[REDACTED - NAME - EXEMPT]

**Sent:** 20 October 2015 11:37

To: [REDACTED - NAME - EXEMPT]

Subject: RE: URGENT - FOR FM - Steel sector in Scotland

Importance: High

# Hi [REDACTED - NAME - EXEMPT]

I was working on this as your e-mail came through. I'll leave it to you if you think it can add anything to the collection.

# Regards [REDACTED – NAME – EXEMPT]

The question "How SG / public bodies supporting these types of construction contracts in Scotland" seems be a hybrid of the following:

1. what public bodies need to procure by way of creating and maintaining built assets

covered by Infrastructure Investment Plan (owned by Finance - see e-mail 19/10 15:30 in thread below)

2. of that, which projects include materials of the type produced by TATA

no detailed central records - however, TATA's website has yielded general information noted below

3. of those, which contain contracts that have been awarded to TATA themselves

covered by Procurement Information Hub (i.e. "Spikes Cavell" - owned by Pre-award team, see e-mail 19/10 22:31)

- the construction industry is Tata Steel's largest single market globally
- the Group offers a range of products and systems that can be segmented according to their primary function
  - o structural frame (sections, tubes, composite floor)
  - o infrastructure
  - o building envelope (roof and wall products) and
  - o internal fit out applications (HVAC heating, ventilation and air conditioning)
- construction is a highly localised industry with significant variances between countries and regions
- the largest pair of equine sculptures in the world the Kelpies were built using more than 6,000m of TATA's hollow tube product, "Celsius® 355" (source, click <a href="here">here</a>)
- the following TATA products are among those used in the Scottish construction sector (note - source material on TATA's website does not specify what if any supply chain involvement Scottish plants have)
  - o "Catnic" steel lintels
  - o "Kalzip" and "Colourcoat" roof coverings and external wall cladding

Perhaps this material, if considered suitable, can be introduced by something along the lines of the following:

- public bodies in Scotland help to support the steel sector through commissioning a range
  of construction projects for the creation or maintenance of built assets necessary for the
  delivery of public services, which include steel products manufactured by TATA.
- the construction industry.....

I hope this is helpful.

Maybe you might be able to add more products that are used in Scotland, by reference to TATA's website (click <a href="https://example.com/here">here</a>)?

**From:** [REDACTED - NAME - EXEMPT]

**Sent:** 20 October 2015 11:34 **To:** [REDACTED NAME - EXEMPT] **Cc:** [REDACTED – NAME - EXEMPT]

Subject: RE: URGENT - FOR FM - Steel sector in Scotland

[REDACTED - NAME - EXEMPT]

Further to our conversation and with reference to [REDACTED] suggested subject "How SG / public bodies support these types of construction contracts in Scotland"

The Review of Scottish Public Sector Procurement in Construction does contain a number of recommendations which aim to improve access for local companies:

### Recommendations:

- Each public body should publish annually a rolling pipeline plan of anticipated spending on construction, setting out detailed known information on timescales for pre and post-contract award including any planned phasing, the anticipated approach to market, the status of required consents, the funding model being used and whether formally approved by their governing body. These pipeline plans should be collated and held together centrally, and should initially contain all anticipated work above a value of £4 million over the next two years, with a clear plan put in place to extend this to cover at least work worth £2 million or more, and a timeframe of at least three years.
- If not already established, public sector procuring authorities should work
  together to develop forums with locally-operating construction
  firms which would meet on a regular basis and include economic development
  teams and construction procurement staff to discuss the
  pipeline of work, issues and opportunities, with a view to building greater
  understanding, transparency and improved processes and practice.

- Guidance on best practice in the use of framework agreements should always be followed, in particular in allowing opportunities for SMEs to participate.
- When used inappropriately, UK-wide frameworks and frameworks negotiated by regional purchasing bodies elsewhere in the UK can have the effect of preventing SMEs from participating in public procurement. Guidance should be developed and implemented on the appropriate use of such frameworks. This guidance should pay particular heed to the value of growing local economies.

[REDACTED - NAME - EXEMPT] [REDACTED - NAME - EXEMPT]

[REDACTED – NAME - EXEMPT]

**From:** [REDACTED – NAME - EXEMPT]

**Sent:** 20 October 2015 09:31

**To:** [REDACTED – MULTIPLE NAMES - EXEMPT]

Subject: FW: URGENT - FOR FM - Steel sector in Scotland

Importance: High

[REDACTED - NAME - EXEMPT]

I've asked [REDACTED - NAME - EXEMPT] to look into any contracts etc. on PCS and the info hub for TATA.

Can you work with [REDACTED – NAME - EXEMPT] to look into anything we can put out from a construction perspective. I don't know what TATA's capability / product range is, or whether it's even a core market. I recall there were Transport Scotland lines around steel for the bridge works.

[REDACTED – NAME – EXEMPT] – can you assist in drawing the lines together and sending later to myself, [REDACTED – TWO NAMES - EXEMPT]

Many thanks

[REDACTED - NAME - EXEMPT]

From[REDACTED - NAME - EXEMPT]

**Sent:** 19 October 2015 22:31

**To:** [REDACTED – MULTIPLE NAMES - EXEMPT]

Subject: URGENT - FOR FM - Steel sector in Scotland

**Importance:** High

#### Folks

Please see [REDACTED – NAME - EXEMPT] email below and her request for a steer on who should lead on this. Mindful of the deadline and the fact that I will be in meetings for a large part of tomorrow, I thought I'd get the ball rolling on this tonight by providing an input where I can. I have put some wording against three of the bullets in [REDACTED – NAME - EXEMPT] email; the stats in the use of PCS and the comment against using the portal to advertise opportunities incorporates text that I have cribbed from the core brief on eRDM; [REDACTED – NAME - EXEMPT] has not seen this email exchange. I cannot offer anything in relation to what we are doing through contracts to support TATA (there may be direct or indirect contractual relationships with TATA and, say Transport Scotland or SFT – would [REDACTED – NAME - EXEMPT] team be able to run a report to check if we have any contracts? Might also be worth someone putting in a call to Transport Scotland and SFT), nor can I offer anything on what SG may be doing to support construction contracts (one for [REDACTED – NAME - EXEMPT]?).

I appreciate that you are at an off-site SMT meeting tomorrow and the deadline is CoP tomorrow; I guess Ainslie will want to see this before it goes back.

[REDACTED - NAME - EXEMPT]

\_\_\_\_\_

[REDACTED - NAME - EXEMPT]

[REDACTED - CONTACT DETAILS - EXEMPT]

Tel: [REDACTED - CONTACT DETAILS - EXEMPT]

[REDACTED - CONTACT DETAILS - EXEMPT]

**From:** [REDACTED – NAME – EXEMPT]

**Sent:** 19 October 2015 16:29

**To:** [REDACTED – MULTIPLE NAMES – EXEMPT]

Subject: FW: Steel sector in Scotland

**Importance:** High

To all.

I'd be grateful for your steer on who in our Divisions could lead on co-ordinating this request <u>for urgent briefing</u>. Sorry I have no capacity to support this on this occasion.

I have clarified scope and timescales, First Minister is visiting both Scottish plants on Thursday this week and briefing is required on any procurement related angle <u>by</u> close Tuesday 20<sup>th</sup> Oct.

[REDACTED - NAME - EXEMPT] has suggested areas for coverage

## How SG / public bodies supporting these types of construction contracts in Scotland

# Scope of procurement rules to award contracts to Scottish industry.

Whilst EU procurement rules prevent the award of public contracts to companies on the basis of their nationality, as part of the procurement reform programme, we have reduced barriers to participation in procurement exercises and increased transparency of contract opportunities to encourage companies to bid for contracts. At present, there are over 6,000 registered buyers across the public sector that use the Public Contracts Scotland website to advertise their contract opportunities, and in 2013 over 13,200 new business opportunities were advertised there. In a couple of months a new provision will come into force under the Procurement Reform (Scotland) Act 2014 which will require all public bodies to advertise all contracts over £50,000 on the Public Contracts Scotland website.

### Use of procurement portal to advertise opportunities

PCS allows main contractors on public sector contracts to advertise sub-contract opportunities, giving smaller firms the chance to bid for contracts further down the supply chain. When a main contractor is appointed to manage a project, the company is able to use the service to identify local suppliers as a part of the Scottish Government's drive to create a more sustainable supply chain for public sector contracts.

- Are we supporting TATA through any public contracts?
- How can procurement support wider economic benefit

Scotland is at the forefront of promoting social and economic benefits to communities through its public procurement. The Procurement Reform (Scotland) Act will build on our achievements to date. The Act contains a sustainable procurement duty which will require all public bodies to conduct their procurements in a manner that is designed to improve the social, economic and environmental wellbeing of the public body's area. The Act will also require the consideration of including community benefit clauses in contracts. These clauses are increasingly used in public contracts across the public sector to deliver thousands of targeted recruitment and training opportunities.

#### Hope this is helpful

[REDACTED - NAME - EXEMPT]

From[REDACTED - NAME - EXEMPT]

Sent: 19 October 2015 13:50

To: [REDACTED – NAME - EXEMPT]

Cc: [REDACTED – NAME - EXEMPT]

Subject: RE: Steel sector in Scotland

Importance: High

[REDACTED - NAME - EXEMPT]

Although we haven't had formal confirmation of what is happening, you may have seen the press speculation over the weekend relating to Tata Steel, which is reviewing its plate steel business, including two sites in Scotland. First Minister has made it clear that we need to do everything possible to maintain these sites as going concerns.

As well as the existing ask - "Support local content in major construction projects" the question has also been asked - do we have a list of ways in which the SG/public sector is supporting Tata through public contracts.

Finance has sent me the current list of capital projects and I am trying to work out which might require rolled steel!

Can you provide positive lines for public use around public procurement (eg provision to consider wider local economic benefit, SG procurement portal?) as well as the background around procurement rules?

Many thanks

[REDACTED - NAME - EXEMPT]

[REDACTED - CONTACT DETAILS - EXEMPT]