



Registers of Scotland

Annual Procurement Report 2018-2019



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1. Introduction

The procurement reform (Scotland) Act 2014 places a statutory obligation on contracting authorities to publish their procurement strategy and to then monitor progress and publish an annual procurement report.

Registers of Scotland (RoS) is pleased to publish its second Annual Procurement Report. This report shows that the procurement team continues to add significant, sustained benefits to RoS and plays a key role in supporting the Scottish Government Public Procurement Reform Programme.

Following employee costs, procurement activity represents the majority of RoS expenditure totalling £33.1M for 2018/19. We therefore place great emphasis on ensuring that appropriate contracts are in place and deliver best value.

This was a particularly challenging period as Registers of Scotland dealt with the collapse of Carillion, a supplier that delivered the majority of RoS's Facilities Management services. The replacement process was managed effectively through a range of non-competitive actions, with the result of no loss of service for RoS and no loss of jobs for ex-Carillion staff.

2. RoS Regulated Procurement during 18/19

During the 2018/19 period RoS completed 200 procurement exercises. RoS has a commitment to use Scottish Government and Crown Commercial Services Frameworks where possible. The information below highlights this commitment:

- 183 Quick Quotes Completed (On Framework)
- 1 Quick Quote Completed (Off Framework)
- 6 OJEU Procurement Exercises
- 10 Regulated Exercises (Non-OJEU)

Summary of All RoS Contracted Procurement

See [appendix A](#)

3. RoS Procurement in Numbers

<p>£33,150,696 Total Spend</p>		<p>£15,580,827 SME spend</p>	
<p>391 Active Suppliers</p>	<p>160 SME Suppliers</p>		<p>47 Local Suppliers</p>
<p>9155 Transactions</p>	<p>£86,105 Avg. spend per supplier</p>	<p>47% SME Spend</p>	<p>37% Local Spend</p>
<p>£11,160 Supported Business Spend</p>		<p>£2,633,884 Annual Cash Saving</p>	<p>7.9% Annual Saving</p>
<p>89.15% Payment performance (10 days)</p>	<p>1% GPC Spend</p>	<p>15 Non-Competitive Actions</p>	

Community Benefits

The Procurement Reform (Scotland) Act 2014 includes a sustainable procurement duty on public sector bodies which requires them to conduct their procurement in a way that will secure economic, social and environmental wellbeing and a requirement that public bodies consider the use of community benefits in major contracts.

RoS continues to promote the use of community benefits within procurement exercises where relevant and proportionate to the contract.

All of the following contracts appointed in this period support the living wage and are striving to deliver further community benefits:

- Security Services
- Catering & Hospitality Services
- Cleaning Services
- Facilities: Hard Services
- Small to Medium Works Framework



SMEs

We continue to review and update our procurement policies and procedures to ensure that we contribute to improving social, economic and environmental wellbeing where relevant in delivering our contracts. This ongoing review will ensure that we remain an inclusive organisation and encourage a diverse range of suppliers including SMEs, the third sector and supported businesses.

During this period 47% of RoS's total spend was from working with 160 SMEs.

RoS continues to be a [Supplier Development Programme](#) (SDP) member.

SDP is a partnership of Local Authorities, Scottish Government and other public bodies working together to provide support to businesses in all aspects of tendering. The SDP assists businesses to become tender ready for public procurement and improves all-round efficiency, sustainability and market potential.



In June 2018 the RoS Procurement Team attended a "Meet the Buyer" event organised by the SDP. The event was attended by over 1,200 delegates and was an opportunity for businesses from all sectors to discuss contract opportunities. The day was a great success with excellent feedback being received.

This year the event took place in November 2019 at Hampden Park and the team were in attendance again.

Supported Businesses and Third Sector Organisations

A 'supported business' means an economic operator whose main aim is the social and professional integration of disabled or disadvantaged persons and where at least 30% of the employees of the economic operator are disabled or disadvantaged persons. Supported businesses make an important contribution to the Scottish economy, not only through the goods and services that they deliver, but also by providing meaningful employment, training and support for those who may otherwise be excluded from the workplace.

We continue to use the Scottish Government's Supported Business and Factory Framework where purchasing goods and services covered by this contract.

Haven Sign Factory RoS's spend with supported businesses was £11,160 for this period, this was mainly by placing a large number of orders with the Haven Sign Factory. We have also begun to engage with Haven on a number of other projects outside signage.

RoS Procurements that did not comply

RoS also raised 15 Non Competitive Actions (NCAs) within this period.

Only 4 of these NCAs fall into the category of a "regulated procurement".

RoS had a large Facilities Management framework with Carillion that covered all aspects of Facilities Management. When Carillion collapsed on the 15th January 2018, RoS put in place a number of short term emergency contracts to ensure services continued to be delivered. These were completed via NCAs with a view to them being re-tendered in the coming 12 months.

Replacement contracts for services delivered by Carillion are now in place. All ex-Carillion staff were re-employed by the incoming contractors and there was no loss of service.

All NCAs were reviewed by either the Head of Procurement or the Accountable Officer. All NCAs exceeding £10,000 were signed off by the Accountable Officer.

Savings

Using the Scottish Government's "Procurement Benefits Reporting Guidance" methodology, RoS procurement achieved £2.63M of cash savings for the period, a 7.9% saving on the annual expenditure. This has been achieved mainly by identification of available frameworks and further competitions.

4. Learning and Team Development

All members of the RoS procurement team continue on their path of self-development. During this period they have taken on a number of training and development opportunities individually or as a group.

These include:

CIPs Level 4 – 1 Team Member

CIPS Level 5 – 1 Team Member

CIPS Level 6 – 1 Team Member



It was particularly encouraging when 1 member of the team who joined as a modern apprentice attained her full MCIPS qualification.

Other courses attended include: Legal Aspects of Procurement, IT Procurement, Dealing with Difficult People and an Introduction to FM Procurement

The Procurement Team continue to strive to deliver best practice procurement. During this period a new contracts database was designed, built, tested and delivered in conjunction with the RoS IT Team. This allows full contract reporting, automated alerts and helps maintain a consistent approach to contract management.

Further innovation has seen workloads being managed online via Trello boards and Procurement taking responsibility for managing and maintaining the organisations Technology Register and Software Library.

5. Procurement Pipeline

Projects and New Procurements

Below is a list of potential upcoming opportunities (subject to Business Case sign off)

Procurement Pipeline 2019-2020

[See appendix B](#)