

Scottish Procurement Policy Note: SPPN 5/2022

22 August 2022

**Public Procurement - Annual procurement reports for 2021 - 2022:
revised procurement strategies and notifying Scottish Ministers.**

Purpose

This policy note provides details of how a public body should notify Scottish Ministers of the publication of their annual procurement report covering the financial year 2021-22, including submitting a completed template provided at Annex A.

Key points

- a public body must notify the Scottish Ministers when publishing a procurement strategy or any revised strategy prepared under section 15 of the 2014 Act
- a public body must notify the Scottish Ministers when publishing an annual procurement report under section 18 of the Procurement Reform (Scotland) Act 2014 ("the 2014 Act")
- the 2014 Act requires a public body which is obliged to prepare or revise a procurement strategy in relation to a financial year, to publish an annual report as soon as reasonably practicable after the end of that financial year
- the template at annex A does not feature any new or additional questions to the template for the previous reporting period, 2020-21
- a separate template concerning the national public procurement priorities set by the Public Procurement Group (PPG) is attached as Annex B to this SPPN for information and advance notice. While we are not asking public bodies to report against the priorities at this stage, a separate commission will be issued to bodies at the end of 2022-2023.

Background

Under section 15 of the 2014 Act, all public bodies which expect to have spend of £5 million or greater on regulated procurements in its next financial year must produce a procurement strategy. Those bodies should also publish an annual report on their regulated procurement activities as soon as reasonably practicable after the end of that financial year.

The 2014 Act also requires Scottish Ministers to publish an annual report on procurement activity in Scotland. This report provides an overview of public procurement activity that is informed by the individual annual procurement reports published by public bodies in Scotland. A copy of the Ministers' report must be laid in Parliament.

This SPPN refers to publishing procurement strategies and annual procurement reports as a legal obligation under the 2014 Act. Public bodies to whom these legal obligations do not apply are encouraged to publish strategies and reports as a matter of good practice.

Procurement strategy

A public body, which expects to have procurement expenditure of £5 million or more in the next financial year, must, before the start of that year, either publish a strategy, where one does not exist, or review an existing strategy making such revisions to it as the body considers appropriate and publish its revised strategy. For example, the Scottish Government published its reviewed [procurement strategy](#) on 28 March 2022 to cover the period from April 2022 to March 2024.

Section 19 of the 2014 Act requires a public body to notify the Scottish Ministers once it has published a new or updated strategy. If you have not yet notified Scottish Ministers of the publication of a procurement strategy covering financial year 2022-23, please do so by sending an e-mail to ProcurementStrategies@gov.scot with a link to where the strategy can be accessed.

Annual Procurement Report

The 2014 Act requires a public body to prepare an annual procurement report as soon as reasonably practicable after the end of its financial year. This is important, as doing so will support increased transparency by ensuring, for example, that stakeholders have early visibility of the regulated procurements the public body expects to commence in the next two financial years. The timing of the publication of individual annual procurement reports is also an important consideration in the preparation of the Scottish Ministers' annual report on procurement activity in

Scotland. This is because the Ministers' report will be based on information contained within annual procurement reports published by individual public bodies.

Based on previous years, it is not unreasonable to expect an annual procurement report to be published no later than six months following the end of the body's financial year. On publishing an annual procurement report, [Section 19\(3\) of the 2014 Act](#) requires public bodies to notify Scottish Ministers of publication. This can be done by sending an email to annualprocurementreport@gov.scot with a link to where the report can be accessed.

Individual annual procurement reports must meet minimum requirements set by the 2014 Act. Public bodies will also find producing a report helpful in outlining how their procurement activity is contributing to the delivery of broader aims and objectives. As the broader aims and objectives of public bodies will differ, there is likely to be some variation in the content of reports. At the same time, it is important to ensure consistency of the information common to all annual reports. This will be helpful to the readers of individual annual reports, and for the analysis of such. With this in mind, public bodies should complete the template at Annex A to this SPPN and include it in the email referred to in the preceding paragraph above.

The template at Annex A to this SPPN does not feature any new or additional questions to the template for the previous reporting period, 2020-21. It focuses largely on data that relates to the minimum content required by the 2014 Act and further guidance can be found in the [Procurement Journey](#). The template requires information that should be helpful to public bodies in managing their contracts and suppliers and should be readily available.

Public procurement priorities

In May 2021, following consultation across the public sector and with representatives from business and the third sector, the PPG published [a set of seven priorities](#) for all public procurement leaders across Scotland.

These priorities, high level aims and aspirational delivery statements for all public procurement leaders, demonstrate our commitment to using the power of procurement to deliver and influence outcomes that are good for the people of Scotland.

In October 2021, we engaged with Heads of Procurement to capture a snapshot of cross-sector progress against these priorities. That snapshot was shared with Heads of Procurement in April 2022 in order to support the identification of priority areas where performance was strong, as well as priority areas where there was scope for improvement.

Following a period of review, [the public procurement priorities were updated for 2022 to 2023](#). A separate template is attached as Annex B to this SPPN for information and advance notice. Whilst we are not asking public bodies to report against the priorities at this stage, we intend to issue a separate commission to bodies at the end of 2022-2023.

Guidance

For guidance on the content of an annual procurement report or procurement strategy, please consult the relevant chapter of the [Statutory Guidance](#). Supplementary guidance for an annual procurement report and a procurement strategy is available in the [Procurement Journey](#).

Dissemination

Please bring this SPPN to the attention of all relevant staff, including those in agencies, Non-Departmental Public Bodies (NDPBs) and other sponsored public bodies within your area of responsibility.

Contact

Enquiries about this SPPN should be addressed to Scottish Procurement:
Scottishprocurement@gov.scot