not utilising existing frameworks/contracts, unless legitimately endorsed by the local purchasing team and/or where awarded in accordance with corporate procurement policy.
MEAT	The most economically advantageous tender (MEAT) criterion enables the contracting authority to take account of criteria that reflect qualitative, technical and sustainable aspects of the tender submission as well as price when reaching an award decision.
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.
Procurement Exercise	Full end to end procurement exercise documentation from strategy development to contract & supplier management.

Procurement function	The business management function that ensures identification, sourcing, access and management of the external resources that an organisation needs or may need to fulfil its strategic objectives.
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 on-going 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 Officer	Individual who spends the majority of their time working in a role that adds value to the quality, cost and effectiveness of the procurement or acquisition of goods, works and services; impacting upon commercial relationships during one or more stages of the procurement cycle and contributing towards best practice contract and supplier management.
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.
Restricted Procedure	A two-stage procedure whereby suppliers are required to complete a Pre-Qualification Questionnaire (PQQ) and must satisfy certain selection criteria (the first stage). This process enables the organisation to limit the number of suppliers which are invited to tender (the second stage).
Small Medium Enterprise (SME)	The category of micro, small and medium-sized enterprises (SME's) 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.
Supply Chain	All activities, resources, products etc. involved in creating and moving a product or service from the supplier to the procurer.
Supply Chain Management	The coordinated set of techniques to plan and execute all steps used to acquire raw materials from suppliers, transform them into finished goods, and deliver both goods and services to customers. It includes chain-wide information sharing, planning, resources and performance measurements.
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.

SCOTTISH CHILDREN'S REPORTER ADMINISTRATION

PROCUREMENT POLICY MANUAL

VERSION 2.0

Version:	2.0
Issue Date:	March 2019
Changes:	Annual review of Policy
Prepared by:	Helen Mora, Procurement Officer
Approved by:	Executive Management Team
Next Review Date:	2 Years

Contents

1.	Introduction and Scope	3
2.	Definition	3
3.	Key Principles of Procurement Policy	3
4.	Legal Framework	4
4.1	Regulated Procurement	5
4.2	Formal Challenges	5
5.	Procurement Journey	5
6.	Procurement Roles, Responsibilities & Compliance	6
6.1	Procurement Process	6
6.2	Delegated Purchasing Authority (DPA)	7
6.3	Commitment of a Contract	8
6.4	Separation of Duties	8
6.5	Approvals	9
6.6	Competition & Advertising	9
6.7	Works Contracts	11
6.8	Contract Documentation	12
6.9	Contracts Register & Transparency	12
7.	Value for Money	12
8.	Buying Sustainably	12
9	Non Competitive Action (NCA)	13
10.	Consultancy Services	13
11.	Contract Management	13
12.	Ethical Standards	14
13.	Fraud Response Procedures	14
	Annex A – Glossary	15

1. INTRODUCTION AND SCOPE

This manual provides guidance on the rules that apply to the Scottish Children's Reporter Administration (SCRA) staff who are involved in procurement activity and sets out the process that must be followed for each procurement exercise the organisation undertakes.

Adherence to the policies set out in this Manual is mandatory for all staff.

This manual should be read in conjunction with the [Scottish Procurement Policy Handbook](#) (applicable to the wider public sector, including the Scottish Government), the [Construction Procurement Manual](#) (managing or delivering construction/works projects), the [Procurement Journey](#) (a toolkit providing practical guidance on procurement procedures) and other guidance issued by [Scottish Procurement](#), including [Scottish Procurement Policy Notes](#) (which provide updates on legal and Procurement Policy developments). Account must also be taken of the relevant legal framework and statutory guidance published under the Procurement Reform (Scotland) Act 2014.

The rules set out in the [Scottish Procurement Policy Handbook](#) and this manual are designed to ensure that procurement activity is:

- Focussed on the delivery of Value for Money (VfM) .
- Conducted to high professional standards and to relevant guidance and to the relevant legal requirements.
- Overseen by appropriately trained and authorised staff to minimise the risk of legal challenge to SCRA and its staff.

No member of staff may commit to a purchase or award a contract without written Delegated Purchasing Authority.

2. DEFINITION

'Procurement' is the process of buying goods, services and works from external suppliers. The procurement process begins when a need to buy something is identified and will generally end after the contract is awarded.

Contract management will be carried out throughout the duration of the contract. The role of Contract Manager is usually performed by the business area for whom the contract has been awarded (with support from SCRA's Procurement Team). Information on Contract Management is available in [SCRA's Guidance](#) and the [Procurement Journey](#).

3. KEY PRINCIPLES OF PROCUREMENT POLICY

EU Procurement Obligations and Principals

All procurement activity must comply with European Union (EU) principles of:

- Transparency
- Equal treatment and non-discrimination
- Proportionality
- Mutual recognition

Legal Aspects

Contracts for the procurement of goods, services and works must be in writing and awarded by a Delegated Purchasing Officer (DPO) with relevant Delegated Purchasing Authority (DPA) ([see Section 4](#)).

Value for Money

Contracts should be awarded on the basis of VfM ([see Section 7](#)).

Competition & Advertising

Contracts must be awarded through genuine and effective competition unless there are exceptional reasons to the contrary ([see Section 6.6](#)).

However, where a contract does not exist and there is a need to buy low value/low risk goods and services operational areas can use their Government Procurement Card (GPC – also known as EPC) to purchase directly from the supplier.

Ethical Standards

DPO's must adhere to and apply the highest ethical standards in their procurement activity ([see Section 12](#)).

Buying Sustainably

DPOs must consider sustainability in their procurement activity ([see Section 8](#)).

Separation of Duties

The roles of Budget Holder/Customer and DPO should be kept separate ([see Section 6.4](#)).

Consultancy Services

The procurement of consultancy services must adhere to the [Scottish Government Consultancy Procedures](#) ([see Section 10](#)).

In addition to the key principles, SCRA has the following general policies which should be followed:

- Use of Community Benefits
- Consulting & engaging with those affected by procurement
- Payment of a Living Wage (Fair Work Practices)
- Health & Safety
- Fairly & ethically traded goods and services
- Compliance with Information Governance Requirements

4. LEGAL FRAMEWORK

Public sector procurement in Scotland takes place within a framework of rules including:

- Treaty on the functioning of the European Union (EU)
- EU Procurement Directives
- The [Public Contracts \(Scotland\) Regulations 2012](#) (as amended)
- The [Utilities Contracts \(Scotland\) Regulations 2012](#)
- The [Public Contracts \(Scotland\) Regulations 2015](#) (for contracts commenced on or after 18th April 2016)
- The [Procurement \(Scotland\) Regulations 2016](#) (for contracts commenced on or after 18th April 2016)
- The [Concession Contracts \(Scotland\) Regulations 2016](#) (for contracts commenced on or after 18th April 2016)
- The [Utilities Contracts \(Scotland\) Regulations 2016](#) (for contracts commenced on or after 18th April 2016)
- European Court of Justice and national case law

4.1 Regulated Procurement

For the purposes of the Procurement Reform (Scotland) Act 2014, a “regulated procurement” is any procedure carried out by a contracting authority in relation to the award of a proposed regulated contract, including, in particular, the seeking of offers in relation to the contract, the selection of economic operators and the award of a regulated contract by a contracting authority.

A contract is regulated if it is a public contract, the estimated value of the contract is equal to or greater than the contract threshold and the contract is not an excluded contract.

The contract thresholds are currently :

Goods and Services:	£50,000
Works:	£2,000,000

4.2 Formal Challenges

Formal challenges and complaints may be brought against SCRA alleging a breach of these rules. The consequences of a successful challenge may, depending on the nature of the breach, result in SCRA being fined; the duration of a contract being shortened; award of damages against SCRA; and reputational damage to SCRA.

Any challenges must be reported to the Procurement Team immediately and any correspondence from legal advisors challenging the procurement process or contract award decision must be forwarded to Procurement.

5. PROCUREMENT JOURNEY

The Procurement Journey provides a step by step guide to carrying out a procurement exercise and is intended to support all levels of procurement activities and to help manage the expectations of stakeholders, customers and suppliers alike, It facilitates best practice and consistency across the Scottish public sector.

The Procurement Journey is split into three different routes and includes a decision matrix to determine the route to be used. SCRA's Delegated Purchasing Officers (DPO's) must only use Route 1. Use of Route 1 is mandatory for all procurements over £10k.

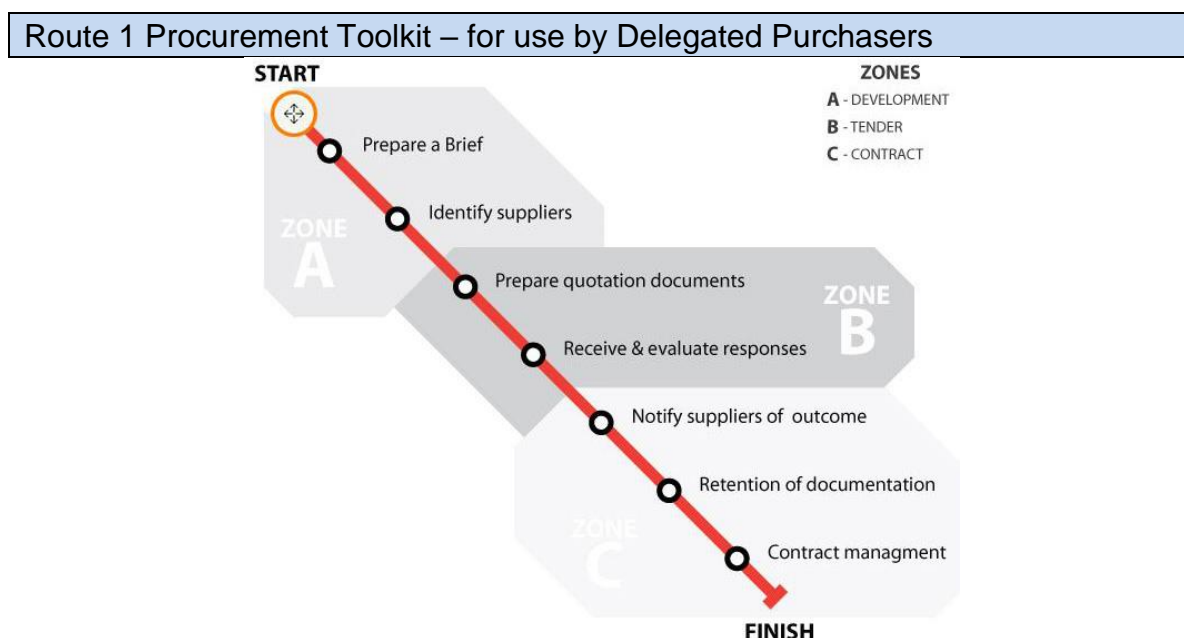
Where Route 1 is required for contracts above £20,000 or where Routes 2 or 3 are required, these competitions must be managed by SCRA's Procurement Officer(s).

6. PROCUREMENT ROLES/ RESPONSIBILITIES AND COMPLIANCE

This section outlines the roles, responsibilities and actions necessary for procurement compliance. The Head of Finance & Resources has been charged by the Principal Reporter/Chief Executive to determine best practice purchasing arrangements for SCRA and to seek to establish these consistently throughout.

6.1 Procurement Process

The SCRA adheres to Scottish Procurement's Procurement Journey below:



6.2 Delegated Purchasing Authority (DPA)

The Principal Reporter/Chief Executive is responsible for the scheme of Delegated Purchasing Authority (DPA) across SCRA and has delegated purchasing authority to the Procurement Officers for this purpose. This delegation allows for further delegation to suitable staff that have responsibility for low value low risk procurements.

The Procurement Officers will maintain a central Register of Delegated Purchasers to allow the dissemination of information and advice, the identification and development of a Procurement Training Programme and periodic reports to SCRA management and/or our Auditor's on the number of non-procurement staff who are actively involved in the procurement process and have completed the appropriate levels of training.

DPA is the authority to enter into a contract for goods, services and works and in doing so, to take responsibility for overseeing the process leading up to, and including, the award of a contract and any subsequent changes to that contract.

DPA is:

- Required for competition of contracts where an existing contract/framework agreement does not already exist. It is also required for running mini competitions against an authorised Scottish Procurement framework agreement or for the modification of an existing contract.
- Granted to permanent SCRA staff, authorised in writing by the Procurement Officer. This will be based on the business need and training/experience of the staff concerned. It will specify the value of contracts (excluding VAT) that the individual will be authorised to award.
- Intended to allow Head Office/Locality Teams the opportunity to manage their appropriate purchasing requirements within their local business area.
- Personal to an individual only whilst occupying their current position unless they are seconded to another post within the organisation to carry out their procurement role in that post. DPA does not automatically transfer to their successor should they leave their current post nor does it transfer with them to another post. If DPA is to be withdrawn by the Procurement Officer for any reason this will be confirmed in writing.

DPA is not:

- To be confused with financial/budgetary authority which is detailed in SCRA's Scheme of Delegation (available on [Connect](#)).
- Required to purchase goods, services or works from single supplier framework agreements awarded or approved by the Procurement Team or Scottish Procurement.

- The authority to approve a contract without following a genuine and effective competition – this is known as a Non Competitive Action (NCA) ([see Section 9](#)).

Individuals with DPA are known as Delegated Purchasing Officers (DPO).

Details of existing [SCRA regulated Contracts and Frameworks](#) can be found on PCS. Further details can be obtained from the Procurement Officers.

Details of existing contracts and framework agreements that SCRA may use, which were awarded or approved by [Scottish Procurement](#) or [Crown Commercial Services](#) are available using the links above.

6.3 Commitment of a Contract

A contract is a legally binding agreement between SCRA and one or more suppliers for the supply of specified goods, services or works. The contract sets out the details of what SCRA is buying, from whom and the rights and obligations of the parties.

All contracts except, as mentioned above, existing single supplier framework agreements, must be awarded by a DPO with the appropriate level of authority.

All SCRA low value/low risk contracts (below £20,000) awarded by DPO's must be in writing using the [template document](#) from Route 1 of the Procurement Journey, although legally contracts can be made by word of mouth, or implied by the action of the parties. Therefore in discussions with suppliers it is essential that staff take care to ensure that a contract is not unintentionally created.

Details of contracts awarded should be recorded by all DPO's and be readily available on request from the Procurement Officer.

All purchases made using the GPC must comply with SCRA's GPC procedures. The limit for a single transaction by GPC is £5k with a maximum monthly spend per card of £15k.

All contracts awarded by SCRA should normally be subject to Scots Law. This is provided in the SCRA Standard Terms and Conditions which have been designed for straightforward or routine purchases of goods or services. These Terms & Conditions can be found on [Connect](#).

Any proposed change, amendment or alternative form of conditions by the DPO or supplier should in the first instance be referred to the Procurement Officer for approval before agreeing to non-standard contract conditions.

6.4 Separation of Duties

In any procurement process, the key roles of Budget Holder and Purchaser should NOT be performed by the same individual.

The Budget Holder should have authority to commission goods, services or works and to provide financial authority for the expenditure. The Purchaser should have the relevant authority to commit the organisation to a contract for the purchase of the goods, services or works for the full term of the contract.

The Procurement Officer must be alerted to planned or possible procurements outwith the level of the DPO's authority, or if the purchase is novel or deemed to be high risk.

There are at least two defined roles in a procurement process:

- The internal stakeholder who perceives the need and prepares the Business Case, where necessary, to obtain any necessary approval to spend.
- The DPO who is responsible for ensuring that the procurement process fully complies with SCRA's Procurement Policy.

A DPO should not:

- Be responsible for any financial approvals connected with contracts that they have authority to approve.
- Act as Budget Holder.
- Be an approver on SCRA's Finance Process Manager (FPM) system.

These roles must be separated in order to protect the staff concerned from accusations of impropriety.

In the case of works contracts, roles and responsibilities are set out in the [Scottish Public Finance Manual \(SPFM\)](#) and the [Construction Procurement Manual](#).

6.5 Approvals

Prior to committing to a purchase, Delegated Purchasers must complete a New Supplier Form and send this by email to the Procurement Officer. If this involves a new supplier and meets the criteria on the form, the Procurement Officer will confirm their approval by forwarding the form to the Finance Team.

It is SCRA Policy that all procurements expected to be above £20,000 should have a Procurement Strategy completed by the Procurement Officer in conjunction with the internal customer. The Procurement Strategy should be approved by the Head of Finance & Resources before commencing with the competition.

A Capital Proposal should be prepared by the internal customer for all Capital expenditure expected to be between £1,000 and £25,000. This should be submitted to the Head of Finance & Resources for approval. A [template](#) is available on Connect.

A [Business Case](#) should be prepared by the Project Owner for all Capital or Revenue projects expected to be in excess of £25,000. Internal customers must consult with all relevant Teams, including Procurement, before submitting the Business Case for approval by the Executive Management Team (EMT).

6.6 Competition and Advertising

It is SCRA policy that goods, services and works must be awarded through genuine and effective competition unless there are convincing reasons to the contrary ([see section 9](#)). DPOs are responsible for identifying the most appropriate procurement process that is likely to offer the best VfM. Advice should be sought from the Procurement Officer(s).

Before commencing a new competition, the availability of existing [contracts and framework](#) agreements must be considered. New competitions should normally only be launched where the requirement cannot be met through an existing contract.

All purchases between £1k and £10k that are not on an existing contract must have three verbal quotations from different suppliers before making a decision on the basis of VfM. Details of the quotations should be recorded on file.

Procurement processes for each form of competition are outlined within the Procurement Journey and must be used for all procurements above £10k.

In addition to the OJEU publication requirements, the [Procurement Reform \(Scotland\) Act 2014](#) requires all public bodies who are conducting a regulated procurement to publicise their intention to seek offers (contract notice) and the award of a contract or framework agreement (contract award notice) on [Public Contracts Scotland](#) (PCS). The PCS info centre contains further information on how public bodies can meet their publication obligation.

This means that all regulated contracts for goods and services with an anticipated value of £50,000 and above (excluding VAT) and for contracts for works with an anticipated value of £2,000,000 and above (excluding VAT) must be advertised on the [Public Contracts Scotland](#) (PCS) advertising portal. The value of the contract is the total amount, net of VAT, which SCRA expects to pay over the full duration of the contract (including any options to extend).

- All contracts with an anticipated value of less than £50,000 (Goods & Services) and £250,000 (Works) but above £10,000 (excluding VAT) will require to be done by Quick Quote (an online competition process within PCS which allows staff to approach selected suppliers, who are registered on PCS). If not on PCS, Delegated Purchasers can contact the supplier and ask them to register.

Quick Quote must only be used where the DPO:

- Ensures that there is no existing contract/framework agreement which could be accessed.
- Satisfies themselves that using Quick Quote meets their obligations for adequate publicity
- Ensures that the procurement/mini-competition is for low value/low risk goods, services or works.

The thresholds for procurement activities within SCRA are outlined in the table below:

Estimated Value (ex VAT)	Procurement Journey Route	Procurement Lead	Minimum Standards
<£1,000	Not Required	DPO	Can be purchased via GPC cards. Alternatively, quotes can be sought following the Route 1 procedure below.
£1,000 - £10,000	Not Required (Route 1 can be used)	DPO	Minimum of three verbal/telephone quotes. Details to be recorded on file. Payment by GPC card. Recommend using Public Contracts Scotland (PCS) Quick Quote where possible.
£10,000 - £20,000	Route 1	DPO or Procurement Officer	Not less than 3 written quotations must be received. Use of PCS Quick Quote is mandatory for these competitions
£20,000 - £50,000 (Goods & Services) £250,000 (Works)	Route 1 or Route 2 Route CPR1 A for Works	Procurement Officer	Formal competitive tendering exercise, led by SCRA Procurement Officer. Use of PCS Quick Quote is mandatory. These may also be advertised via a full PCS national notice where deemed necessary.
£50,000 (Goods & Services) £250,000 (Works) – OJEU Threshold *	Route 2 Route CPR1 B for Works	Procurement Officer	Formal competitive tendering exercise, led by SCRA Procurement Officer, advertised via PCS and conducted in accordance with Procurement (Scotland) Regulations 2016
> OJEU Threshold	Route 3	Procurement Officer	Formal competitive tendering exercise, led by SCRA Procurement Officer, advertised via PCS OJEU procedure and conducted in accordance with the relevant EU procurement directives and Public Contracts (Scotland) Regulations 2015.

* The OJEU threshold for Supplies and Services is currently £181,302 and £4,551,413 for Works. This threshold changes every two years. The next change will be applied from January 2020.

6.7 Works Contracts

It is recognised that for small works contracts (up to £10k) it is not always possible to obtain prior quotations or to use the GPC for Works contracts.

The Public Contracts (Scotland) Regulations 2015 sets out at Schedule 2 those activities that are defined as Works. These activities describe works that form the basis of the types of project undertaken by SCRA's Property Team.

The updated Construction Procurement Manual provides mandatory guidance in developing and delivering construction projects and how to take these procurements to market using the appropriate Construction Procurement Route (CPR).

Although the guidance recommends using CPR1 A for contracts below £500k, the Procurement Team recommend using this for contracts below £250k. This means they can be taken to market without advertising, for example by inviting selected suppliers to bid using the Quick Quote facility on Public Contracts Scotland. If an assessment of risk determines that they need wider marketing, CPR1 B will be used.

Where possible, SCRA will openly advertise contract opportunities between £250k and £500k on Public Contracts Scotland using CPR1 B. SCRA's procedure for Works contracts is currently being updated.

6.8 Contract Documentation

It is SCRA Policy that documentation covering the key stages of the procurement of goods, services and works is retained on file. The DPO responsible for carrying out the procurement activity is responsible for ensuring that there is a file for each contract and for ensuring that key documents are filed timeously. A Contract Reference Number can be obtained from the Procurement Officer.

6.9 Contracts Register and Transparency

The Procurement Reform (Scotland) Act 2014 requires all public sector contracting organisations to keep and maintain a Contracts Register, and to provide an internet-based publicly viewable version of it to include all regulated procurements which commence on or after 18th April 2016. This Contract Register will be maintained and updated by the Procurement Team as a regulated contract is a public contract (for goods and services) with a value greater than £50,000.

It is, however, the responsibility of all DPOs to ensure that they maintain a record of all lower value contracts they award. The Procurement Team may periodically request details of contracts awarded.

7. VALUE FOR MONEY (VfM)

VfM is defined as the optimum combination of whole life costs and quality (or fitness for purpose) to meet the customer's requirements. Depending on the nature of the contract, whole life cost may include implementation costs, ongoing operating costs and end-of-life disposal.

The [Scottish Model of Procurement](#) promotes VfM as being an appropriate balance between cost or price, quality and sustainability. In addition, a

Procurement Strategy sets a framework in which a contracting authority will work to ensure that its procurement activities deliver value for money, how it plans to meet its procurement obligations and how these targets are subsequently met. In delivering VfM, cost or price, quality and sustainability are all factors which should be taken into account when establishing contract award criteria.

It is SCRA policy that contracts must be awarded on the basis of VfM.

8. BUYING SUSTAINABLY

SCRA is committed to buying goods, services and works in a sustainable manner.

This is done in a way that:

- Achieves VfM on a whole life cost basis; and
- Delivers benefits not only for the organisation but for society, the economy and the environment.
- Encourages the procurement of low carbon options to support the development of a low carbon economy.

SCRA will derive the greatest benefits through ensuring that, where appropriate, sustainability is embedded and proportionately applied to all its procurement decisions and activities. At the heart of this process will be The Sustainability Test.

[The Procurement Reform \(Scotland\) Act 2014](#) builds on the work achieved so far in the reform of public procurement in Scotland. It establishes laws about sustainable public procurement to maximise the social, environmental and economic benefits through effective and efficient procurement activity.

The Sustainable Procurement Duty encompasses these elements. Smart use of procurement can play a key role in promoting jobs and growth, encouraging innovation, boosting training and apprenticeship opportunities and helping small and medium enterprises (SME's), third sector organisations and supported businesses to compete effectively for contracts.

9. NON COMPETITIVE ACTION (NCA)

All goods, services and works must be bought by genuine and effective competition. NCA is only granted in **exceptional** circumstances. It is strictly limited to situations where competition is not deemed appropriate (further information is available on [Saltire](#)).

SCRA's Procurement Officer(s) must be consulted about any proposal to award a contract without competition before using the [NCA Template](#).

For NCA procurements up to £10,000 (excluding VAT), approval must be given by the Procurement Officer and for procurements over £10,000 approval must be

given by the Principal Reporter/Chief Executive. The Procurement Officer must log all NCA's on the Contracts Register.

In all cases, the guiding principles are that NCA approval is by someone other than the DPO who will undertake the procurement, to ensure adequate separation of duties. The NCA justification and approval must be formally recorded on file.

10. CONSULTANCY SERVICES

Robust procedures must be followed for the engagement of consultancy services to ensure that these resources are used sparingly, appropriately and effectively.

Before any procurement process takes place, a Business Case (based on the amount that SCRA expects to pay for the requirement), must be prepared by the appropriate Budget Holder/customer and passed to the Procurement Officer(s) for completion of Section 4 before being submitted to EMT for approval.

The [Scottish Government Consultancy Procedures](#) provide guidance on the use of consultancy services.

11. CONTRACT MANAGEMENT

Contract Management is an essential part of the contracting process. Contract monitoring procedures are the essential key to ensuring that the contractor meets the service levels set out in the contract and to ensuring continuing value for money.

A Contract Manager should always be appointed to manage any contract for goods, services or works and recorded on the Contract Register. The Procurement Team are responsible for maintaining the Contract Register.

The Contract Manager within SCRA must ensure that Procurement are advised and consulted on all amendments, additions and/or deletions to a contract to ensure that the Register does not contain outdated or false information.

Contract management guidance, including change control requirements, is available on [Connect](#) and in the [Procurement Journey](#).

12. ETHICAL STANDARDS

Staff must preserve the highest standards of honesty, integrity, impartiality and objectivity in all dealings with suppliers and potential suppliers as detailed in SCRA's [Staff Code of Conduct](#) and the [Scottish Procurement Policy Handbook](#).

DPOs and all other staff involved in procurement (including Line Managers) must read and familiarise themselves with this guidance and its associated documents.

13. FRAUD RESPONSE PROCEDURES

SCRA's policy on fraud/corruption is set out in the [Fraud Protection Policy](#) which is available on the intranet. The Policy sets out in more detail procedures for fraud prevention, detection and the investigating and reporting of fraud or corruption.

Annex A: Glossary

- **Competition**
contracts must be awarded through genuine and effective competition unless there are convincing reasons to the contrary.
- **Contract**
is a legally binding agreement between SCRA and one or more suppliers for the supply of specified goods, services or works. The contract sets out the details of what SCRA is buying and being delivered with and the rights and obligations of both of the parties.
- **Contract register**
register of all regulated SCRA contracts.
- **Delegated Purchasing Authority (DPA)**
is the authority to enter into a contract for goods, services and works and oversee the process leading up to and including the award of a contract and any subsequent changes.
- **Delegated Purchasing Officer (DPO)**
a permanent SCRA individual with Delegated Purchasing Authority.
- **Framework agreement**
Is an agreement between SCRA and one or more suppliers for the supply of specified goods, services or works over a set period of time. The framework agreement has agreed terms and conditions and a pricing structure defined. The main difference between framework agreement and a contract is that a framework does not state the quantity of the goods, services or works, or when they will be bought. Individual contracts specifying the quantity and timescale are awarded under the terms of the framework agreement.
- **Government Procurement Card (GPC)**
is a corporate charge card used for low value, ad-hoc purchases that are not covered by existing contracts or framework agreements for transactions £5,000 (excluding VAT) or less.
- **Non Competitive Action (NCA)**
is an approval process which permits a contract without competition to be awarded.
- **Procurement**
is the process of buying goods, services or works from external suppliers.
- **Procurement Journey**
a toolkit providing practical guidance on procurement procedures.
- **Public Contracts Scotland (PCS)**
the national advertising portal used to advertise all SCRA goods, services or works contract opportunities.
- **Quick Quote**
is an online quotation facility using the Public Contracts Scotland portal which allows buyers to obtain competitive quotes electronically for low value requirements. Details of the QQ are created online and sent to a selected list of suppliers, who can then complete the required details and submit their

quotation using the secure postbox. QQs are only distributed to the selected suppliers and are not made public on the website.

- **Regulated Contract**
a public contract with a value of more than £50,000.
- **Scottish Procurement Policy Notes (SPPN)**
guidance issued by Scottish Procurement providing updates on legal and procurement policy developments.
- **Scottish Public Finance Manual (SPFM)**
provides guidance to SCRA and other public bodies on the proper handling and reporting of public funds.
- **Sustainability**
a process whereby SCRA meet its needs for goods, services, works in a way that achieves VfM on a whole life basis and generates benefits not only to SCRA, but also to society, the economy and the environment.
- **Value for Money (VfM)**
the optimum combination of whole life costs and quality to meet the customer's requirement.