



Social Security Scotland  
Tèarainteachd Shòisealta Alba

# Corporate procurement strategy 2021-2023



Dignity,  
fairness,  
respect.

## Glossary

**Annual procurement report** – a report which any public organisation in Scotland with an estimated regulated spend of £5 million or more must publish each year to explain how its procurement activity has been in line with its published procurement strategy.

**British Association of Supported Employment** – this organisation supports, promotes and develops the principles of supported employment.

**Climate literacy** – understanding what is important for individuals and communities to know and understand about the Earth's climate, the effects of climate change, and approaches to adapt in order to deal with or reduce these effects.

**Collaborative frameworks** – contracts that are available for the whole of the Scottish public sector.

**Community benefit** – requirements in a contract which relate to training, recruitment and availability of opportunities to subcontract, or which are intended to improve the economic, social or environmental well-being of the local area in a way that is different to the main purpose of the contract.

**Devolved powers** – powers where responsibility has passed to the Scottish Government.

**Executive agency** – executive agencies are agencies that are part of Scottish Government but have separate management and finances.

**Inclusive communication** – an approach to communication that means as many people as possible can take part, and people receive information and can express themselves in ways that they find easiest.

**Lotting** – this is where a contract is divided into different sections (lots) to allow smaller suppliers to bid for parts of the contract even if they are not able to provide all of it.

**Lot-limiting** – this is where the number of lots that can be awarded to one tenderer is limited.

**Meet the Buyer event** – an event, arranged by the Supplier Development Programme, where suppliers can ask public-sector buyers questions.

**Place Project** - the Place Project is responsible for putting into practice our vision to be at the heart of local communities across Scotland. It is responsible for making sure the appropriate infrastructure is in place to help us provide our services to service users and to provide a safe and secure working environment for our staff.

**Prime contractors** – the main contractor responsible for delivering a project.

**Prior information notice** – this is a notice we publish on Public Contracts Scotland, setting out our intention to buy goods or services.

**Procurement Competency Framework** – this sets out the skills and competency levels of public-sector staff involved in the procurement process.

**Procurement Journey** – guidance for public-sector buyers who buy goods, services, care and support.

**Public Contracts Scotland** – the Scottish Government's national portal where suppliers can access public contract opportunities across Scotland.

**Regulated procurement** – buying goods, services or work where the total value over the term of the contract is more than £50,000 for goods and services or more than £2 million for work.

**Scotland's National Outcomes** – the Scottish Government's broad policy aims.

**Scottish Business Pledge** – the Scottish Business Pledge is a values-led partnership that businesses can choose to enter into with the Government. The pledge is free to enter into and aims to boost productivity and competitiveness through fairness, equality and sustainable employment (supporting people to stay in work). [Home | Scottish Business Pledge](#)

**Scottish Government Directorate Programme** – this is responsible for making sure responsibility for benefits transfers safely and securely from the Department for Work and Pensions to us, under the Scotland Act 2016.

**Scottish Index of Multiple Deprivation** – a measure of deprivation across 6,976 small areas (called data zones). The Scottish Index of Multiple Deprivation is the Scottish Government's standard approach to identify areas of multiple deprivation in Scotland (those with different types of deprivation). It can help improve understanding about the outcomes and circumstances of people living in the most deprived areas in Scotland. It can also allow the Scottish Government to target policies and funding to help reduce or take account of areas of multiple deprivation. [Scottish Index of Multiple Deprivation 2020 - gov.scot \(www.gov.scot\)](#)

**Scottish Model of Procurement** – this aims to promote the power of public spending to provide genuine public value that goes beyond simply looking at the cost and quality of goods and services we buy. Although led by the Scottish Government, the **Scottish Model of Procurement** is owned by all of the Scottish public sector.

**Scottish Procurement Policy Notes** – these give public bodies advice on their procurement policies.

**Small to medium enterprise** – the category of micro, small and medium-sized enterprises (SMEs) is made up of businesses which employ fewer than 250 people and which have a turnover of less than 50 million euro a year or a yearly balance sheet total of less than 43 million euro.

**Social impact** – the positive contribution that public bodies and other public-sector organisations can make to the local communities in which they operate.

**Social Impact Pledge** – this asks public-sector organisations across Scotland to commit to increasing their social impact by making a public commitment to change three aspects of their current operations or policies. These should be three things that they are not doing currently and haven't done before. <http://www.communityscot.org.uk/social-impact-pledge/>

**Supplier Development Programme** – this programme provides Scottish-based small to medium enterprises with free support in all aspects of tendering.

**Supported business** – a business whose main aim is to integrate disabled or disadvantaged people socially and professionally. At least 30% of a supported business's employees must be disabled or disadvantaged.

**Sustainable development** – development that meets the needs of the current population without making it more difficult for future generations to meet their own needs.

**Sustainable procurement duty** – the duty we have under the Procurement Reform (Scotland) Act 2014 to make sure that, before we buy anything, we think about how we can improve the environmental and economic well-being of the local area and reduce inequality.

**Third-sector organisations** – charities, voluntary and community organisations, social enterprises and co-operatives.

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## Foreword

Establishing a new public service and setting up a social security system for Scotland not only gives us an opportunity to provide an important service to the people who will receive our benefits, it also gives us an opportunity to increase our economic impact. Our approach to procurement (the process of buying goods, services and works) is one way that we can make sure we can have a positive effect on the economy.

Although a number of benefits are transferring from the UK Government to the Scottish Government, we are not taking over an existing service – we are building Social Security Scotland from the ground up. In order to do this, we will need to buy a number of different goods and services.

We've made good progress so far with help from our colleagues in Scottish Government procurement. We have bought the goods and services we need to operate during our first three years. I am pleased that many of these contracts have also benefited society – for example, we are using supported businesses to put up signs in our offices and to supply furniture.

As we continue to grow, the time is right to develop and publish our first procurement strategy, which will set out how we plan to build on the work we have done so far with the Scottish Government. In particular, this strategy will explain how we will build on our work with key partners – for example, the British Association of Supported Employment and the Supplier Development Programme – to understand and provide opportunities for supported businesses, social enterprises and local suppliers to bid for and win contracts.

We've developed this strategy after consulting our stakeholders (people with an interest in our organisation) and our staff. We have also had valuable input from colleagues in the Scottish Government, the Department for Work and Pensions, local authorities, health and social care services and our suppliers, who are all essential partners in helping us to develop and pay benefits to the people of Scotland.

This strategy will play an important part in supporting our [Corporate Plan 2020-2023](#). The work we do over the rest of the period covered by our current Corporate Plan will lay the foundations for this new public service. A public service that, when fully operational, will deliver 17 benefits, supporting 1.8 million people in Scotland and providing more than £4 billion in payments every year.

We are not doing this on our own. We will continue to work with our colleagues in the Scottish Government Directorate Programme, who are designing the services we will deliver and will develop a lot of the systems we will use to pay benefits.

This joint approach will help us to make sure that when a benefit is being transferred from the Department for Work and Pensions to us, the process is safe and secure, and no-one misses a payment.

There will be significant growth and change in our organisation over the three-year period covered by this strategy, including in the number of buildings we work in, the number of people we employ, the job roles we need and the type of support we provide.

This strategy sets out our vision for how we will buy the goods and services we need to make these changes and provide a Scottish social security system that we all want to see and can be proud of – a rights-based service that is in line with our principles of dignity, fairness and respect.

## Our background

We are an executive agency of the Scottish Government. We were established in September 2018.

Our head office is in Dundee, and we have a second main site in Glasgow. During the three-year period covered by this strategy, people providing face-to-face support will be based in communities across every local authority area in Scotland.

We have an important role in delivering a new social security system for Scotland. To achieve this, we will work with our colleagues in the Scottish Government Directorate, who are responsible for setting social security policy and developing the systems we use to provide benefits to the people of Scotland.

As an executive agency, we are accountable to the Scottish Ministers, and the Scottish Ministers are accountable to the Scottish Parliament for delivering the devolved powers relating to social security in the Scotland Act 2016. The Director General for Communities is our Portfolio Accountable Officer within the Scottish Government.

The Social Security (Scotland) Act 2018 (the act) allowed the Scottish Government to establish a new social security system that is better targeted at Scotland and which has dignity, fairness and respect at the heart of everything we do.

In the financial year beginning April 2021, we expect that our spending on goods and services will be higher than the £5 million (not including VAT) limit stated in section 15 of the Procurement Reform (Scotland) Act 2014. This means we must publish a procurement strategy setting out how we intend to make sure that the goods and services we buy provide value for money and help to deliver [Scotland's National Outcomes](#).

We have developed this strategy to make sure we meet our obligations under the act. Annex A sets out the steps we will take to meet the Procurement Reform (Scotland) Act 2014

## Focusing on planned procurement

Our Procurement and Commercial team is part of our Finance and Corporate Services Division. The Head of Procurement and Commercial reports to the Deputy Director of Finance and Corporate Services, who is part of our Executive Team.

As well as having responsibility for our procurement and commercial activity, the Finance and Corporate Services division is responsible for managing people services (human resources), our buildings, finance, shared services, travel and transport, and fraud and error.

The division provides financial advice and support, making sure that we have the right people in place to provide our service, and that those people get the training they need. The division also makes sure that we are in the right buildings in Glasgow and Dundee and across local communities.

## Our objectives

Our [Corporate Plan 2020-2023](#), which we published in 2020, sets out who we are, what we do and how we will do it.

One of the three main themes in our Corporate Plan is a commitment to provide our services in a responsible way. This theme is supported by four objectives, all of which are relevant to our procurement activity. These objectives are to:

- make every penny count;
- gain people's trust by being open and honest;
- meet our legal obligations and protect our people and information; and
- reduce the effect our work has on the environment.

### Making every penny count

The procurement function will support our contribution to the Social Security (Scotland) Act 2018 principle of being efficient and delivering best value for money.

We will make sure our procurement activities are cost-efficient by buying more of the goods and services we need through collaborative frameworks when this approach helps to achieve our wider strategic aims. We will make sure that we achieve value for money by developing reliable procurement strategies and managing contracts effectively.

Our first annual procurement report, which we will publish in 2022, will set out how we are delivering value for money through our procurement activity, and will include details of the money we have spent through collaborative frameworks and the savings we have made.

Where appropriate, our specifications (the description of the goods or services we need to buy) will give details of our performance and focus on the function of the product or the desired outcome of the service. Our approach will aim to encourage innovation, allowing and encouraging suppliers to propose cutting-edge, environmentally friendly solutions.

### Gaining people's trust by being open and honest

We will publish information on contracts we have awarded and opportunities for future contracts on [Public Contracts Scotland](#) and in our annual procurement report.

We also publish our higher-value contracts on [Find a Tender](#) – a website for the UK's public and utilities sectors to advertise their higher-value contracts (usually above £118,000). Find a Tender replaced the European Union's [Tenders Electronic Daily](#) from 1 January 2021.

We will be open and transparent, and treat all suppliers equally and without discrimination. We encourage all suppliers to register on [Public Contracts Scotland](#) to make sure they receive alerts when we have a contract opportunity.

We will develop our [corporate website](#) to include details of how suppliers can access our contracting opportunities.



## **Meeting our legal obligations and protecting our people and information**

As a public body, there are responsibilities and legal duties that we must meet. We will meet relevant procurement laws for public-sector organisations in Scotland and the Public Sector Equality Duty and Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012. Our compliance framework makes sure we keep to all of our legal duties and those within the Social Security (Scotland) Act 2018. This framework shows people that we are meeting our duties and makes sure we continue to learn and share best practice.

If a company will need to process personal information while carrying out a contract we have awarded, we will include appropriate terms and conditions in the contract to make sure they are in line with data-protection laws and best practice. In the invitation to tender, and from the beginning of each contract, we will clearly set out what personal information contractors can process and what they can process it for. We will continue to manage contracts to make sure contractors are keeping to data-protection laws. The specification or scope of services in our contracts will include measures to protect systems, networks and computer programs from digital attacks to make sure that our contractors protect service users' information in line with the Government's requirements on information security and industry best practice.

## **Reducing the effect our work has on the environment**

Protecting the environment is at the heart of our sustainable procurement duty (see page 14). We routinely consider the effect we will have on the environment when developing the procurement strategies for our individual procurement exercises.

We will continue to make sure that specifications for services contribute to the Scottish Government's overall commitment to reducing Scotland's environmental impact (the effect our actions have on the environment) and creating a cleaner, greener and healthier country.

A number of our senior managers have recently completed a climate-solution course with the Royal Scottish Geographical Society, and all of our Procurement and Commercial Team have completed the Climate Literacy for Buyers e-learning that is available through the Scottish Government's Sustainable Procurement Tools platform.

We are already making progress towards reducing our effect on the environment. In 2018 we bought three hybrid vehicles, and we will buy three electric cars in 2021/2022.

We have recently introduced three electrical vehicles and charging points at one of our offices in Glasgow, and we will also have electric charging points in Agnes Husband House in Dundee to meet the Scottish Government's target for 2032 for decarbonisation.

As our organisation grows, and when we identify a need, we plan to increase the number of electric vehicles and charging points we have, through our existing procurement processes. We will buy a fleet of good-quality, adaptable and accessible vehicles. Where possible, we will make sure these are low-emission vehicles.

Our contracts for pool cars (cars used by our staff to travel for business purposes) will state the need to use low-emission vehicles.

As part of a refurbishment of our central Glasgow administration building, we are replacing the existing fluorescent lighting with LED lighting. It is estimated that this will reduce the carbon emissions from lighting the building by around 60%, as well as reducing the building's overall running costs. These savings mean that we should be able to recover our investment costs in approximately 8.25 years. Experts believe that LED lighting produces a better quality of light that can help people with sight difficulties and those with conditions such as dyslexia, autism, ADHD and dyspraxia.

The contracts we award for managing our facilities will increase recycling by providing recycling facilities for our offices and encouraging people to reduce waste.

## Our procurement vision

### Our procurement vision is to:

- achieve procurement best practice and commercial excellence throughout our organisation, making sure that our services always deliver best value for money and have service users and the people of Scotland at the heart of what we do; and
- be recognised as having leading commercial, procurement and commissioning practices and skills which deliver outstanding outcomes.

For all of our procurement activity, we will follow strategies which we have developed to meet the principles of the Scottish Model of Procurement. This model is owned by all of the Scottish public sector, which spends more than £12 billion a year on goods, services and work.

## Scottish Model of Procurement

The overarching aim of the Scottish Model of Procurement is to promote the power of public spending to deliver genuine public value that goes beyond simply looking at the cost and quality of goods and services and makes sure that that this significant investment is spent in a way that can bring the most benefit to society.

This strategy outlines how we will use the power of procurement to deliver and influence outcomes that are available and connected to the communities we serve, and are good for businesses, their employees, communities and society.

For the period covered by this strategy, the Scottish Government Directorate Programme will continue to design and commission many of the services we will provide. The procurement activity for buying these services will be led by the More Powers Implementation Procurement Team within the Scottish Government's Scottish Procurement and Property Directorate. All procurement activity that supports the Scottish Government Directorate Programme is covered by the [Scottish Government Procurement Strategy](#).

During the early part of the period covered by this strategy, our main priorities will be as follows.

- Build the capability and capacity of our procurement and commercial team. This will make sure that our procurement activity is in line with public procurement laws and the [Social Security Scotland framework document](#), which sets out the principles we must keep to in our work and includes a commitment to be open and transparent, and consult others.
- Make sure we can provide procurement and commercial support to our Chief Digital Office Division, which transferred to us from the Scottish Government Directorate Programme in April 2021.
- Make sure we can provide procurement and commercial support to all our divisional teams, who help us provide services to the people of Scotland.
- Support Scotland's economic recovery from the Covid-19 pandemic.
- Raise commercial awareness among our staff by involving and promoting the work of the procurement and commercial team.

While we build our procurement and commercial capacity, a significant level of our procurement support will be provided by the More Powers Implementation Procurement Team.

Over the three-year period covered by this strategy we will continue to build the capability and capacity of our procurement and commercial team with the aim of making sure that our procurement function has the skills and ability needed to provide most of our procurement activity by the end of the 2023/2024 financial year. We explain this in more detail below.

**We will build a skilled, diverse and inclusive procurement and commercial team that considers our values in everything it does. This will help us achieve the objective in our Corporate Plan, which is to deliver a social security system with dignity, fairness and respect.**

To achieve this we will do the following.

- Recruit a highly skilled Procurement and Commercial Team, supported by skills-based learning and a skills development programme.
- Recruit at least two modern apprentices at our headquarters in Dundee.
- Look for professional development opportunities to add to the experience and skills of our Procurement and Commercial Team.
- Use the Procurement Competency Framework and one-to-one discussions to identify any skills needed by our staff, invest time in personal development, and support our staff through coaching and mentoring.
- Support procurement and commercial staff to gain professional qualifications and continuing professional development.
- Provide appropriate training and guidance to all staff involved in the procurement process.
- Focus on team-working with internal and external stakeholders to make sure we can deliver procurement outcomes successfully.
- Make sure that the Procurement and Commercial Team attend training in inclusive communication to help them meet the needs of staff, stakeholders and service users who communicate in different ways.

**We will develop an efficient procurement function that helps us provide our services. This will help us achieve the objective in our Corporate Plan, which is to run our service in a responsible way.**

To achieve this we will do the following.

- Actively manage the way workloads are prioritised and resources allocated.
- Encourage early consultation with business partners to make sure business cases explore all options and demonstrate the risks, benefits and value for money of contracts.
- Work with stakeholders to carry out effective market research and involve suppliers.
- Lead the procurement process, supporting stakeholders in developing specifications and making sure sustainability and accessibility are considered at every stage.
- Work with the Supplier Development Programme to help small to medium enterprises and supported businesses to bid for future contracts and supply-chain opportunities.
- Use the Supplier Development Programme's Meet the Buyer events and other events to advertise upcoming contracts, including encouraging our contractors to open up supply chains and raise awareness of suppliers through the Supplier Development Programme's sustainable model.
- Develop website guidance and advice for suppliers and potential suppliers on doing business with us, including information about inclusive communication.
- Identify and gather evidence to support us, through our first [Procurement Commercial Improvement Programme](#) assessment in 2022.

**We will work with our contractors to improve performance, identify further opportunities for working more sustainably, promote fair working practices, support immediate and longer-term resilience in critical supply chains, and increase transparency in supply chains. This will help us achieve the objective in our Corporate Plan, which is to run our service in a responsible way.**

To achieve this we will do the following.

- Adopt [Fair Work First](#) guidance in our tender process, and work with our contractors to promote fair working practices and Living Wage Scotland.
- Promote the Scottish Business Pledge as part of our procurement and commercial activities.
- Follow Scottish Procurement Policy Note 3/2021 – Implementation of Fair Work First in Scottish Public Procurement. This explains how public bodies should apply the Fair Work First criteria and follow regulated procurement processes.
- Work with stakeholders to develop and put into practice an approach to contract management that is based on risk and taking action that is in proportion to that risk.
- Work with contractors to discuss how they meet our expectations, ethical supply chains and sustainable development.
- Identify opportunities to help us become more sustainable through the contracts we award, and monitor progress by managing those contracts effectively.

**We will make sure our procurement opportunities are accessible to small to medium enterprises, third-sector organisations and supported businesses. This will help us achieve the objective in our Corporate Plan, which is to run our service in a responsible way.**

To achieve this we will do the following.

- Advertise contracts and supply-chain opportunities by using the Supplier Development Programme's marketing and social-media channels and advertising methods that are best suited to reach small to medium enterprises and third-sector organisations.
- Increase our use of lotting and lot-limiting so that small to medium enterprises and third-sector organisations that might not be able to carry out the full contract can bid for part of it.
- Award contracts to supported businesses where possible.
- Work with contractors to encourage small to medium enterprises, third-sector organisations and supported businesses to be a part of our supply chain.
- Use the Scottish Government Supported Business Framework whenever appropriate.
- Continue to work with the British Association for Supported Employment, not only discussing possible contract opportunities for its members, but also possible work placements, employment and employability support.
- Annex B sets out our list of planned contracts, including renewals.

**We will make sure all our procurement activities meet legislation. This will help us to achieve the objective in our Corporate Plan, which is to run our service in a responsible way.**

To achieve this we will do the following.

- Make sure all policies, documents and processes take account of relevant legislation.
- Provide regular refresher training and updates to the Procurement and Commercial Team.
- Give stakeholders copies of our procurement policies and help them apply these.
- Develop guidance and templates in line with the Procurement Journey.
- Report on our procurement activity and publish annual procurement reports.
- Put in place improvements following audits, project reviews and external assessments.

**We will make sure that our contribution to sustainable-development challenges are included within our procurement practices. This will help us to achieve the objective in our Corporate Plan, which is to run our service in a responsible way.**

To achieve this we will do the following.

- Use appropriate tools and the Supplier Development Programme to increase opportunities for our procurement activities to have positive social, economic and environmental outcomes.
- Follow [Scottish Procurement Policy Note 1/2021](#) – Taking Account of Climate and Circular Economy Considerations in Public Procurement, and use relevant tools to help us develop action plans and strategies for awarding contracts and directing resources to where they are needed.
- Increase the knowledge, skills and capability within the Procurement and Commercial Team and across our stakeholders, including making sure that all stakeholders know that they need to be more aware of the effect they can have on climate change and how to access e-learning that is available through the [Sustainable Procurement Tools platform](#).
- Consult appropriate experts.
- Work with business areas to carry out market research, and include commercial, operational and sustainability considerations in this research.
- Actively work with suppliers and ask them to help us arrange and deliver sustainable solutions throughout the life of a contract.
- Use recognised standards in our specifications where these are available and relevant.
- Manage contracts to make sure they provide the social outcomes we want to achieve.
- Include the sustainable procurement duty in our processes to make sure we fully consider costs, environmental impact and social effects over the whole life of an item or service when assessing value for money.
- Develop internal templates and guidance to help reduce demand for goods and services by cutting down on waste, and encouraging people to re-use and recycle, and to use goods and services that do the least harm to the environment.

## Annex A

### The Procurement Reform (Scotland) Act 2014

This part of our strategy sets out how we will meet the requirements of the Procurement Reform (Scotland) Act. We will make sure that our procurement activity is based on following relevant legislation and regulations, applying good governance and being accountable. The Procurement and Commercial Team will keep to relevant legislation and stay up to date with developments across legislation and relevant case law.

#### Value for money

Our Charter states that 'the Scottish social security system is to be efficient and deliver value for money'. All Social Security Scotland contracts will be awarded on the basis of value for money. Value for money is defined in the Scottish Government's Procurement Policy Manual as 'the optimum combination of whole life cost and quality to meet the customer's requirement'.

We will make sure that we work with potential suppliers as early as possible in the procurement process by displaying prior information notices, requests for information and details of our forward procurement plan on [Public Contracts Scotland](#) to increase competition and achieve value for money and the best possible contract outcomes.

Whole-life costing will take account of all aspects of cost over the life of the contract and may include capital, maintenance, management and operating costs, and the cost of disposing of any goods or services at the end of the contract.

#### Sustainable procurement duty

The [sustainable procurement duty](#), as defined in section 9 of the Procurement Reform (Scotland) Act, applies to all regulated procurement and means that we must consider how we can:

- improve the economic, social and environmental well-being of the authority's area;
- make it possible for small to medium enterprises, third-sector organisations and supported businesses to be involved in the procurement process; and
- promote innovation.

We will promote and develop opportunities which consider social, economic and environmental outcomes in our tender activities in an appropriate and realistic way.

For contracts with a value of more than £50,000 (not including VAT), we will carry out an equality impact assessment and, where appropriate, an Island Communities Impact Assessment, to guide the procurement strategy.

To make sure that reducing inequality is a priority for procurement activities that will deliver community benefits, under section 25 of the [Procurement Reform \(Scotland\) Act](#) we will encourage suppliers to recruit staff who are from areas listed in the Scottish Index of Multiple Deprivation as the 15% most deprived areas, or people who are taking part in the Scottish Government Fair Start Scotland employability programme.

Environmental considerations are at the heart of the sustainable procurement duty and we routinely consider these as part of our procurement exercises. We will take all possible steps to make sure that any goods and services we buy reduce emissions and are an efficient use of resources.

The purpose of our National Place Project is to identify our location and premises requirements across Scotland, with a focus on consultation, dealing with fraud and errors, and locations for our local offices. Our travel and transport requirements will be significantly influenced by where our national staff bases are and the travel involved in getting from these bases to appropriate locations to provide services to our service users.

For all regulated procurement, we will use the [Sustainable Procurement Tools](#) platform to help with market research and guide decisions on sustainability requirements for each contract. We will work closely with both the Scottish Government and Transport Scotland to support the plan to phase out the need for new petrol and diesel cars and vans by 2030.

For all our procurements we will make sure that contracting opportunities are structured in a way that makes them as accessible as possible for small to medium enterprises, third-sector organisations and supported businesses.

We will encourage prime contractors to support small to medium enterprises, third-sector organisations and supported businesses to get involved in our supply chain, and our contracts will include a commitment to advertising all subcontracting opportunities on Public Contracts Scotland.

We are a member of the [Supplier Development Programme](#), who provide guidance and help to businesses that have little or no experience of tendering for public-sector contracts. We will support the Meet the Buyer events that the Supplier Development Programme organise each year by displaying exhibitions with our 'real buyers' and giving presentations where suitable. We will also regularly identify relevant contract opportunities where early supplier involvement, such as personalised training sessions on the tender process, could help small to medium enterprises, third-sector organisations and supported businesses get ready to bid for a contract.

We recognise how buying innovative goods and services can contribute to improvements in the quality of public services and lead to growth in the Scottish economy. We will involve potential suppliers in the process before tendering begins and work with other authorities to promote innovation wherever possible.



The case study below shows how we are already using many of the above approaches.

### Case study

In December 2018, the Scottish Government established a Supported Businesses Framework to make it easier for public bodies to award contracts to supported businesses. The Public Contracts (Scotland) Regulations define a supported business as 'a business where the main aim is the social and professional integration of disabled or disadvantaged persons and where at least 30% of the employees are disabled or disadvantaged persons'.

Since March 2019, we have used the Supported Business Framework to award contracts valued at £460,000 for furniture for our offices in Dundee and Glasgow. And in March 2020, we used the framework to award a £50,000 contract for signs to a supported business.

In January 2021, we used the Supported Business Framework for a two-year £2 million contract for furniture and associated products.

We broke the contract down into lots and used a lot-limiting approach, which allowed the suppliers to bid for all lots but limited the number of lots we could award to any one supplier. To make sure this approach would not reduce value for money, we included a 10% tolerance on price. This would allow us to set aside lot-limiting if it would result in a price of more than 10% more than the winning tender would be if we hadn't limited lots.

This resulted in us awarding contracts to two supported businesses based in Dundee and Glasgow, and made sure that the economic benefit from awarding the contracts would be shared across both locations.

## Community benefits

We will make sure that community benefits are specified clearly and included in all procurements over £4 million, and will look for opportunities to include community benefits in all procurement activity where it's appropriate and possible to do so.

For these opportunities, we will involve our internal and external stakeholders to identify the most appropriate community benefits and the best way to achieve these.

The Fairer Scotland Duty came into force on 1 April 2018, placing new responsibilities on the public sector to consider what more it can do to reduce poverty and inequality when making important decisions. We will ask our suppliers to consider using the Scottish Government's [Fair Start Scotland](#) employability programme to provide employment opportunities that result from community benefits in the contracts we award.

Where possible, recruitment should be:

- targeted in postcodes within the 10% most deprived areas in Scotland (visit <https://www2.gov.scot/Topics/Statistics/SIMD> for more information); or
- targeted to encourage applications from disabled or disadvantaged people by working with suppliers who deliver the [Fair Start Scotland programme](#).

If we say suppliers must provide modern apprenticeships, if appropriate the contracts will include a requirement for the supplier to retain and further develop the apprentices after the apprenticeship ends. If this applies, we will ask the suppliers for evidence that they are doing this.

We will monitor each contract to make sure all the community benefits included in our contracts are provided successfully.

## Community benefits - the Social Impact Pledge

During the period covered by this strategy, we will sign up to the Social Impact Pledge. Every organisation committing to take part agrees to do the following.

*“Challenge ourselves to increase the positive impact we make on our local community and make better use of our assets – our buildings/grounds and our people.”*

*“In the next six months we will do at least three things that we don’t do at the moment to improve our social impact.”*

The Social Impact Pledge asks organisations to commit to increasing their social impact by making a public commitment to change three aspects of their current operations or policies. These commitments should not be things they are currently doing or have done in the past, and should result in a positive effect on the community. These are usually targeted, short-term commitments. However, to have the biggest impact, the changes need to be maintained.

For lower-value regulated contracts (that is contracts with a value of between £50,000 and £100,000), we will be looking for community benefits which will help us achieve the commitments we have under the Social Impact Pledge. We will monitor each contract to make sure suppliers are successfully providing the community benefits.

## Annual procurement report

In line with the Procurement Reform (Scotland) Act 2014, we will produce our first annual procurement report in July 2022. We will produce a new report every year, and each report will cover the financial year (April to March) that has just passed. Each report will include the following.

- Our achievements and outcomes measured against this procurement strategy
- Details of the regulated procurement we have completed during the financial year
- A summary of the community benefits achieved as part of our regulated procurement activity
- A summary of the steps we have taken to involve supported businesses
- A summary of the regulated procurement activity we expect to start over the next two financial years.

## Living Wage

We are an accredited Living Wage employer and follow inclusive work practices, including our long-term commitment to inclusive communication. As well as paying our employees the current real Living Wage, we will continue to make sure that our procurement activity helps us meet the Fair Work provisions, including paying the real Living Wage to suppliers' staff who work exclusively for us and within our premises. We will include these in contracts where this is appropriate. We will manage and monitor contracts to make sure we are meeting these conditions.

## Health and safety at work

Our contractors and subcontractors have certain duties they must meet by law, including under the Health and Safety at Work etc Act 1974, and must put appropriate measures in place to make sure they do this.

All contractors and subcontractors must take appropriate and reasonable steps to make sure they carry out their business in a way that protects their employees and others from health and safety risks. When a supplier bids for a contract, they must meet certain qualification criteria so we can check they understand their responsibilities and that they have a good track record of meeting these in the past. For relevant contracts, we will ask suppliers for suitable method statements to show how they will meet health and safety requirements when carrying out the contract.

## Fairly and ethically traded goods and services

We recognise the importance of promoting fair and ethical trading principles when buying goods and services. We will consider what conditions we could apply in all relevant contracts and the associated supply chains to make sure the goods and services we buy are traded fairly and ethically wherever possible.

The Modern Slavery Act 2015 states that certain organisations must develop and publish a slavery and human-trafficking statement. We will make sure that all our relevant suppliers do this at the tender stage, and will monitor them to make sure they are keeping to their statement throughout the contract.

## Food – health, well-being and animal welfare

We are aware of the Scottish Government's goal of Scotland becoming a [Good Food Nation](#). Our approach to food contracts will make sure we meet this goal as well as including requirements such as traceability, animal welfare, environmental standards, nutrition and waste. We expect all food supplied under a contract we have awarded to fully meet all legal standards that apply.

## **Paying invoices**

Our contract terms commit us to paying valid invoices within 30 days of receiving them, and under our prompt payment commitment we aim to pay 95% of valid undisputed invoices, within 10 days of receiving them. Our suppliers must also meet this commitment in the supply chain contract, and we will manage contracts to make sure that contractors pay subcontractors, and that they in turn pay their subcontractors under the same terms.

We will monitor this payment activity throughout the life of each contract, and we will respond appropriately to any issues subcontractors formally raise about payment.

During the financial year 2020/2021, we paid 98.5% of all correct invoices within 10 days.

## **Consulting and involving stakeholders**

We involved key stakeholders (from within and outside our organisation) and considered their views when setting the priorities in this procurement strategy.

We will continue to work with other public-sector organisations to share knowledge and best practice. We will list all future procurement opportunities on Public Contracts Scotland and, where appropriate, we will issue prior information notices to encourage suppliers to get involved early. The Procurement and Commercial Team will work closely with the Supplier Development Programme and will actively support and attend Meet the Buyer events across Scotland.

## Annex B

### Contracting activity

#### Programme of planned contracting activity

At the end of this annex we have listed projects and contracts that we have identified as being planned renewals or as being likely to be regulated tenders in the period of this procurement strategy. (A regulated tender is one where the total value over the term of the contract is more than £50,000 for goods and services or more than £2 million for work.)

The programme of planned contract renewals will change during the year as we add requirements to meet a specific need or when funding becomes available. We will regularly review this programme and update and republish it when there are significant changes. We will update the tab within our [Public Contracts Scotland](#) page to include information on all future contracting opportunities.

#### New tenders and contract renewals

We will advertise new tenders and contract renewals on the Public Contracts Scotland website. We can access a number of collaborative frameworks set up by other public bodies. The public bodies advertise contracts in line with their published contract work programme. We maintain and publish our contracts register on the Public Contracts Scotland website. The register lists the regulated contracts we have awarded and provides information such as expected contract end dates.

We will support suppliers and provide regional signposting, as well as appropriate tender training through the Supplier Development Programme's early engagement model.

#### Collaborative frameworks

Our [framework document](#) encourages us to take part in collaborative frameworks and shared service arrangements to make sure we operate as efficiently as possible. We will support and use national collaborative framework agreements, including the [Scottish Government's collaborative frameworks](#).

## List of planned contracts, including renewals

The following list shows the range of goods or service contracts we expect to offer for tender during 2021/2022.

Supply of goods	
Personal protective equipment (PPE)	Provide PPE
General stationery and office paper	Provide general stationery and office paper (use the Scottish Government's collaborative framework for providing stationery and office paper)
Office equipment	Supply a range of office equipment (copiers and printers) (use a collaborative framework contract set up by the Scottish Government)
Tablet devices for service users	Supply tablet devices for service users (use a collaborative framework contract set up by the Scottish Government)
IT consumables	Supply IT consumables (for example, keyboards, mice) (use a collaborative framework contract set up by the Scottish Government)
Mobile devices for service users	Supply mobile devices for service users (for example, laptops) (use a collaborative framework contract set up by the Scottish Government)

Supply of services	
Legal services	Provide legal services: defending legal action, services relating to property, and recovering debt (use a Scottish Government legal services framework)
Temporary staff	Provide temporary staff for various roles and departments (use a collaborative framework set up by the Scottish Government)
Temporary digital staff	Provide temporary digital staff for various roles and departments (use a collaborative framework set up by the Scottish Government – decision on the procurement route for the next contract TBC)
Translation and interpretation services	Provide telephone and interpretation services for people who do not speak English (use a collaborative framework set up by the Scottish Government – a decision on the procurement route for the next contract is still to be confirmed)
Vehicle hire	Provide hire vehicles throughout Scotland (use the Scottish Government’s collaborative vehicle hire framework)
Travel services	Arrange and book travel (use the Scottish Government’s collaborative travel services framework)
Postal services	Provide postal services across our organisation (use the Scottish Government’s collaborative postal services framework)
Catering services	Provide catering services at our Dundee and Glasgow sites
Marketing services	We are waiting for details of the services we need to buy
ICT software	Provide software licences (use a Collaborative Software Value Added Reseller Framework)
ICT services	Provide ICT support services (use the Scottish Government Digital Technology Services and Network Advice: Dynamic Purchasing Systems and Crown Commercial Services G-Cloud collaborative frameworks)

Supply of services	
Utilities	Provide electricity, gas, water and wastewater services (use the Scottish Government's collaborative utilities frameworks)
Facilities support	Provide services in our buildings, including maintenance, cleaning and minor work (use a Scottish Government facilities contract)





**Social Security Scotland**  
Tèarainteachd Shòisealta Alba

