



Scottish Government
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Scottish Government Procurement Annual Report

July 2018

(Reporting Period January 2017 – March 2018)

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Ministerial foreword

An outward-looking government that is honest, transparent and reachable, where our procurement is both business friendly and socially responsible.

This is how we believe government should operate. These are the values we are demonstrating when we spend taxpayers' money on the goods and services we use.

Supporting sustainable and inclusive economic growth is one of the foundations of the Procurement Reform (Scotland) Act 2014. In this, we committed ourselves, and all public sector organisations spending significant sums of public money, to align our actions with delivery of our national purpose.

“To focus on creating a more successful country with opportunities for all of Scotland to flourish through increased wellbeing, and sustainable and inclusive economic growth.”



Fig 1 - National Performance Framework

Across the public sector, for the first time, annual procurement reports are being published, giving greater transparency, openness and understanding of how we use and can improve public procurement as a social and economic lever.

Measures of success within these reports go well beyond savings. Our policies and our contracts are delivering more opportunities, more fairness and more equality.

Businesses, especially Small and Medium sized Enterprises (SMEs), now have more public sector opportunities than ever before. SMEs have a special place in our economy, they are the powerhouse which creates significant numbers of jobs across Scotland. It is not only right, but essential, that we are enabling them to have access to our contracts. Whether that is through the eCommerce systems we provide, or breaking down large contracts to make them more suitable for SMEs to tender for, or paying our bills quicker – 99% are paid within ten days.

Our suppliers, in turn, deliver Fair Work practices for their staff, with 94% of recent contracts now paying at least the real Living Wage to their employees. Other indicators of fair work, driven through our Procurement Strategy, are having a positive impact on the wellbeing and the wealth of, our society.

Of course, savings are important. In this reporting period, our contracts have saved the Scottish public sector almost £160 million. That has enabled investment in services which otherwise may not have been possible.

On the international stage we are seen as a role model other countries wish to emulate. Our best practice guides and collaborative approaches are supporting procurement professionals in all public sector organisations the length and breadth of the nation.

There is a vibrancy and determination within Scottish Government procurement, and we are committed to using public procurement to help deliver our wider social and economic agenda. Every day we are looking to improve on what we do. We will not sit back and rest.

We will continue working with our partners and stakeholders across the public sector and the business and Third Sector communities, helping to share in a more equal and just society, and supporting the improved wealth and wellbeing of our people.

Derek Mackay

Cabinet Secretary for Finance, Economy & Fair Work

1. Introduction

The Procurement Reform (Scotland) Act 2014 requires public bodies to publish annual procurement reports to set out how their procurement activities have complied with their procurement strategies in any given financial year.

Our **Procurement Strategy**, published on 31 December 2016 said we would:

- Provide summary information on regulated procurements we have completed during the period.
- Review whether those procurements kept to our Strategy.
- Provide a summary of regulated procurement we expect to begin in the next two financial years.

This Annual Report demonstrates our delivery against the commitments set out in that Strategy for the period January 2017 to March 2018.

We are required to review our Procurement Strategy on an annual basis to ensure that it remains fit for purpose. In March 2018, **we published an update to our Procurement Strategy** and our next Annual Report will report progress against that refreshed Strategy, covering the period 1 April 2018 to 31 March 2019.

2. Reporting Period Highlights

In the period January 2017 to March 2018, covered by this report:

- Our contracts saved the public sector almost £160 million.
- SMEs won £250 million of Scottish Government contracts.
- Almost 700 SME subcontractors, two-thirds of which are based in Scotland, won work in our supply chain worth a further £114 million.
- We awarded our largest ever 'reserved' contract, valued at £8.1 million, for delivery of Fair Start Scotland which aims to help disabled or disadvantaged job seekers find and retain work.
- We paid 99% of valid invoices within ten days, getting cash into the economy as quickly as possible.
- We secured a range of Fair Work practices across our contracts, improving pay and conditions for those working in our supply chain.
- Since the introduction of the **Statutory Guidance on Addressing Fair Work Practices, including the Living Wage, in Procurement** (Fair Work Statutory Guidance), the real Living Wage is paid to workers engaged in the delivery of 94% of our contracts.
- We awarded eight new contracts at a value of £221 million within which we have embedded community and social benefits and now have 30 live contracts at a value of £3 billion within which community benefits are actively being delivered.
- All invitations to tender issued during the reporting period include a provision to mitigate human trafficking and exploitation (modern slavery) within our supply chains, permitting us to terminate contracts with suppliers for breaches of social, environmental or labour law.
- We published an open contracting strategy that commits us to making it easier for everyone to see who we are contracting with, for what, and for how much money.

3. Key Priorities

Procurement is a key part of The Scottish Government's approach to achieving its purpose of creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth. This is underpinned by the **National Performance Framework**, by **Scotland's Economic Strategy** and our annual **Programme for Government** which sets out our plan for policy delivery and legislation over the next year.

The sustainable procurement duty has been aligned with the National Performance Framework. The National Outcomes and Indicators are embedded in the sustainable procurement tools which provide a structured approach to what we procure. They help to identify opportunities to include economic, social and environmental considerations in contracts and show how our procurement activity contributes to the National Outcomes and, in turn, to Scotland's Economic Strategy.

We develop sourcing strategies that are supported by the **Sustainability Test** and the **Sustainable Public Procurement Prioritisation Tool (SPPPT)** for each procurement project valued at £50,000 or more.

Compliance with the sustainable procurement duty is how we contribute to and track our contribution to the Scottish Government's purpose and priorities. Key priorities are defined in Scotland's Economic Strategy as:

- Promoting **inclusive growth** and creating opportunity through a fair and inclusive jobs market and regional cohesion.
- **Investment** in our people and our infrastructure in a sustainable way.
- Fostering a culture of **innovation** and research and development.
- Promoting Scotland on the **international** stage to boost our trade and investment, influence and networks.

3.1 Inclusive growth

We have defined inclusive growth as ‘growth that combines increased prosperity with tackling inequality; that creates opportunities for all and distributes the dividends of increased prosperity fairly’.

Procurement contributed to inclusive growth by:

- Providing training and employment opportunities.
- Driving fair work practices.
- Promoting equality and tackling inequality through improving access to our contract opportunities for SMEs, the Third Sector and Supported Businesses.
- Seeking low carbon solutions.

3.2 Investment

Infrastructure investment in support of better and modern public services and growth in the Scottish economy remains a top priority for the Scottish Government. Our **infrastructure investment project pipeline** was updated in March 2018.

Procurement underpins our investment in people, infrastructure and assets. We used well-designed procurement of goods, services, and works as a driver of business growth and innovation with many of our procurement projects directly enabling the Scottish Government’s wider ambition in this regard. One example includes Next Generation Broadband.

In December 2017, we advertised plans for a Competitive Dialogue procurement process for Next Generation Access (NGA) Infrastructure as part of the wider reaching 100% Superfast Broadband Programme to be conducted during 2018. The resulting contracts will deliver access to NGA broadband infrastructure capable of delivering speeds of at least 30Mbps to as many premises in Scotland as possible by the end of 2021. Aligned activity will ensure the 100% commitment is delivered.

Public sector procurement bodies undertaking infrastructure investment related projects are also subject to the requirements of the Procurement Reform (Scotland) Act 2014 and will be issuing their own Annual Reports.

3.3 Innovation

Public procurement has a key role to play in supporting and promoting innovation in the way public sector services are provided in Scotland.

Our CivTech® Programme addresses public service challenges in an innovative way, rather than relying on established methods. The project involves public organisations setting civic challenges which smaller businesses are encouraged to tackle using innovative solutions. It enables the rapid development of creative, cost-effective solutions delivered by those businesses. CivTech® is providing pathways for tech SMEs and start-up businesses to secure public sector contracts. It offers real opportunities to deliver even better services for people and even better value for service providers.

The CivTech® approach is valued in procurement because of the innovative way it finds solutions to challenges and helps solve the problem of “how do we procure technology that we don’t know exists?”.

Started in 2016 as a pilot, CivTech® was the first pan-public sector tech accelerator of its kind. It has already demonstrated its ability to build businesses and create jobs, while driving improvement in the delivery of public services as well as enhancing our international reputation for innovation. Following its successful pilot, the second phase of CivTech® was launched during the reporting period, with challenges ranging from a smarter booking system for outpatient appointments, to using data to improve global perceptions of Scotland, to combatting bird of prey persecution. CivTech® 3.0 launched in June with ten challenges ranging from tackling illicit trading; improving hospital waiting times; to driving up standards in social housing and protecting the digital footprint of young people.

We also introduced a Dynamic Purchasing System (DPS) for Digital Services. This innovative and completely electronic approach encourages SME participation (the DPS has over 260 suppliers of which over 80% are SMEs) and drives wider competition for digital projects, resources and cyber services.

3.4 Internationalisation

Our approach to improving public procurement is recognised internationally, whether it be in developing suppliers, leading innovation, or through our international engagement in supporting the development and sharing of best practice.

Our involvement with suppliers and their supply chains is aimed at developing their potential to bid for public contracts, whether they are advertised in Scotland, the UK, further afield in Europe or the rest of the world.

Within the reporting period;

- We were a ‘subnational pioneer country’ as part of the international initiative under the **Open Government Partnership**. This is aimed at government and civil society working together to develop and implement ambitious open government reforms, one of which relates to public procurement. As part of the Open Government Partnership Scottish National Action Plan 2017 we developed the Scottish Procurement **Open Contracting Strategy**. The open contracting strategy states our intention to publish even more coherent and consistent procurement information in a format that is useful and easily understood. We also outlined our phased approach to implementation where we gradually increase the amounts and types of information we publish.

As part of our open contracting work, we took steps to make sure that the procurement information published on the **Public Contracts Scotland (PCS)** website is in line with the internationally recognised Open Contracting Data Standard by:

- Applying the Open Government Licence to Scottish Government information published on PCS. This encourages information to be re-used by third parties under a royalty free, perpetual licence.
- Further promoting re-use of our contract notices and award notices by making them available to download in an open data format.
- Making sure that, where the PCS mailbox is being used, procurement documents are now permanently available after the closing date for receipt of tenders.

We are regularly asked to participate in international programmes, conferences and events. We also regularly host visits from other governments and this reporting period was no different.

During the reporting period we were active participants in the ‘European Commission’s Multi-Stakeholders Expert Group’ on eProcurement which assists and advises Member States and the Commission in implementing the provisions of the new public procurement Directives relating to electronic procurement, in particular influencing the revised European Single Procurement Document model published by the Commission.

We were an active member of the European Commission's Expert Procurement Stakeholder Group, supporting its efforts to develop a strategy and approach to underpin the "Professionalisation of Procurement" in Europe. Scotland is prominently represented in **the library of good practices and tools accompanying the European Commission's 'Recommendation (EU) 2017/1805 on the professionalisation of public procurement – Building an architecture for the professionalisation of public procurement'**, which focuses on the effective uptake of new provisions in the public procurement Directives to modernise, professionalise and digitalise public procurement practice. Four case studies from our Scottish Government Model of Procurement are highlighted in the accompanying document as exemplars of best practice:

- (Case 19) SCOTLAND – Procurement Competency Framework including the global strands set out by the Chartered Institute of Procurement and Supply;
- (Case 40) SCOTLAND – Procurement People of Tomorrow programme;
- (Case 45) SCOTLAND – eCommerce Shared Services; and
- (Case 49) SCOTLAND – Procurement Journey: An online step-by-step guidance.

4. Contracting activity and how our procurement activity contributes to value for money

Our contracts deliver a wide range of economic, social and environmental benefits as well as significant financial savings for the public sector. Over the last ten years, our national and sectoral collaborative agreements delivered over £845 million in savings.

By March 2018 we had over 500 live contracts worth £4.7 billion with almost 350 suppliers, 60% of which are SMEs.

Details of our contract awards are available on the [Public Contracts Scotland](#) website. Our website also contains [more information on our current collaborative agreements](#).

The savings we have generated from our collaborative and Scottish Government contracts are on track to exceed our £295 million three year savings target.

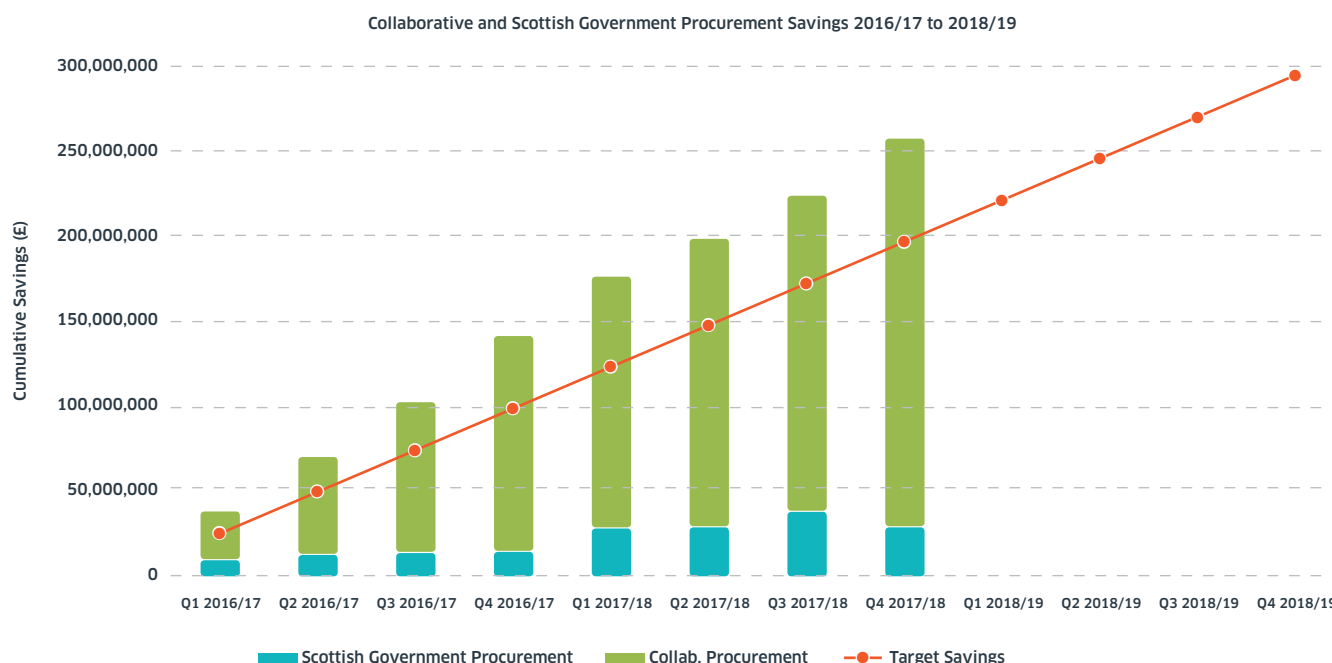


Fig 2 - Collaborative and Scottish Government savings against three-year target

4.1. Summary of Regulated Procurements Completed Between January 2017 – March 2018

During the reporting period we awarded almost 200 contracts regulated by the Procurement Reform (Scotland) Act 2014 (those which are individually worth at least £50,000 if for goods and services, or £2 million if for works) which in total were worth over £550 million.

Adding these to existing contracts brought total spending to over £1.2 billion by March 2018 with our contracts saving the public sector almost £160 million.

Category	Spend (£m)	Saving (£m)	Savings (%)
Collaborative (National and Central Government sectoral framework contracts)	£1,015.7	£140.3	14%
Scottish Government contracts	£214.6	£19.2	9%
Total	£1,230.3	£159.4	13%

Fig 3 – Spend and savings delivered during reporting period

The spend shown in figure 3 on collaborative frameworks includes where these have been established by Scottish Ministers, but are being used by other Scottish public sector bodies.

In addition our Central Government Procurement Shared Services (CGPSS) team awarded 36 contracts at an advertised value of £30 million on behalf of other central government bodies with savings of £4 million. These bodies are separate organisations to the Scottish Government and, if applicable, will report separately.

4.2. Review of whether our procurements kept to our Procurement Strategy published on 31 December 2016

Our first **Procurement Strategy** set out how we planned to carry out regulated procurement exercises. This first annual procurement report reflects on whether those procurements complied with that Strategy during the period January 2017 to March 2018.

During that period, all regulated contracts were awarded in a way which meets the policies and principles set out in the Strategy, and throughout this report we explain how this has been achieved.

We recognise the importance of having a licence to procure. Key to this is making sure that those involved in awarding and managing contracts have the professional skills, knowledge, qualifications or experience to do so and that we continue to invest in their skills and capability development through our People Capability Strategy.

We have a scheme of 'delegated purchasing authority', which means that no member of staff is authorised to enter into a contract without written delegated authority to do so from our Director of Procurement. That delegated authority is only given to those who can demonstrate the appropriate skills, knowledge of our procurement policies and of our legal obligations.

We initiated a programme of commercial capability training – with supporting project assurance, guidance, tools and advice – targeting all Scottish Government civil servants to ensure they understand and can contribute to our wider commercial and sustainability ambition.

4.3. Summary of regulated procurements in the next two financial years

We anticipate starting around 150 procurements worth almost £5 billion in the next two years. A full list of known regulated procurements is in Annex A.

Of these we expect that:

- Over 90 contracts will be awarded for the sole use of the Scottish Government, with an approximate value of £650 million.
- Fifteen contracts worth around £50 million will relate to the services required to support the additional powers devolved to the Scottish Government by the Scotland Act 2016.
- Around 50 collaborative contracts will be awarded on behalf of Scottish public bodies, with an approximate value of £4.2 billion.

5. Sustainable procurement and our approach to engaging SMEs, the Third Sector and supported businesses

Improving access to public contracts for SMEs, the Third Sector and supported businesses is a key part of our approach to meeting the sustainable procurement duty. We also implement low carbon solutions where appropriate.

SMEs

We continue to develop our procurement strategies to make our contracts more accessible for SMEs. As a result, in our collaborative procurements we consider splitting up larger value contracts and frameworks into specialist or geographical requirements. We also consider placing multi-supplier frameworks in order to create other supply chain opportunities wherever possible. These approaches enhance the opportunities for smaller firms that otherwise might not be able to bid.

For example:

- We awarded five multi-supplier marketing services frameworks in summer 2017. All 23 suppliers are SMEs operating in Scotland.
- Scottish SMEs won our Interpreting and Translation Services framework.

As a direct result of Scottish Government procurement activity:

- Over 200 SMEs were awarded contracts with a value of £250 million in this reporting period.
- Almost 700 SMEs were involved in our supply chain as sub-contractors, increasing our spend through SMEs by a further £114 million.

To help SME and Third Sector organisations who wish to tender for public sector contracts, we developed an updated **Supplier Journey**. This includes guidance on bidding for goods, services, health and social care contracts. It also includes information on where suppliers, from all sectors, can seek further support and training.

The Third Sector

The Ready for Business Register of social enterprises has been reviewed and updated. We worked with the Third Sector to include organisations that identify as supported businesses and incorporated this information into the Social Enterprise Register. The register is available on the **Partnership for Procurement** website.

We awarded contracts to three Third Sector organisations worth around £9 million in total. In addition to awarding contracts to Third Sector organisations, all national collaborative framework agreements placed by the Scottish Government are open for use by Third Sector organisations. For example, 68 charities and housing associations use the national framework for the supply of electricity.

We continue to fund '**Partnership for Procurement**', a programme that provides a range of support specifically to Third Sector organisations wishing to form consortia to bid for public sector contracts. We also deliver support and training in tender writing for Third Sector organisations linked to the **Just Enterprise** Third Sector programme.

Supported Businesses

Our Procurement Strategy highlighted the importance we place on providing opportunities for supported businesses to participate in public procurement. Procurement legislation defines supported businesses as businesses for which the core purpose is the social and professional integration of disabled or disadvantaged persons and where at least 30% of the employees of those businesses are disabled or disadvantaged persons.

We extended our Supported Business Framework until September 2018. The framework provides an easier route for public bodies to contract with supported businesses on that framework for the following goods and services:

- Textiles and Personal Protective Equipment (PPE).
- Furniture and associated products.
- Signage.
- Document management.

Within the reporting period, we awarded 13 contracts to supported businesses at a value of £9.7 million. In addition there are four subcontractors on live contracts which are supported businesses.

This has included the award of Fair Start Scotland contracts and Work First Scotland contract to two supported businesses providing employment for disabled and disadvantaged workers at a value of £33.8 million over a three-year period.

Low carbon solutions

Examples of where we considered low carbon solutions include the following contracts:

Warmer Homes Scotland

During the 2017/18 financial year, just over 4,900 Scottish households benefited from an installation under Warmer Homes Scotland, leading to an average CO₂ reduction of 1.6 tonnes per household. This equates to a total CO₂ saving of just over 7750 tonnes.

Non-Domestic Energy Efficiency

The Framework for Non-Domestic Energy Efficiency comprises 12 suppliers, each able to deliver energy efficiency works and services via a range of technical solutions that will provide guaranteed energy performance.

The framework supports the delivery of **Scotland's Climate Change Plan** by helping public bodies reduce CO₂ output and achieve carbon reduction commitments (CRC).

In the reporting period, we awarded seven contracts under the framework. The estimated capital spend on these projects is approximately £8 million, with projected savings of around £1 million.

IT Consumables

Our Framework for IT consumables includes targets for the recycling of ink cartridges. In the first year of the framework the supplier recycled 41% of cartridges which contributes to the Scottish Government's overall sustainable procurement policies.

6. Delivery of policies

The Scottish public sector spends over £11 billion each year buying goods, services and works. This is a significant sum and it is right that people expect it to be spent in a way that aims to deliver the most benefits possible to society. Our Procurement Strategy set out our general policies and also how we will monitor those policies.

Impact of Scottish Government policy

We updated the **Procurement Journey**. This is our online source of step-by-step guidance aimed at buyers across the whole of the Scottish public sector. It is tailored to the value and risk of a particular procurement exercise.

It has been widely recognised as helpful by those using it in Scotland, across the UK, and also in other countries. It is continually updated with changes in legislation, policy and best practice. For example, it was updated in this reporting period with guidance on care and support services as well as speculative frameworks, demand management and dynamic purchasing systems.

As part of our ongoing support for the Scottish public sector we continued to provide training, advice and support on policy and practice. We successfully presented at events for suppliers, such as the Supplier Development Programme's annual Meet the Buyer Event, and held workshops for buyers across the country which became very popular with good engagement across all sectors.

We provide guidance to suppliers on how to bid for public sector goods and services contracts via the **Supplier Journey** and during the reporting period gathered supplier feedback on the Supplier Journey content and structure. Our structured supplier questionnaire received substantial feedback with 2,674 responses from micro, SME and large organisations, including those which had not bid for public contracts as well as those which had. As a result of this feedback and engagement with the Supplier Development Programme and Procurement Supplier Group, the Supplier Journey was improved and tested over the period, with the formal re-launch published in June 2018.

6.1. Applying community benefit requirements in our contracts

Our Procurement Strategy set out our intention to consider the opportunities to include community benefit requirements in the development phase of all regulated procurements, and to include them, either on a contractual or voluntary basis, wherever there is an opportunity to benefit the community.

Monitoring

We said in our Procurement Strategy that:

- For contracts of £4 million or above, we will set out details of the required community benefit in the contract notice. If we do not think it is appropriate to include a community benefit clause, the contract notice will include our reasons why.
- We will collect information about community benefits delivered for any regulated contracts.

Delivery

The Procurement Reform (Scotland) Act 2014 requires us to consider community benefits in procurements of £4 million or above and include them where relevant and proportionate to the contract.

During the reporting period, we awarded eight contracts at a value of £221 million which included community and social benefits.

We also considered community benefits in all our regulated contracts and, as a result, currently have 30 live contracts valued at around £3 billion within which community benefits are now embedded.

Examples of community benefits secured from our contracts are detailed below.

Work First Scotland



Our suppliers, Remploy, Shaw Trust and Momentum committed to delivering the following community benefits.

Shaw Trust

- 13 new jobs filled by disabled or disadvantaged job seekers.

Remploy

- Six new jobs.
- Three jobs to be filled by people from priority groups.
- Four apprentices recruited to deliver the contract.
- Two work placements for school pupils, college or university students.
- Two work placements for people from priority groups.

Momentum

- 36 staff recruited to deliver the contract.
- Three work placements for people from priority groups.

Next Generation Broadband



As well as supporting the Scottish Government's priority on investment, as part of our approach to this procurement, we set out in our market engagement paper that we expected the contract to encourage:

- The targeted recruitment and training of the long-term unemployed and those furthest from the job market.
- Educational benefits to communities, including working closely with educational establishments and community groups to maximise educational opportunities that arise through performance of the agreement, increasing awareness, skills and digital accessibility.
- Awareness of opportunities, either in a prime or sub-contracting role, for SMEs and social enterprises.

Warmer Homes Scotland



This contract has been running since September 2015 and it continues to deliver community benefits including 436 new employees, 22 apprenticeships, 55 work placements for pupils in education and 527 qualifications which have been achieved through work-related training.

Scotland's Baby Box



Scotland's Baby Box is aimed at tackling inequality and promoting infant health. Our strategy for the procurement was specifically designed to support this ambition while creating sustainable employment. Our contract has created 26 new jobs in a number of roles including managerial positions, data processors, call-centre operatives and warehousing personnel. Six of these jobs were filled by Modern Apprentices. Two work experience placements were also provided.

Our commitment to securing community benefits does not end when a contract is awarded and community benefits have also been delivered through the ongoing management of existing contracts. Two examples are provided below with other examples of community benefits delivered detailed in Annex B.

Scotland's Baby Box - From Babies with Love



From Babies with Love is a multiple award-winning social enterprise baby brand that donates 100% of its profits to orphaned and abandoned children worldwide. As a successful supplier on the Baby Box project, From Babies with Love has doubled the number of children receiving their support.

Publishing Print Design and Associated Service framework (PPDAS)



We worked closely with our prime supplier on the £14.6 million PPDAS Framework to continue to drive added value through its supply chain over the life of the contract, which included sub-contracted spend across 114 SME suppliers and the delivery of a range of community benefits. During the reporting period, our supplier worked with Skills Development Scotland to establish a programme of Modern Apprentice intakes through diploma level Modern Apprenticeship schemes and they operated a work placement and summer undergraduate placement scheme. Examples of some of the wider community benefits included:

- Leavers books for a primary school in Leith.
- Tomorrow's People and the Lifeboat Fund (Design and Print support).
- Play As One Scotland (disabled children focus).
- Fathers Network Scotland (support and empower parenting skills).
- Zaafi, Scottish Borders (support to bereaved parents).
- Breakfast Club funding for a primary school in Edinburgh.
- Printed material for a primary school in Edinburgh.
- Ups and Downs (Printed Material for Down's Syndrome theatre group).

Impact of Scottish Government policy

During the reporting period we worked with a range of other public bodies to deliver community benefits in their contracts. We also worked with the Construction Industry Training Board (CITB), which provides support to public bodies who wish to secure community benefits in construction contracts.

Our shared services team, acting on behalf of other organisations, included community benefit requirements in a further three procurement exercises, details of which will be available in the respective organisations' Annual Procurement Report:

- Provision of Hard Facilities Management Services for Scottish Police Authority and Scottish Fire and Rescue Service.
- Provision of Soft Facilities Management for Royal Botanical Gardens Edinburgh.
- Provision of Illuminated Trail for Royal Botanical Gardens Edinburgh.

6.2. Consulting and involving those affected by our procurements

Our Procurement Strategy set out our approach to consulting and involving those affected by our procurements. This approach includes regular meetings with formal representatives of different groups as well as tailored consultation about specific contracts.

Monitoring

We indicated in our Strategy that we would record any complaints about a failure to consult and report on our performance, any conclusions reached, and any measures taken in response to complaints.

Delivery

We did not record any complaints arising from our approach to consultations during the reporting period.

Where appropriate we work with people who use our services, potential suppliers and others to help us design procurements. This can vary from market research to supplier engagement days or the design and piloting of services. When developing our contracting strategies and approaches, we involve people who use the services or their representatives through User Intelligence Groups.

Interpreting, Translation, and Transcription Services



Our 2017 Interpreting, Translation, and Transcription Services framework provides access to public services for those whose first language is not English and who would otherwise be excluded from using those public services.

We embarked on a broad engagement plan consulting with, amongst others, people who use services, business, courts, equality and human rights representatives. We used existing research into perceived barriers to ethnic minority communities' participation in Scottish society and engaged cyber security professionals to address concerns about confidentiality and data security. Meetings took place with current and prospective suppliers to gather their experiences of the current service and their ideas for service improvement. The experiences of citizens who have benefited from the services was gathered as was the knowledge of the interpreters themselves for consideration in the re-let of this contract.

Our Prior Information Notice began our formal consultation with the market through a Request for Information exercise and a similar consultation ran in tandem with public bodies.

The views of the market and stakeholders informed the tender documents for the framework.

We collaborate closely with others across the public and private sectors to inform, develop and test national policies, processes, toolkits and practices to ensure that they are fit for purpose and underpin the ambition set out in our Procurement Strategy.

Impact of Scottish Government policy

We put a legal framework in place which requires public bodies to consider how they consult and engage those affected by their procurements. We recommend that they follow similar consultation strategies when buying goods and services of their own and we share our documentation and knowledge and experience with them.

6.3. Fair Work practices, including paying at least the real Living Wage to people involved in delivering our contracts

We believe that Fair Work practices are central to improving business, society and the lives of individuals and their families. Our policy on the payment of the real Living Wage to those who work on our public contracts is influenced by our belief that those organisations which adopt Fair Work practices, including the real Living Wage, are likely to deliver a higher quality of service. For example those which have a diverse workforce and whose staff are well rewarded, well motivated, well led and who have appropriate opportunities for training and skills development.

Monitoring

In our Strategy we stated that if a commitment has been made in a tender to pay the Living Wage, we would record this in the contract award notice, it would form part of the contract, and we would monitor it through our contract and supplier management processes. We also stated that ‘Information on which of our contractors pay the real Living Wage will be gathered centrally and we will include it in the annual report of our performance against this Strategy’.

When we refer to “the real Living Wage” we mean the hourly rate set independently and updated annually by the **Living Wage Foundation**.

Delivery

Where Fair Work practices were relevant to the contract, we included this as an award criterion to be considered as part of the tender evaluation.

The Scottish Government is an accredited Living Wage Employer and we pay at least the real Living Wage to all direct employees and to all contracted staff who regularly provide services on our sites.

We secured a range of Fair Work practices in a number of our significant contracts, improving pay and conditions for those working in our supply chain.

Since the introduction of the **Statutory Guidance on Addressing Fair Work Practices, including the Living Wage, in Procurement** (Fair Work Statutory Guidance), the real Living Wage is paid to workers engaged in the delivery of 94% of our contracts.

It is now our normal practice to include Fair Work provisions in our invitations to tender, where relevant, including questions which are scored along with other relevant criteria when we do tender evaluations.

We also promoted the **Scottish Business Pledge** through procurement.

Ministers wrote to over 300 Scottish Government suppliers in March 2018 asking them to make a commitment to the Business Pledge and we now include sign-up to this as a standard agenda item at Contract and Supplier Management meetings.

Work is also underway to promote the Business Pledge to suppliers in procurement systems and tools.

Examples of those adopting Fair Work Practices include:

Fair Start Scotland

Fair Start Scotland committed to a number of Fair Work policies and community benefits in addition to paying the real Living Wage, including:

- No use of zero hours contracts or umbrella companies.
- Commitment to Modern Apprenticeships and development of the young workforce.
- Supporting the Scottish Business Pledge.
- Targeting priority groups for recruitment and training.

Marketing Services

Of the 23 SME suppliers appointed to the framework, 21 currently pay at least the real Living Wage and 14 have signed the Scottish Business Pledge.

Digital Services Dynamic Purchasing System (DPS)

The Digital Services DPS has over 260 suppliers, of which over 80% are SMEs. Over 95% committed to paying at least the real Living Wage.

Water and Waste Water Billing Services



On winning the national contract for Water Billing Services, our contractor signed and committed to the Scottish Business Pledge. Its efforts to meet the Pledge includes a commitment to 'Invest in Youth' which is demonstrated through its ongoing employment of Modern Apprentices.

Warmer Homes Scotland



As a result of winning the tender for the Scottish Government's national fuel poverty scheme, Warmer Homes Scotland, Warmworks Scotland LLP committed to paying all employees working on the contract, including those working in its supply chain, the real Living Wage and went on to become an accredited Living Wage Employer and a signatory of the Scottish Business Pledge. Each of the contractors within the Warmwork's supply chain is committed to paying their staff the real Living Wage. To date, 32 individuals have received a pay rise as a direct result of this contract.

Impact of Scottish Government policy

The Scottish Government supports the work of the Fair Work Convention, whose vision is that by 2025, people in Scotland will have a world-leading working life where Fair Work drives success, wellbeing and prosperity for individuals, businesses, organisations and society.

We lead by example. We fully support the Living Wage campaign and were the first Government in the UK to adopt the real Living Wage in our pay policy.

6.4. Making sure our contractors and sub-contractors keep to the Health and Safety at Work Act 1974 and any provision made under that Act

Our aim is to be a leading employer in the delivery of health and safety and to ensure the wellbeing of our staff and those that deliver our contracts.

Our Procurement Strategy set out that it is a standard condition of our contracts that the contractor must keep to all laws that apply, as well as the requirements of regulatory organisations and good industry practice.

It also explained that this includes health and safety laws, and that contractors must keep to our own health safety standards when they are on our premises.

Monitoring

We stated in our Procurement Strategy that we would gather information through our standard contract management arrangements, about health and safety incidents relating to delivery of our contracts and measures taken.

Delivery

During this reporting period, there were no incidents that required to be reported to the Health and Safety Executive.

We developed standard reporting templates for monitoring health and safety incidents and these are being rolled out to all contract managers in the Scottish Government.

For those contractors working on our premises we meet monthly and review all relevant accident reports and any investigation findings.

Additionally, we encourage our catering and cleaning suppliers to use the in-house Contractor Safety Management System. This allows both suppliers and ourselves to check that sub-contractors have all the relevant security clearance, permits and qualifications.

6.5. Procuring fairly and ethically-traded goods and services

The sustainable procurement duty requires public bodies to consider how they can improve the economic, social and environmental wellbeing of their area, with a particular focus on reducing inequality, and to act in a way to secure these improvements.

This includes taking a robust approach in procurement processes to tackling criminal activity, including human trafficking and exploitation, modern slavery, corruption and fraud and also to promote positive practices. Respecting human rights, for example, can have business benefits such as enhancing reputation and brand value, increasing the customer base, attracting and retaining a diverse skilled workforce (which can in turn increase innovation and productivity) and reducing risk of court proceedings.

Our Procurement Strategy set out our policy that if fairly-traded goods and services are available to meet our requirements, we will consider how best to promote them. It also described how our standard terms and conditions allow us to end a contract if the contractor or a sub-contractor fails to keep to their legal duties in the areas of environmental, social or employment law when carrying out that contract.

We believe that those we contract with should adopt high standards of business ethics, this includes taking a robust approach to ensuring the goods and services are sourced fairly and ethically.

Monitoring

We stated in the Strategy that we would:

- a) include a statement about the effectiveness of our selection procedures
- b) keep a record of the value of fairly traded products bought and sold under our catering contract

Delivery

All invitations to tender issued over the reporting period included a provision to ensure that our supply chains are free from human trafficking and exploitation, including modern slavery, permitting us to terminate contracts with suppliers for breaches of social, environmental or labour law.

a) Effectiveness of our selection procedures.

We used sustainability tools to inform our commodity strategies, which helped us to identify opportunities and mitigate potential risks in all of our regulated procurements. We used targeted selection and award criteria relating to fairly and ethically traded supply chains where relevant for all regulated procurements.

Examples of those adopting fair and ethical trading considerations include:

Client Devices and Office Equipment Frameworks



When developing the strategy for the procurement of our national Client Devices and Office Equipment frameworks, which includes multi-functional devices (MFDs), desktop, laptop and tablet personal computers, we recognised that there were a range of potential ethical risks in terms of working conditions that could occur in the global supply chain for these electronic products. As part of the criteria for delivering these contracts, we therefore required successful contractors to have comprehensive systems in place which demonstrated an ongoing and systematic approach to identifying and managing risks relating to labour standards, working conditions, and for example, the use of child labour in the supply chains. A separate balanced scorecard was developed with the successful contractors to monitor the areas of concerns and highlight risks and issues as soon as they have been identified. The approach taken to this procurement exercise, which also focussed on the end of life management of devices, energy and environmental management and packaging is outlined in a case study which has been featured in the European Commission's [Green Public Procurement \(GPP\) News Alert for March](#).

b) Fair Trade products bought and sold under the catering contract.

The contract incorporates various fairly and ethically traded products, including tea and coffee purchased through the Scottish Government's contract for staff catering in its main buildings. Within the reporting period we actively worked with our supplier to maintain and increase:

- The quantity of local produce supplied, including Scotch beef and lamb.
- Menus based on:
 - Freshness and high nutritional value, using food in-season.
 - Free range and organic food.
 - Food produced according to recognised assurance schemes accredited to EU standard EN40511, e.g. Quality Meat Scotland, MSC, Red Tractor.
- Consideration of all stages of the life-cycle including sourcing, manufacturing and production, transportation, service delivery, re-use, recycling and disposal to minimise waste packaging, including:
 - Increasing the use of re-usable containers and/or recyclable packaging.
 - Delivering in bulk units and providing a take back service.
 - Provision of flexible and frequent delivery schedules.

Impact of Scottish Government policy

We continue to engage with a range of organisations on ethical procurement, including learning from practice across Europe, and working closely with stakeholders including the [Equality and Human Rights Commission](#) and the [Scottish Fair Trade Forum](#).

6.6. Using contracts involving food to improve the health, wellbeing and education of communities in Scotland and promote the highest standards of animal welfare.

Our Procurement Strategy set out our belief that the way in which the public sector buys food and catering services can have major social, economic and environmental impacts. As an organisation, we seldom buy food directly, but we do use our catering contract to achieve a range of benefits. Our approach is to make sure that this keeps to government policies on healthy eating and nutrition, promoting fresh, seasonal, fairly traded and local produce and to UK buying standards. These standards take account of factors including, production, traceability, authenticity, origin, ethical trading, animal welfare, environmental standards and health and waste.

Monitoring

We monitor this requirement through contract management arrangements for our catering contract.

Delivery

The Scottish Government's catering contractor was re-accredited with the Soil Association's Food for Life Catering Mark Silver Award across the four main Scottish Government sites. The service provider also holds the Healthy Living Plus award within all of its Scottish Government restaurants. The Principles of the Catering Mark accreditation are:

- Fresh food you can trust.
- Menus free from controversial additives and artificial trans fats.

- Sourcing environmentally sustainable and ethical food.
- Food which meets or exceeds UK animal welfare standards.
- Making healthy eating easy.
- Compliance with national standards or guidelines on food and nutrition where these apply. Processes to make healthy eating easier for their customers, in line with public health priorities.
- Championing local produce and producers.
- Catering Mark holders champion local produce and local producers.

Impact of Scottish Government policy

Our national food and drink policy: **Good Food Nation** promotes buying healthy, fresh and environmentally sustainable food and catering. Existing guidance '**Catering for Change: Buying food sustainably in the public sector**' is for use by public sector organisations when buying food or catering services. The welfare of farm animals reared for products used in food in our catering contract and other public contracts is generally safeguarded under legislation we have introduced to protect farm animals on farm and at slaughter. We are also working to increase the sourcing of Scottish products further through public sector contracts. Our Programme for Government outlines a number of commitments that put local sourcing at the heart of public sector supply chains. This includes expanding the Food for Life programme to increase the amount of locally sourced and produced food in Scotland's schools.

6.7. Paying invoices in 30 days or less to our contractors and sub-contractors

Our Procurement Strategy set out that it is a standard term of our contracts that we will pay valid invoices within 30 days, that any subcontract must contain a clause which says that subcontractors will be paid within 30 days, and that this clause must apply through the supply chain. It also explained that this clause must make clear that if a subcontractor believes that invoices are not being paid within 30 days, they can raise the issue directly with us. We also aim to pay as many valid invoices as possible within ten days.

Monitoring

Our Strategy indicated that through contract management arrangements we would monitor complaints from suppliers and subcontractors and take action if appropriate.

Delivery

During the reporting period we paid 99% of valid invoices within ten days, getting cash into the economy as quickly as possible.

We are working with contract managers to ensure that payments to suppliers and subcontractors are discussed and addressed through the contract management process.

Impact of Scottish Government policy

The construction sector in particular can suffer from late and extended payment terms from business to business. To help counter this, we encouraged the use of Project Bank Accounts. These are accounts out of which a public body can pay firms in the supply chain directly as well as making payments to the main contractor. By speeding up cash-flow Project Bank Accounts have the potential to transform the process and to ensure the ongoing solvency of businesses. This particularly applies to smaller firms at tiers two and three which are more vulnerable to the effects of late payments.

Public bodies covered by the Scottish Public Finance Manual need to include project bank accounts in their tender documents for building projects over £4.1 million and civil engineering projects over £10 million. The first public works projects to include project bank account requirements were advertised by public bodies on PCS during the period covered by this annual report (2017/18). Valued at around £375 million, these projects are expected to start on site from financial year 2018/19.

7. Report ownership and contact details

The owner of this Annual Report on behalf of the Scottish Government is Ainslie McLaughlin, our Director of Procurement and Commercial. The report covers the period 1 January 2017 to 31 March 2018.



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Annex A – Summary of Regulated Procurements commencing in the Next Two Financial Years

National Frameworks

National – Corporate and Professional Services

Banking Services
Electronic Purchasing Card Solution (CCS framework)
General Stationery and Office Paper
International Media Planning and Buying
IT Consumables
Legal Services Framework
Media Planning and Buying
Media Services
Postal Services
Print and Associated Services
Provision of Taxi Services – Edinburgh
Publishing, Print, Design and Associated Services
Recruitment & Public Information Notice Advertising
Relocation Services
Temporary Admin Staff Services – East
Temporary Admin Staff Services – North
Temporary Admin Staff Services – West
Temporary Catering and Manual Staff Services – East
Temporary Catering and Manual Staff Services – North
Temporary Catering and Manual Staff Services – West
Temporary Interim IT Staff Services
Temporary Interim Professional Staff Services
Travel Services Multi Lot
Travel Services One Stop Shop
Vehicle Hire

National – Utilities

Electricity framework agreement
Heat Networks
Liquid Fuels
National Gas Contract
Non Domestic Energy Efficiency
Reserved Commodities for Supported Businesses Framework
Scottish Materials Brokerage Service – Municipal Glass Material Contract
Scottish Materials Brokerage Service (Residual Waste project)
Water and Waste Water Services

National – ICT

ePS Purchase-to-Pay (P2P)
Application, Design and Development Services
Desktop Client Devices
Digital and Technology Services
Digital Services – Dynamic Purchasing System (DPS)
Hosting Services
IT Peripherals
Mobile Client Devices
Mobile Voice and Data Services
National Framework for Office Equipment and Services
National Tablet Client Devices
Network Enablement Services
Public Contracts Scotland-Tender (PCST)
Scottish Procurement Information Hub
Server Maintenance
Software – Value Added Reseller (VAR)
Telephony Services – Dynamic Purchasing System (DPS)
Thin Client Devices
Web Based and Proprietary Client Devices
Workstation Client Devices

Core Scottish Government

12 Month Review of the Stop and Search Code of Practice
4G Mobile Infill
Aerial Surveillance and Surveys
Agronomic Trials for Value for Cultivation and Use
Alpha Phase for Disability Benefits for Social Security
Application Performance Management software licensing/support
Babybox Scotland
Behaviour and Motivation of Business in Scotland – Qualitative Insights
CivTech3.0®
Climate Change Fund
Content Management System
Corporate Clothing
CPR Upgrade
Desktop Maintenance
Digital Evidence Sharing Capability
Digital Growth Fund
Digital Resource (Cruise)
Dunganichy Quarry – works
Economic Analysis of Nephrops Fishing Grounds in Scotland's Inshore Waters'
Electronic Monitoring of Offenders
ESRI ArcGIS mapping software licensing/support

Evaluation of Health Visiting
Facilities Management
Firewall Support for Appliance Gateways and Software Gateways
FM Compliance Contract
Fraud and Debt Case Management System
Furniture and Fitting Contract
Growing Up in Scotland
Health and Wellbeing electronic data collection platform
Health and Care Experience survey
Hosting – Cloud Services for Test and Development environments
Hosting Build Support
Identity Verification
iFix Support and Maintenance
Inpatient Experience survey
Interim Digital Engineering Team – DEU (Bench)
IT Delivery Partner To Support Common Agricultural Policy (CAP) Programme
IT Delivery Partner to Support Legacy Common Agricultural Policy (CAP) Programme: 2017-2022
IT Delivery Partner(s) to Support ISD
IT Research and Leadership
Janitorial Supplies
Knocknagael Farm – Farmhouse replace or upgrade
Knocknagael Farm Constructed Farm Wetlands – Remedial works to top cell
LCITP project development contract
Life Saving Equipment & Fire Fighting Equipment
Lochportain Private Water Supply – connection to public water supply
LogRhyth Upgrade
Marine Planning and Licencing Framework
MSF 2017 – Safer Comms/Roads – PR
National Improvement Framework
National Performance Framework – International Conference
NDEE Support Unit contract
Notification Services
Oracle post-ULA licensing/support agreement.
Oracle Real Application Clusters plus Identity Access Management suite software licensing/support
PISA
Predictive Analytics – Health and Work
Provision of Oil and Gas and Energy Markets
Public Sector Planning – Cyber Resilience Framework Assessment and Evaluation Tools
R100 Procurement of NGA Infrastructure
Realigning Children Services (RCS) Wellbeing Survey
Red Hat software licence subscription
Rent Reimbursement Scheme for NHS Dental Practices – Review Element
Replacement of MPV Hirta Propulsion Drives

Revised approach for delivering a reasonable adjustments service to disabled staff.
Riverbed Steelhead Support
Schools Adolescent Lifestyle Survey (SALSUS)
Scientific Operations Framework
Scottish Digital Academy
SEAS Reporting Tool
Self build loan fund
SGP Public Sector NDEE Framework
Smartcard solution for Healthy Food Payment for SSD
SME holding fund
Social Security Technical Delivery Phase
Sophos AV Maintenance
SSD Bank Account Checker
SSD Case Management System
SSD Design Code
SSD Document Management System
SSD Telephony Platform
Support contract for F5 Load Balancing Hardware plus Application Security Manager Modules
Survey of public attitudes to discrimination and positive action
Survey of public attitudes to violence against women
Technical Architects working on Gaelic Project
Telephony and Contact Centre
Tram Inquiry - PR Services
Vessel Maintenance Framework
Vessel Refit Framework
Warmer Homes Scotland

Annex B – Examples of Community Benefits Delivered

1. Warmer Homes Scotland

The following are the delivered community benefits of the Warmer Homes Scotland Contract:

- 15 Work Placement or Work Shadowing placements for 14 to 16 year olds.
- 40 Work Placement or Work Shadowing placements for those aged 16 or over.
- 527 Training placements (Warmer Homes Scotland Related).
- 108 Training placements (Renewable Energy Skills Framework for Action).
- Three Pre-Apprenticeship placements, stepping-stones to allow candidates to enter the industry of their choice, covering all Warmer Homes Scotland related work areas.
- Five Graduate placements.
- 59 New Apprenticeship placements (new registrations).
- 29 Existing Apprenticeship placements (already on existing schemes).
- 22 Completed Apprenticeships (Including Modern Apprentices).
- Jobs created in the core PAS 2030 and MCS work areas including office/support – 436 number of new jobs created in this area of work.
- 88 New S/NVQ course placements.
- 30 Completed S/NVQ awards.
- 24 Training Plans Completed.
- 11 Supervisor Training places delivered.
- 15 Leadership and Management Training places delivered.
- 390 Advanced Health and Safety Training places delivered.

2. Work First Scotland (WFS)

Our contracts secured the following community benefit commitments from our suppliers Remploy, Shaw Trust and Momentum.

Shaw Trust

Delivery of Work First Scotland by the Shaw Trust has provided economic benefit to a diverse supply chain comprising a number of SMEs, social enterprises, Third Sector organisations and Supported Businesses. The following community benefits were delivered:

- The creation of 13 new roles filled by job seekers from priority groups.
- Establishment of a wellbeing campus in Edinburgh which opened at the end of June 2017.
- Targeted recruitment and training for job seekers to help generate or improve employment opportunities, working with a range of companies and partners to provide pre-employment screening, guaranteed interviews, training, work placements, job opportunities and additional support.
- Up-skilling staff during the term of the contract with targeted staff being supported in completing their SVQ courses while working on the contract and all delivery staff having had an opportunity to:
 - Complete first aid courses.
 - Training in employer engagement.
 - Unconscious bias.
 - Train the Trainer courses.

It supported community organisations and residents through its volunteer and social enterprise activities which included:

- A new suit for all male job-seekers to wear at interviews.
- Crafts, health walks, embroidery, healthy eating, jewellery making and drama via volunteers.

Remploy

Delivery of Work First Scotland by Remploy resulted in the following community benefits:

- Six new jobs post with three filled by people from priority groups.
- Four apprentices specifically recruited to deliver the contract.
- Two work placements for school pupils, college or university students.
- Two work placements for people from priority groups.
- Peer-to-peer mentoring, customer-facing employment skills.

Remploy is also a Scottish Living Wage employer signed up to the Business Pledge and Digital Participation Charter.

Under the contract provision, Remploy also worked on a pilot with Ayrshire College and Skills Development Scotland, to help students in their final year of college to get used to the world of work. The outcome of the pilot was positive with the majority of students moving on to a positive destination in work or in continued education with a far greater focus on what sector or industry they wanted to work in.

Remploy captured learnings from the pilot with further roll outs planned, and is actively seeking to engage with more employers to increase the number of positive destinations in to which students might move.

Momentum

Delivery of Work First Scotland by Momentum resulted in the following community benefits.

- 36 staff recruited to deliver the contract.
- Three work placements for people from priority groups.
- A graduate recruit.

Momentum is committed to the Scottish Business Pledge for all employees. It has a clear commitment to the learning, development and progression of their staff to ensure they reach their potential, continuing to offer flexitime or time off in lieu to support this ambition. This has resulted in staff secondments, career changes and promotion.

3. Catering in the Scottish Government

As part of our commitment to drive social and environmental benefits through our procurement and ongoing contract management, our catering provider is supporting:

- A Modern Apprentice in hospitality Management SVQ Level four.
- Support of the 'Springboard FutureChef' scheme aimed at young people between ages of 12 and 16 years, helping them to learn to cook; gain experience and hopefully inspiration which can influence career choices.
- Volunteering with local food banks and food drives.

The catering facilities at St Andrew's House was shortlisted for waste reduction project of the year, with tackling waste being critical to reducing greenhouse gas emissions, protecting land and water and improving livelihoods.

4. Gaelic Medium Education National Standardised Assessments Project

Our contracts secured the following community benefit commitments from our provider:

- Creating eight new jobs to include:
 - Recruitment of four Gaelic-speaking teachers by main contractor.
 - A further two new Gaelic-speaking jobs being created in Stornoway through the supply chain.
 - Two modern apprenticeships.
- Supporting events to promote work placements including those for digital, language and business skills and careers in the Educational Technology (EdTech) sector at employment fairs or careers events in schools.
- Providing a variety of work experience opportunities through the network of Gaelic schools and with Education Scotland.
- Supporting career events at Gaelic schools.

5. Water and Waste Water Billing Services

Our providers have engaged two apprentices and have had extensive engagement with schools education programme on encouraging pupils into engineering careers.

6. Server Maintenance Framework

Since the start of the Server Maintenance framework in 2015, our provider has retained two Modern Apprentices, and taken on a third Modern Apprentice as a direct result of the extra workload taken on through the framework over the reporting period.

7. Hosting Services and Digital and Technology Services (DATS)

CGI – Modern Apprentice recruited to support the Hosting Services and DATS frameworks.

8. Network Enablement Services (NES)

Our framework enabled our Scottish based SME provider to grow, with four new jobs created supporting high skilled jobs in Scotland.

9. Office Equipment

Our providers have committed to offer:

- Employability skills – helping young people achieve positive destinations. This includes employability skills training, work placement, work experience, mentoring, challenges and projects for young people.
- Education – supporting schools and universities.
- Community benefits – playing an active role in the community, for example encouraging their staff to volunteer partnerships with charities including:
 - Charitable fundraising.
 - Involvement in local business associations, and supporting Framework Public Bodies with events or initiatives.

An example of what has been delivered in this reporting period is that an Employability Skills programme was created with Department Heads in East Lothian Council, Midlothian Council and the City of Edinburgh Council to work with young people, and support pre-full time employment through World of Work training.

In partnership with Knox Academy and East Lothian Council, a provider has showcased best practice Employability Skills for young people in preparation for their world of work.

As part of the Digital Schools programme, a provider has created Digital Learning packages which allow students and young people to develop social media programmes.

10. General Stationery and Office Paper

Our office stationery provider introduced a modern apprenticeship programme across the business in conjunction with Skills Development Scotland and introduced a modern apprenticeship programme across the business in conjunction with Skills Development Scotland and employed one modern apprentice in Airdrie to service the framework and two additional Graduates as junior account managers. The supplier also has two interns via Adopt an Intern working on the framework. Our supplier has also increased the number of Regional Distribution Centres (RDCs) in Scotland from three to five, with the new RDCs being located in West Edinburgh and Dundee. The new RDCs created an additional 34 posts.

11. Central Government Procurement Shared Services (CGPSS)

Community benefits are considered and questions included in the majority of tenders issued by CGPSS. The following are a few examples where community benefits have resulted from a competition:

- Provision of Hard Facilities Management Services for Scottish Police Authority and Scottish Fire and Rescue Service.
- Provision of Soft Facilities Management for Royal Botanic Gardens Edinburgh.
- Provision of Illuminated Trail for Royal Botanical Gardens Edinburgh.

Royal Botanical Gardens Edinburgh Illuminated Trail

Within the provision of the contract, the supplier included a number of community initiatives to ensure local community involvement in the illuminated trail event including:

- Community development programmes and the ability to create ongoing long-term engagements for the public through the year to link into the winter delivery programme.
- Creating young peoples' programmes of engagement to assist in the delivery of audience experience.
- Working with local community schools, universities and other community groups as partners to the event to:
 - Create work for the trail i.e. a community artist to lead and develop ideas and bring it together as a completed work.
 - Engage community groups as performers i.e. engaging local choirs to perform at the venue as part of the front of house content.
- Working with students from the digital media course at Edinburgh College, to create opportunities for students to undertake work experience.
- Recruiting their freelance team from the local area.



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