

Outcomes for Procurement



Scottish Government
Riaghaltas na h-Alba
gov.scot

Outcomes for Procurement

The Power of Procurement

Our [National Performance Framework](#) provides a common purpose, and values, for all of Scotland. Through this, we aim to:

- Create a more successful country.
- Give opportunities to all people living in Scotland.
- Increase the wellbeing of people living in Scotland.
- Create sustainable and inclusive growth.
- Reduce inequalities and give equal importance to economic, environmental and social progress.

Procurement has a key role to play. Whether we are buying goods, works or services, we can use our considerable spending power across the public sector to help improve our:

- Economy
- Society
- Environment



The Power of Procurement

#PowerOfProcurement

We can do this, by focusing on the outcomes we are delivering through all our procurement-related activities and by using our collective spending power to deliver sustainable and inclusive economic growth.

We recognise the social impact of procurement and how we can benefit the communities we serve. We can also provide fairer outcomes for everyone we work with, and protect those who work in our supply chains.

Of course, we also know that economic and environmental benefits, along with innovation, also deliver social impact. They are therefore embedded in what we refer to as our sustainable procurement duty and approaches.

We're building our outcomes based on these values. We want everyone involved to think in the broadest terms when developing their procurement strategies and not exclude any of these vital components.

Our Sustainable Procurement Duty requires us to buy in a way which is:

- Good for business and employees.
- Good for society.
- Good for places and communities.
- Open and connected.

These outcomes, which are supported by our [policies and guidance](#), underpin and enable our work.

The Power of Procurement

These outcomes will help us shape the advice, services and solutions we provide and we have aligned them with our national performance indicators. This will help guide our actions and shape how they may influence local decision making.

Of course it may be that they cannot be deployed equally in all circumstances, however, we should have rational arguments for and against their relative importance in each case. Doing the right thing may not deliver on all the outcomes or indicators sought. That is okay.



The Scottish Model of Procurement

The Scottish Model of Procurement

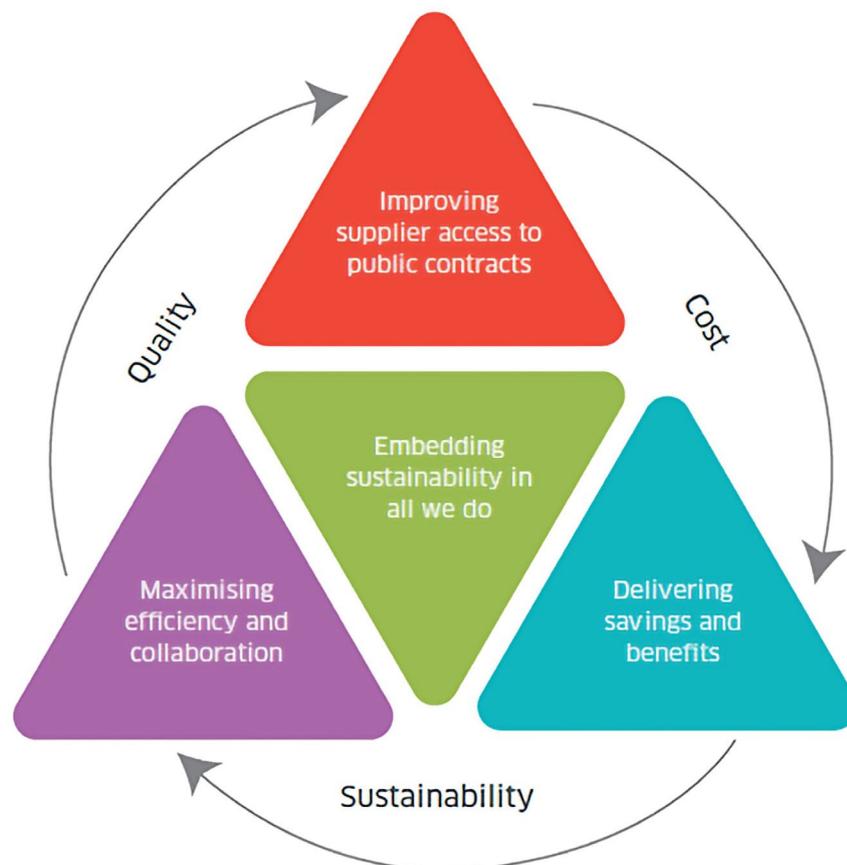
With over a decade of reform, the Scottish Model of Procurement was enshrined in the [Procurement Reform Act \(2014\)](#). This defines 'how' we buy.

This gave us the Scottish Model which sets the principals of:

- Embedding sustainability in all we do.
- Improving supplier access to public contracts.
- Maximising efficiency and collaboration.
- Delivering savings and benefits.

However, things don't stand still. We need to move our strategic focus and vision away from process and on to outcomes.

We must support our National Performance Framework and respond to evolving environmental priorities, protect the human rights of workers in our supply chains, and include local communities in our decision making.

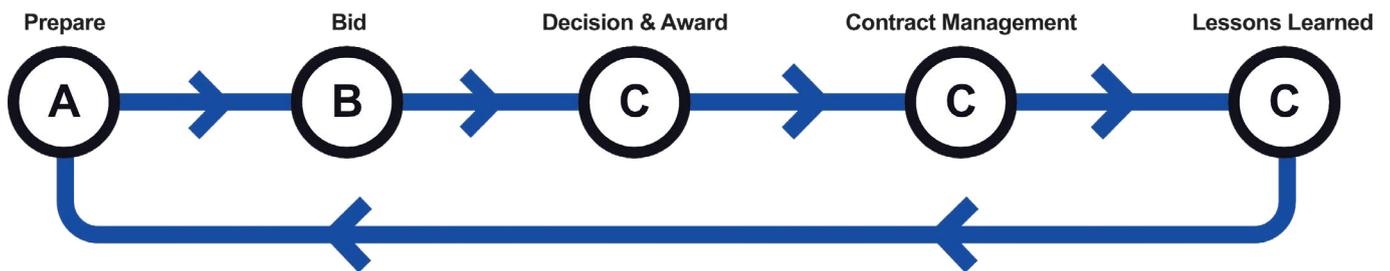


Good for businesses and their employees

We want to make it easy for businesses of all sizes and from all sectors to do business with us.

To achieve this, we are providing a range of help and support.

The [Supplier Journey](#) provides accessible guidance for businesses on the procurement processes and how to bid for public sector contracts.



Free training for Scottish-based SMEs is available from the [Supplier Development Programme](#). Part funded by the Scottish Government, this helps businesses and their staff improve their skills and knowledge on how to bid for public contracts.

We see improving access to public contracts for SMEs, the third sector and supported businesses as a key part of our approach to meeting the [sustainable procurement duty](#).

Good for businesses and their employees

Other measures we have introduced to help include:

- [Project Bank Accounts](#) for construction projects to ensure that payments to sub-contractors - many of whom are SMEs - are prompt and protected.
- Third sector support through the [Partnership for Procurement \(p4p\)](#) programme and support and training for third sector organisations.
- Legislation to prevent higher value regulated procurement public contracts being awarded on the basis of lowest cost, and set out in [statutory guidance](#) that this should also apply to the award of lower-value contracts.
- [Reserving contracts](#) for supported businesses.

You can read more about these measures on our website, and you can also watch our [video case study](#) about Consult Lifts. This is a Scottish SME, who have grown with the support of the Supplier Development Programme and winning public contracts.



You can also watch our [video explaining the good for businesses and their employees outcome.](#)

Good for businesses and their employees

Fair work, that is good for business, as well as for workers.

We encourage employers to invest in their staff and treat them fairly. We want Scotland to be the best place to live, work, invest and do business.

Fair Work is the foundation for this, and indeed, a prerequisite for it to happen in a sustainable way. We believe that Scotland can make strides in Fair Work that will underpin our economic success, as well as the wellbeing and prosperity of our people, communities and businesses.

We know that many employers are already applying Fair Work practices and that Scotland's leading firms are as productive as elsewhere.

However, we also know that we need to do more to engage with those employers to share best practice so that we can unleash the creativity, talent and skills of all Scotland's people.

We believe that our public sector can work in genuine partnership with the private and third sectors to create the conditions for this to happen.

Good for businesses and their employees

We have published our [Fair Work Action Plan](#) and through our [Fair Work and Procurement](#) policies, we now expect:

- Public bodies to promote fair work in all relevant procurement processes while ensuring the appropriate balance between quality and cost of the contract, including the impact of cost on working conditions.
- Suppliers delivering public contracts to adopt and demonstrate appropriate fair work practices, ensuring that these are delivered for all workers engaged on delivering the public contract.



Scottish Government
Riaghaltas na h-Alba
gov.scot

**FAIR WORK
ACTION PLAN**

Boosting productivity by developing
Scotland as a world-leading Fair Work Nation

Good for society

Good for society

For procurement, this means:

- We work in a way that is mindful of our impact on people's wellbeing.
- We are inclusive and share opportunities and wealth.
- We are open to innovative approaches to help us act on some of Scotland's most difficult social issues.
- We actively pursue equality outcomes, and all public bodies are legally required, in the exercise of their functions, to have due regard to the need to equalities and to [promote equality outcomes](#).



Good for society

We respect human rights and work to ensure that our supply chains are:

- Fair and ethical - including considerations of everything from human trafficking and exploitation, fair trade and health and safety; to ensuring that people are able to participate effectively where decisions are made by a public body which impact upon their rights.
- Driving equality outcomes, 'inclusive' economic growth and community benefits through procurement - including, for example, tackling inequality with targeted training and employability considerations.

We also regularly issue policy note updates to promote best practice, for example the [guidance on the procurement of care and support services](#).

Our case study on [Scotland's Bravest](#), a supported business shows how people's lives can be changed through thoughtful procurement. The company supplies signs to the public sector while employing and training disabled ex-servicemen.



[You can also watch our video explaining the good for society outcome.](#)

Good for places and communities

Good for places and communities

Our work delivers for communities and places across Scotland while ensuring we remain a globally progressive nation.

This means we engage with citizens, taking local priorities into account, and we have made it a legal obligation to consider [community benefits](#).

Environmental considerations are already at the heart of our sustainable procurement duty, but there is much more we can and need to do.

We have committed to use the power of public procurement to [support the climate emergency](#) and to contribute to our [climate change targets](#). We need to focus on 'what' and 'how much' we buy as well as on 'how' we buy.

We want to do business with responsible suppliers and supply chains who share our commitment to reducing emissions and waste, with a particular focus on manufacturing and packaging processes, transport and logistics.



Good for places and communities

Our video case study on [the circular economy](#) is an example of how buyers can reduce the impact of their procurements on the environment.

In this particular case study, they are also creating jobs, providing training and helping their local communities.

[You can also watch our video explaining the good for places and communities outcome.](#)



Open and connected

Open and connected

We focus on the shared purpose at the heart of the national performance framework.

- We are therefore [committed to being more transparent](#) about how we spend public money and improving accountability, by publishing information about our procurement activity. This is in line with our [Open Contracting Strategy](#).
- We continue to operate across organisational boundaries to deliver trusted public services, effectively managing within our collective resources.
- We've made publication of a [procurement strategy and annual report](#) a requirement for any public body spending more than £5 million per year.
- Our processes are open and transparent with access to fair resolution through the [Single Point of Enquiry](#). This offers an independent, impartial and confidential service for businesses which have concerns about a procurement exercise carried out by any Scottish public body.

By doing this, we will advance our place on the world stage to demonstrate Scotland at its best. [You can also watch our video explaining the open and connected outcome.](#)





Scottish Government
Riaghaltas na h-Alba
gov.scot

© Crown copyright 2021

OGL

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3 or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: psi@nationalarchives.gsi.gov.uk.

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at www.gov.scot

Any enquiries regarding this publication should be sent to us at
The Scottish Government
St Andrew's House
Edinburgh
EH1 3DG

ISBN: 978-1-80004-400-5 (web only)

Published by The Scottish Government, March 2021

Produced for The Scottish Government by APS Group Scotland, 21 Tennant Street, Edinburgh EH6 5NA
PPDAS796046 (03/21)

W W W . G O V . S C O T