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## SPPA Procurement Report 2018/19

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## Section 1 – Introduction

### Introduction

Our annual procurement report shows how we've delivered our procurement strategy and commitments for the period 1 April 2018 to 31 March 2019, in line with the Procurement Reform (Scotland) Act 2014. It focuses on SPPA's corporate expenditure, which is around £6-7 million per year.

This report shows our performance and achievements in delivering our procurement strategy, which aims to use the money we spend on goods and services to deliver:

- better public services
- positive social, economic and environmental outcomes
- compliance with local and national policies
- support the [national outcomes for Scotland](#)

We review our procurement strategy every year and will be refreshed in June 2019. Our next report is scheduled for June 2020 and will show how we delivered the refreshed strategy over the period from 1 April 2019 to 31 March 2020.

## Section 2 – Summary of regulated procurements

### Types of procurement

**Regulated procurement** is defined by the Procurement Reform (Scotland) Act 2014 as:

- the purchase of goods and services with an estimated value of £50,000 or more (excluding VAT)
- public works with an estimated value of £2,000,000 or greater (excluding VAT)

**Competitive procurement** can be of any value. SPPA uses a competitive procurement process for all contracts, regardless of value.

### Summary of procurement activity

Table 1 summarises our procurement activity, regardless of value, for the period April 2018 to March 2019, based on SPPA's regulated contract spend of £6.5 million. 97% of our spend was achieved through contracts and frameworks call-offs. Most of our procurement activity was completed through Scottish Government framework agreements, which is more efficient than carrying out our own tender exercises. In total, we managed 24 contracts, of which 8 were regulated procurement over the value of £50,000.

Table 1: Summary of procurement activity

Type of procurement	Quantity	Estimated value
Framework call-offs	19	£906,533
Contract awards	5	£146,400
Regulated procurement (over £50,000)	8	£810,000

See Annex A for more details.

### Awards without competitive procurement

We identify and log all contract awards which should be subject to a regulated procurement process. Any non-competitive procurement must be justified and approved by our Chief Executive. This helps us make sure all procurement is fair and identifies the rare times procurement isn't subject to regulation, for example:

- when the requirement falls under the general exclusions and specific situations of the Public Contracts (Scotland) Regulations 2015
- when the requirement can only be delivered by a specific supplier through an exclusive right under the Public Contracts (Scotland) Regulations 2015

When a contract is identified under an exclusive right we place a contract award notice within the Public Contracts Scotland portal, including contract period and value. We spend a total annual value of £172,482 over five contracts in this way. This is mainly exclusive key resources with a lifetime contract cost of £205,602 as Table 2 summarises:

Table 2: Non-competitive procurement contract awards

Contract Name	Supplier	Contract Award	Start Date	End Date	Contract Value
HR Manager	Parity Professionals Ltd	11/02/2019	05/05/2019	29/05/2020	£ 68,000.00
Netcall Survey	Netcall Telecom Ltd	01/08/2018	24/08/2018	31/03/2024	£ 35,400.00
GMP Resource	Brightworks Ltd	22/03/2019	01/04/2019	25/09/2019	£ 14,602.00
Governance Resource	Pertemps Recruitment	22/03/2019	04/05/2019	01/11/2019	£ 14,600.00
Payroll	Northgate	12/03/2019	01/12/2020	30/11/2021	£ 73,000.00
					<b>£205,602.00</b>

Three of the five non-competitive procurements cover extending contracts with temporary staff and were essential for maintaining continuity until the posts are filled permanently. One was an additional component to an existing system SPPA use. In the final contract, the extension was required to ensure business continuity was in place for a critical SPPA function.

We believe we have demonstrated minimal use of non-competitive procurement and continue to focus our efforts towards meeting procurement regulations.

## Section 3 – Review of regulated procurement compliance

### How we review regulated procurements

We use the procurement journey (see Annex B) for all regulated procurement where a tendering process is required. There are three different procurement routes and we use a decision matrix to select the appropriate route based on risk, costs and strategic importance.

**Route 1**

Provides guidance for unregulated procurements under £50,000 which are low-risk and non-repetitive in nature.

**Route 2**

Provides guidance for regulated procurements which are between £50,000 and the Official Journal of the European Union (OJEU) threshold. The OJEU legislation covers organisations and projects that receive public money, like SPPA, and states that procurements above a certain threshold must be published in the EU journal. SPPA's OJEU threshold is £181,302.

**Route 3**

Provides guidance for regulated procurements above the OJEU threshold.

Call-off contracts are checked with the Scottish Government and Crown Commercial Service for compliance with regulations and policy.

**Delivering our priorities**

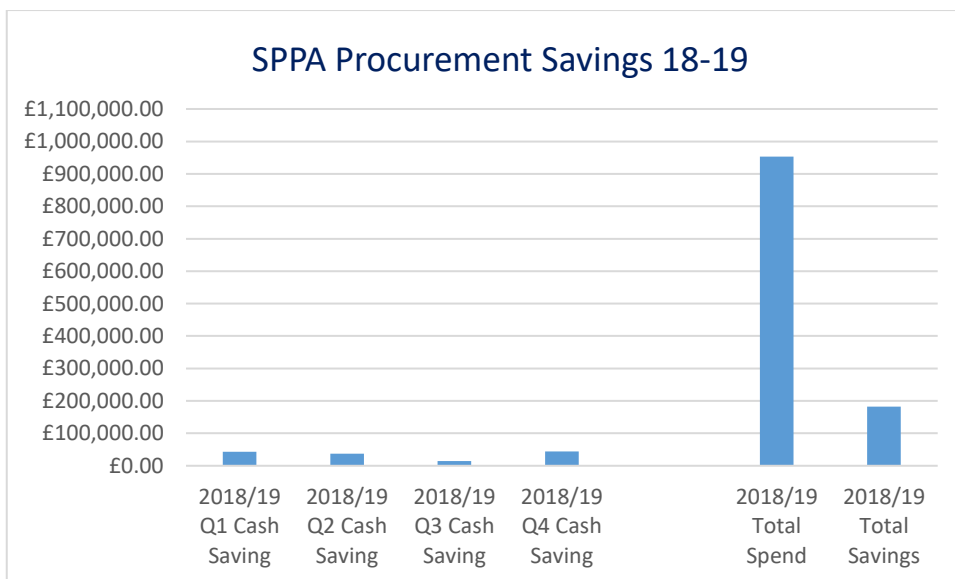
**Priority one: full legal compliance and governance**

19 out of 24 contracts were fully compliant. The remaining five non-competitive procurements met relevant regulations (see section 4 for more details).

**Priority two: make and measure savings and add value**

We obtain value for money through best practice contracting, supplier management and strategic procurement activities. We delivered savings of around £180,000 over this period mainly by using Scottish Government and Crown Commercial Service framework call-off contracts.

Figure 1: SPPA savings (information provided by the Scottish Procurement and Commercial Directorate)



### **Priority three: consider sustainability in every contract opportunity**

We deliver sustainable procurement by improving access to contracts for SMEs, the third sector and supported businesses. Sustainable procurement is built into every commodity strategy.

### **Priority four: a leaner, efficient and effective procurement function**

We have worked hard in this area but recognise there is still more to do. We have increased the use of frameworks for our procurement activity and use Central Government Procurement Shared Services.

## **Section 4 – Strategy performance review**

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Our procurement strategy brings together our objectives under four priorities.

### **Priority one: full legal compliance and governance**

#### **Our objectives**

- Develop and enhance tools, templates, information and guidance for our people.
- Continue to train and develop our staff to ensure procurement team training is appropriate and up to date.
- Provide regular commercial training for employees who need procurement awareness.
- Build closer working relationships with the Central Procurement Team and business areas within SPPA.

#### **How we did**

- Built closer working relationships with the Central Procurement Team, Procurement Capability Team and Central Government Procurement Shared Services, who have supported a number of activities and shared knowledge during the tendering process.
- SPPA utilise the Central Governments FMS Lite service.
- Completed under £50,000 delegated purchasing officer training for new procurement team member.
- Refreshed and added procurement guidance for all employees to our intranet.
- Reduced non-contracted spend from £57,607 last year to £41,301 this year.
- 100% of all procurement activity completed to the timescales.
- 83% of procurement activity over £10,000 complied with the correct procurement process.

#### **Development opportunities**

- Further enhance information available on our intranet, adding more tools and templates for employees involved in procurement.

- Enhance awareness of the Procurement Journey which supports identifying a clear route and process for all procurement (including procurements under £10k), which will be revisited in 2019/20.

## **Priority two: make and measure savings and add value**

### **Our objectives**

- Develop and use standard tools to evaluate all procurement on value for money principles.
- Check customer satisfaction by developing feedback mechanisms.
- Take part in the Scottish Government's Procurement and Commercial Improvement Programme.
- Make sure contracts are both robust and robustly managed.
- Plan for future procurement activities.

### **How we did**

- All procurements completed using the most economically advantageous tender model, which allows consideration of both quality and value for money.
- Issued a staff survey relating to the catering contract.
- Gathered information to provide feedback to pension administration system provider.
- Increased the number of meetings with key suppliers.
- Provided guidance to make sure SPPA employees check existing framework agreements before going to open competition.
- Employees with delegated purchasing authority and training can enter into contracts up to £50,000. Only one team member can carry out procurement above this figure.
- We are part of the procurement and commercial directorate improvement programme and the next review of SPPA will be completed in August 2019.
- Created a 5 year wave plan in line with the Agency's strategic plan.
- Increased non cash savings using Scottish Government, APUC or Crown Commercial Service frameworks (see Section 3).

### **Development opportunities**

- Create further feedback opportunities for employees involved in procurement activities and staff using the goods or services.
- Review and improve our contract management process and upskill employees, to continue to manage contracts appropriately and robustly.
- Ensure business cases are signed off prior to any procurement activity over £10,000.
- Develop survey for procurement customer satisfaction.

### **Priority three: consider sustainability in every contract opportunity**

#### **Our objectives**

- Provide targeted sustainability training.
- Utilise the tools, templates and guidance to help employees understand sustainability and make the right decisions in procurement.
- Review procedures against Scottish Government guidance and practices, making sure guidelines are implemented.
- Evaluate procurement activities on value for money principles.

#### **How we did**

- Used sustainability measures in regulated contract awards where appropriate.
- Used best practice, as detailed in the Scottish Government procurement journey.
- Liaised with Central Government Procurement Shared Services to request reviews of high value commodity strategies and invitations to tender.
- Tenders are evaluated on a cost / quality ratio ensuring value for money.
- Updated guidance available to include supported businesses, sustainability and community benefits.

#### **Development opportunities**

- Increase use of the prioritisation tool within the procurement journey.
- Review SPPA procedures against Scottish Government guidance to make sure we are aligned. This is due to be completed next financial year.

### **Priority four: a leaner, efficient and effective procurement function**

#### **Our objectives**

- Regularly review contract procedures and processes.
- Provide targeted training for employees involved in procurement activities, with guidance and a checklist to help them understand their role and the overall process.
- Review and maintain an accurate, detailed contract register.
- Review contract planning times regularly.
- Develop a 'wave plan' of procurement activities for publication on our website.
- Engage regularly with the Scottish Government cluster group to share best practice.

#### **How we did**

- Trained the Procurement Manager fully, including sustainable procurement training.
- Use the procurement journey as best practice guidance.
- Trained colleagues with delegated purchasing authority.
- Worked closely with Central Government Procurement Shared Services to review commodity strategies and invitations to tender.



- Publish the contract register on-line (through Public Contracts Scotland).
- Attend the quarterly Scottish Government cluster group meeting to share best practice and regular contact with the related Scottish Government capability team.
- Maximised goods and services procured through framework agreements.
- Involved in user intelligence groups, for example the banking services and IT framework groups.
- One member of staff in post completed the Scottish Procurement Competency Framework.

### **Development opportunities**

- Provide refresher training to all delegated purchasing officers.
- Embed a contract management strategy covering all aspects of contract management for low, medium and high-risk contracts.
- Reduce the number of non-competitive awards.
- Improve supplier performance through greater use of balanced scorecards and regular contract review meetings.

### **The future**

#### **Policies**

We plan to introduce policies about supply chain management, ethical procurement and modern-day slavery. We also intend to review all procurement policies in 2019/20.

#### **Invoice payment**

Paying invoices promptly is very important to us and payment times are measured and reviewed monthly. We're committed to paying undisputed invoices within 10 days. (We regard payment as being made once funds are with the supplier, which is usually a day or two after sending instructions to our bank.) Any subcontractors should be paid within 30 days as per terms and conditions,

Payment performance is closely monitored by HM Treasury against the Scottish Government target of 100% of bills paid on time, with no department falling below 95%.

Table 3: Invoice payment performance

**Payment Performance for year 2018-19**

Month	Invoices	SPPA Late	Disputed	SEAS Late	Performance
April	91	0	12	0	100.00%
May	49	0	8	0	100.00%
June	70	0	11	0	100.00%
July	56	0	3	0	100.00%
Aug	63	0	13	0	100.00%
Sept	53	0	2	0	100.00%
Oct	69	0	13	0	100.00%
Nov	73	0	13	0	100.00%
Dec	98	0	20	0	100.00%
Jan	74	0	17	0	100.00%
Feb	80	0	8	0	100.00%
Mar	62	0	4	0	100.00%
Average Performance figure					100.00%

## Section 5 – Benefitting our community

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### Our policy

SPPA uses the Scottish Government recommended tools for procurement when appropriate. We have embedded these tools within our process to help us get it right and create the best value, especially when it comes to regulated procurement:

- Scottish model of procurement  
(link to <https://www.gov.scot/Topics/Government/Procurement/about/spd-aims>)
- Changes to European directives  
(link to <https://www.gov.uk/guidance/transposing-eu-procurement-directives>)
- Public Procurement reform programme  
(link to <https://www.gov.scot/Topics/Government/Procurement/about/Review>)
- EU procurement thresholds  
(link to <https://www.gov.scot/Topics/Government/Procurement/policy/10613>)
- Procurement journey  
(link to <https://www.procurementjourney.scot/>)
- Public Contracts Scotland  
(link to <https://www.publiccontractsscotland.gov.uk/>)

These tools also help us deliver our sustainable procurement priority:

- Procurement toolkit
- Procurement journey
- Scottish Government sustainable tools
- Flexible framework

### What we delivered

Working with local SMEs is an important part of our strategy. During the period, we've awarded contracts including on-site catering, media training and a review of the target operating model.

Our refreshed catering contract delivers several benefits:

- service delivered by a local SME
- local suppliers used where possible to provide produce
- products purchased in bulk or loose to minimise packaging
- ensuring shelf life is as long as possible to reduce waste
- employs local workers
- all disposable products are biodegradable
- SME has fair work practices

Maintenance tasks have been undertaken by several local companies and tradesmen from the Scottish Borders Council minor maintenance framework.

### Existing benefits

Our ongoing facilities management contract has been designed to deliver sustainability benefits, including:

- paying the Scottish Living Wage
- using environmentally certified and phosphate-free Ecolab cleaning materials, which are delivered as super-concentrates to reduce plastic waste and transport
- a commitment to reduce carbon emissions
- training and skills development for staff

Table 4 shows the materials our contractor Sodexo uses to deliver the contract.

Product / material	Positive environmental or social criteria
Sustainable paper	100% sustainable paper and disposable products
Cleaning chemicals	<ul style="list-style-type: none"> <li>• Rationalised range of products used</li> <li>• Increased percentage of Eco-label accredited products</li> <li>• 93% spend on concentrated chemicals with less packaging and fewer deliveries</li> </ul>
Chemical-free cleaning	Lotus® Prochemical-free cleaning system transforms tap water into toxin free cleaner by infusing it with o-zone.
Steam cleaning	Minimises water use and requires no chemicals required to achieve more hygienic cleaning standard
Cleaner cars	Fuel-efficient vehicles (electric cars)
Floor machinery	Ec-H2O Orbio technology for chemical-free floor scrubbers
Micro-fibre mops and cloths	Proven benefits in infection control, reducing chemical usage by 90% and water usage by 97%
Vacuum cleaners	HEPA filter traps dust and dirt.
Route management	Use vehicle tracking diverts nearest engineer to respond to reactive maintenance requests

Our Grounds Maintenance contractor does not mow the perimeter of our grounds and has suggested seeding areas with wild flowers and plants to encourage wildlife. Our contractor uses environmentally friendly fertilisers and pesticides to reduce pollution as well as using our compost area.

### Framework agreement benefits

Some of the frameworks we use seek to help disadvantaged members of our community into temporary roles, improving employability:

- temporary and interim staff
- temporary and interim staff – interim IT
- temporary and interim staff – interim professionals
- travel services

The banking services framework supports local recruitment where possible offering apprenticeships for over 16's, summer internships and graduate roles.

Scottish Government have introduced a number of Dynamic Purchasing System (DPS) frameworks providing greater access and opportunity for SME's and local suppliers.

Our business analysis contract from the DPS framework supports the up-skilling of SPPA staff with business analysis tools and techniques.

The new electricity framework is committed to apprenticeship training programmes and using local supply chain partners and contractors.

### **Supported business**

There has been no requirement to purchase items from support business in this financial year, however we consider it's use for all procurements during the procurement strategy stage.

## Section 6 – Future procurement

We are only required to publish regulated contracts.

Table 5: Future regulated spend for the period 1 April 2019 – 31 March 2021

Subject Matter	Contract Type	Expected Notice Publication Date	Expected Award Date	Expected Start Date	Estimated Contract Value
Pension administration system	new contract	01/03/2020	January 2021	01/04/2021	£10,000,000
Telephony Software	new contract	TBC	TBC	TBC	£60,000
Facilities Management	new contract	01/04/2020	February 2021	01/04/2021	£450,000

## Section 7 – Other information

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### **Contract management**

Procurement and contract management is an important function within SPPA. As part of our target operating model, further improvement will be made in financial years 2019/20 and 2020/21.

### **Developing our people**

We continue to encourage our team to sign up to the Professional Chartered Institute of Purchasing and Supply (PCIPS) qualification. In 2019/20 and 2020/21 the focus will be on developing the team to further enhance and realise benefits, while motivating our people to achieve their potential. We use the Scottish Government competency framework to develop our people, which is included in personal development plans.

## Section 8 – About this report

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This report is subject to formal annual review and approval by the SPPA senior leadership team.

Report Owner: Michelle Lee  
Designation: Procurement and Contracts Manager  
Email: michelle.lee@gov.scot  
Telephone: 01896 893237

## Annex A – SPPA procurement activity

We have included all regulated contracts awarded in the period from 1 April 2018 - 31 March 2019.

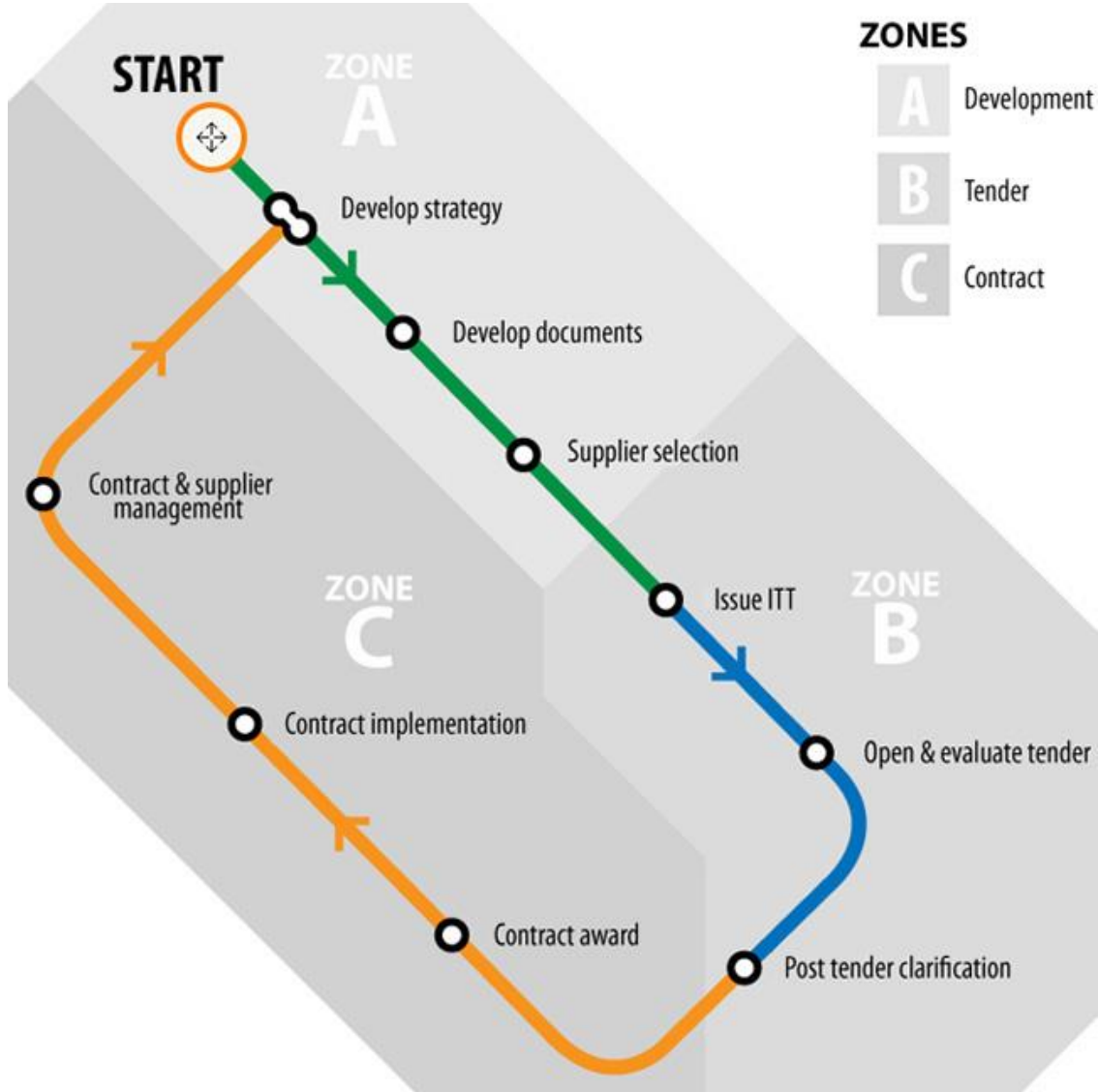
Contract Name	Supplier	Contract Award	Contract start date	Contract expiry date	Framework	Call Off	Collaborating	Contract Value
Publishing, Print and Design & Associated Services	APS Group (Scotland)	01/08/2018	01/10/2018	30/09/2023	Yes	Yes	No	308,000.00
Business analysis	Be-Positive	31/08/2018	12/11/2018	08/11/2019	Yes	Yes	No	100,000.00
Temporary Staff - Head of Customer Services	ASA Recruitment	20/08/2018	20/08/2018	19/08/2019	Yes	Yes	No	82,000.00
Payroll system	Northgate	12/03/2019	01/12/2020	30/11/2021	No	No	No	73,000.00
HR Manager	Parity Professionals	11/02/2019	05/05/2019	29/05/2020	Yes	Yes	No	68,000.00
Gartner Executive Programs Member	Gartner	21/12/2018	01/01/2019	31/03/2020	Yes	Yes	No	66,000.00
Head of Business Evolution	Spring Technology	21/02/2019	04/03/2019	31/07/2019	Yes	Yes	No	60,000.00
Executive Officer	Parity Professionals	01/08/2018	01/08/2018	22/04/2019	Yes	Yes	No	53,000.00



**Annex B – The procurement journey**

To ensure consistency, SPPA follows the Scottish Government procurement journey.

**The Scottish Government procurement journey**



- ZONES**
- A** Development
  - B** Tender
  - C** Contract

## Annex C – Procurement strategy 2018 / 19 action plan

Priority one: full legal compliance and governance					
Actions	Performance Indicator	Action Ref:	Measures	Target Date	Status and Comment
<p>Develop tools, templates, information and guidance for staff involved in procurement.</p> <p>Continue to train procurement staff appropriately and skills are kept current.</p> <p>Arrange for commercial awareness training to staff who require procurement awareness.</p>	<p>All requests for procurements go through the central Procurement team.</p> <p>Reduction in non-contracted spend.</p> <p>Closer working relationships with the Central Scottish Government Procurement teams and other areas within SPPA.</p>	1.01	All regulated procurement is completed by the SPPA Procurement team. Any unregulated contracts are put in place by staff with delegated purchasing authority. Staff must have completed the relevant training.	Mar 19	Completed to plan. Only delegated purchasing officers can purchase goods and services.
		1.02	Guidance reviewed and updated in line with new procurement legislation.	Mar 19	Complete.
		1.03	SPPA has reduced non-contracted spend to less than 5%.	June 19	Complete – under 1%
		1.04	Refresher Delegated purchasing officer training to be completed.	Mar 20	
		1.05	Sign up to the Scottish Procurement and Commercial Directorate shared services 'lite' service.	April 19	Complete. SPPA uses 5 days per year and further support when required.
		1.06	Procurement strategy report detailing compliant procurement.	June 18	Completed September 2018
		1.07	Procurement Commercial Improvement programme report	Aug 18	Completed September 2018

Priority two: make and measure savings and add value					
Actions	Performance indicator	Action ref:	Measures	Target Date	Status and comment
<p>Develop and deploy standard tools to evaluate any procurement exercise on VfM principles.</p> <p>Create feedback mechanisms to ensure customer satisfaction with any procurement exercise.</p> <p>Deploy training to ensure to staff only engage with a procurement exercise when it is required.</p> <p>Participate in the Procurement and Commercial Improvement Programme (PCIP) implemented by Scottish Government.</p> <p>Ensure contracts are robust and robustly managed.</p>	Reduced contract prices without reduction in service or obtain more for the same prices.	2.01	All procurement activities evaluated on value for money principles.	On-going	Complete – SPPA use value for money principles.
		2.02	Monitor cash and non-cash savings on annual basis with a 6 month check point (part of strategy).	June 19	Complete
	Maximise both cash and non-cash benefits from existing contracts.	2.03	Include benefits such as social and community benefits for new contract opportunities.	On-going	Complete. SPPA consider social and community benefits for all contracts where appropriate.
		Identify new benefits, including social and community benefits, for any contract opportunity.	2.04	Develop feedback mechanism to measure customer satisfaction.	Mar 19
	Improved PCIP scores.		2.05	Participate in the PCIP programme and implement recommendations.	Mar 19
		Reduce time and resources spent on each procurement activity through more efficient procurement procedures.	2.06	Improved contract management.	Mar 19
	Develop strategic investment plans.		2.07	Strategic planning for future procurement activities.	Mar 19
		2.08	Ensure business case to start all procurement activity over £50k.	On-going	

Ensure adequate planning for future procurement activities.					
<b>Priority three: consider sustainability in every contract opportunity</b>					
<b>Actions</b>	<b>Performance indicator</b>	<b>Action ref:</b>	<b>Measures</b>	<b>Target date</b>	<b>Status and comment</b>
<p>Provide targeted training for all staff involved in procurement activities on these issues.</p> <p>Use Scottish Government tools, templates, information and guidance to evaluate procurement exercises on value for money principles.</p> <p>Conduct regular reviews of procedures against Scottish Government Guidance and practices to ensure current guidelines are implemented.</p>	<p>Increased delivery of community benefits from contracts.</p> <p>Increased delivery of sustainable, environmental and social benefits.</p>	3.01	Include community benefits for all appropriate contracts.	Mar 19	Complete for appropriate contracts.
		3.02	Complete the sustainability tool for all procurements over £50,000.	Mar 19	Did not use tool but considered sustainability for all appropriate contracts.
		3.03	Include environmental and social benefits for all appropriate contracts.	Mar 19	Complete for appropriate contracts.
		3.04	Include all benefits to be considered as part of the commodity strategy.	Mar 19	Complete.
		3.05	Provide refresher delegated purchasing training to staff with delegated purchasing authority.	Dec 17	Complete – refresher training to be arranged 19/20.
		3.06	Review and update guidance material for staff.	Mar 19	Complete – on intranet for staff.

<b>Priority four: a leaner, efficient and effective procurement function</b>						
<b>Objectives</b>	<b>Performance indicator</b>	<b>Action ref:</b>	<b>Measures</b>	<b>Target date</b>	<b>Status and comment</b>	
<p>Perform regular review of SPPA contract procedure and processes.</p> <p>Provide targeted training for all staff in procurement activities.</p> <p>Develop guidance to assist staff involved in procurement to understand roles and process.</p> <p>Develop and review regularly an accurate and detailed contract register for SPPA.</p> <p>Regularly review contract planning times to ensure adequate time for nature of procurement.</p> <p>Develop “wave plan” of procurement activities and publish the forward plan on SPPA website.</p>	Increase in use of centrally procured frameworks.	4.01	Annual review of SPPA contract procedures and processes.	On-going	Complete.	
		4.02	Refresher training and guidance for staff who purchase goods and service including roles and process.	Mar 20		
	Maximise goods and services obtained through shared service arrangements.	4.03	Accurate and detailed contract register.	Mar 19	Complete. This is reviewed monthly.	
		4.04	Develop wave plan which will allow effective planning of procurement and contract implementation.	Mar 19	Complete.	
	Increased participation in Scottish Government user groups intelligence gathering forums for procurement.	4.05	Attend cluster group meetings, relevant user intelligent groups and other forums.	Mar 19	Complete.	
		Reduction of NCA’s used for procurement of goods and services due to inadequate timescales.	4.06	Increase use of centrally procured frameworks.	Mar 19	Complete. SPPA reviews frameworks before procuring goods and services.
			4.07	Reduce number of NCA’s completed due to inadequate timescales.	Mar 19	Complete.



Scottish Public  
Pensions Agency  
Buidheann Peinneanan  
Poblach na h-Alba

Engage with cluster group members regularly.					Current NCA's not due to inadequate timescales.
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Term	Description
<b>Balanced Scorecard</b>	A tool used to monitor and measure contract and supplier performance.
<b>CIPS</b>	The Chartered Institute of Purchasing and Supply (CIPS) is the leading body representing the field of purchasing and supply chain management.
<b>Commercial Acumen</b>	The ability to view situations from a commercial or business perspective; knowing your market & your customers and what they want and need & how they work.
<b>Commercial Awareness</b>	Evidence of commercial acumen. Awareness of the need for efficiency, cost-effectiveness, customer / stakeholder support, a knowledge of the sector and the services the organisation provides and will provide in the future, considering the strategic objectives, current economic climate etc. A track record of appropriate procurement skill and experience, evidence of on-going/continual training and development. (desirable and post/org specific) professional qualification / undertaking or willingness to undertake as appropriate.
<b>Commercial Competence</b>	<p>Commercial Competence is the ability to view situations from a commercial or business perspective. It's about knowing your market &amp; your customers and what they want and need &amp; how they work. Knowing what your competitors are up to; mainly so the connection between what we 'could do' and what we 'should do' becomes clear.</p> <p>All organisations have goals, targets and budgets and should have robust strategic goals and implementation plans. Current market and trends should be reviewed as well as the competition, organisation culture, threats and opportunities, business decisions and innovative thinking. This also helps to justify the cost-effectiveness of any budget and the resources available.</p> <p>The Scottish Procurement Competency Framework links commercial competencies to the key procurement activities.</p>
<b>Commodity Strategy</b>	Please see the Procurement Journey for guidance on commodity strategies.
<b>Contract Management</b>	The process of monitoring the performance of a supplier to contract.
<b>DPA</b>	Delegated Purchasing Authority - Is the authority given to an individual to sign-off contracts. It is not to be confused with Delegated Finance Authority as it is important that there is adequate separation of duties between the individual who has finance authority i.e. the budget holder and the individual with purchasing authority i.e. who places the contract.
<b>DPO</b>	Delegated Purchaser Officer - A permanent individual with Delegated Purchasing Authority (DPA).
<b>Framework Agreement</b>	An agreement or other arrangement between one or more contracting authorities and one or more economic operators which establishes the terms (in particular the terms as to price and, where appropriate, quantity) under which the economic operator will enter into one or more contracts with a contracting authority in the period during which the framework agreement applies.
<b>Influencable Spend</b>	The value of Procurement relevant spend which was actually influenced by Procurement.

<b>MEAT</b>	The most economically advantageous tender (MEAT) criterion enables the contracting authority to take account of criteria that reflect qualitative, technical and sustainable aspects of the tender submission as well as price when reaching an award decision.
<b>NCA</b>	Non-competitive Action. Award of contract that has not been competitively tendered.
<b>OJEU</b>	Official Journal of the European Union.
<b>Procurement Exercise</b>	Full end to end procurement exercise documentation from strategy development to contract & supplier management.
<b>Procurement function</b>	The business management function that ensures identification, sourcing, access and management of the external resources that an organisation needs or may need to fulfil its strategic objectives.
<b>Procurement Journey</b>	Revised public procurement toolkit with guidance and templates on the procurement process or Construction manual when appropriate. The Procurement Journey will be enhanced on an ongoing basis with feedback from users and any other identified good practice guidance and tools where appropriate to ensure a standardised approach to the supply base.
<b>Procurement Officer</b>	Individual who spends the majority of their time working in a role that adds value to the quality, cost and effectiveness of the procurement or acquisition of goods, works and services; impacting upon commercial relationships during one or more stages of the procurement cycle and contributing towards best practice contract and supplier management.
<b>Procurement Professional</b>	Individual who spends the majority of their time working in a role that adds value to the quality, cost and effectiveness of the procurement or acquisition of goods, works and services; impacting upon commercial relationships during one or more stages of the procurement cycle and contributing towards best practice contract and supplier management.
<b>Procurement strategy</b>	Strategy for procurement within an organisation (can be called policy).
<b>Public Contracts Scotland</b>	The national advertising portal used to advertise all Scottish Government goods, services or works contract opportunities.
<b>Senior Management Team</b>	The direct report for the Head of Procurement (whether this be a stand-alone Director or one who sits on a SMT).
<b>Small Medium Enterprise (SME)</b>	The category of micro, small and medium-sized enterprises (SMEs) is made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding 50 million euro and/or an annual balance sheet total not exceeding 43 million euro.
<b>Stakeholder</b>	Any person or group who has a vested interest in the success of the procurement activity, i.e. either provides services to it, or receives services from it.
<b>Strategy</b>	May also be referred to as "Business Case" or "Project Strategy".
<b>Supplier</b>	An entity who supplies goods or services; often used synonymously with "vendor".



<b>Supplier Performance Review</b>	Ongoing Contract and Supplier Management (i.e. with key performance indicators being reported).
<b>Supply Chain</b>	All activities, resources, products etc. involved in creating and moving a product or service from the supplier to the procurer.
<b>Supply Chain Management</b>	The coordinated set of techniques to plan and execute all steps used to acquire raw materials from suppliers, transform them into finished goods, and deliver both goods and services to customers. It includes chain-wide information sharing, planning, resources and performance measurements.
<b>Supported Business</b>	Either the organisation's main aim should be the social and professional integration of disabled or disadvantaged persons, or the contract should be performed within a sheltered employment programme.
<b>Value for Money</b>	An economic assessment by the public sector as to whether a project represents value for money; the optimum combination of cost and quality to provide the required service.