About Us

Scottish Public Procurement

The Scottish public sector spends billions each year on goods, services and works. These contracts vary in size, value, complexity, type and geographical area and as a result there could be a number of opportunities you could bid for.

As public sector buyers spend taxpayers money there are strict rules on how they can buy goods, services and works. These rules vary depending on the type and value of the contract.

The National Performance Framework provides a common purpose, and values, for all of Scotland. Through this the aim is 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.

Public procurement has outcomes which are outlined by the <u>Sustainable</u> <u>Procurement Duty</u>. This requires public procurement to buy in a way which provides the following:

- good for businesses and employees
- good for society
- good for places and communities
- open and connected.



The above outcomes are supported by the policies and guidance of the Scottish Government, the differing public sectors and their organisations.

Scottish Public Sector Bodies

There are a large number of public bodies in Scotland who can procure goods and services in a number of ways. The method used depends on what is being bought and which organisations are involved i.e. a public sector body can:

- buy goods and services for their needs only. This is sometimes referred to as a Category C procurement or a local procurement. An example is window cleaning
- join with other organisation(s) at a local level to procure goods, services and works for all the organisations involved to use. This is sometimes referred to as a Category C1 or a regional procurement. An example of this may be

courier services

- use another organisation, known as a Centre of Expertise, to procure on their behalf. This is sometimes referred to as a category B or sectoral procurement. Examples are wheelie bins or medical equipment
- utilise framework agreements put in place by the Scottish Government. These are national contracts that are sometimes referred to as a Category A procurement. Examples of this include IT equipment and office supplies.

Collaboration

Collaboration or collaborative procurement, is where buying organisations work together to procurement goods and services for the use of the buying organisations named. This is normally done when procuring goods and services that are common amongst all of the buying organisations e.g. landscaping. Collaboration can occur at national, sectoral, regional or local level.

Centre of Expertise

A Centre of Expertise awards contracts on behalf of different parts (or "sectors") of the public sector. They also work to improve processes and collaboration between public bodies.

These Centres of Expertise are:

- Scottish Procurement: awards national and sectoral contracts on behalf of the Scottish Government, its agencies and non-departmental public bodies e.g. the Royal Botanical Gardens, Scottish Enterprise
- Advanced Procurement for Universities and Colleges: (APUC) awards contracts on behalf of the Higher and Further Education sector
- NHS National Procurement: awards contracts on behalf of the Health Sector
- Scotland Excel: awards contracts on behalf of Scottish local authorities (councils).

The below table illustrates further with some contract examples:

Collaborative Contracts available to all public bodies

Scottish Procurement

Category A

Collaborative Contracts available to public bodies within a specific sector

Category B

- Scottish Procurement
- APUC
- Scotland Excel
- NHS National Procurement

Category C Local Contracts for use by individual public bodies

Category

C1

Local Contracts for use by individual public bodies

Please refer to <u>Tenders</u> to find out further information about the types of contracts that a public sector buyer may use.

What We Buy

The public sector buys a wide variety of goods and services. These can cost anywhere from a few hundred pounds to many millions of pounds. They can be relatively simple – buying readily available products – to being extremely complicated and/or innovative.

Please note: the Supplier Journey only provides guidance on goods and services. For more information on procurement of works/construction please refer to construction guidance.

Goods

These contracts relate to the purchase of goods or products. This may include siting, installation or other related services and can be for the purchase, lease, rental or hire purchase of products. Examples of these are contracts for ICT equipment, stationery and office furniture.

Services

Services contracts are awarded for services of every description. Examples of these are contracts for cleaning, facilities and management services and legal services.

Where Can I Find Out More?

It is a legal requirement that all public bodies publish an internet based contract register detailing all contracts advertised which are worth at least £50k for goods and services (a regulated procurement). Some public bodies publish their contract register in their buyer profile area in PCS of or may publish this via their own website.

The Scottish Government also publishes <u>spend reports</u> which can This is another good source of information when researching your market.

Types of Contracts

A contract is a legally binding agreement between two or more consenting parties that is enforceable by law.

A procurement contract sets out the details of:

- what is being procurement
- by whom
- the rights and obligations of the parties involved

In procurement there are several types of tender processes that can be used to put in place a contract e.g. <u>quotations</u>, <u>framework agreements</u>, etc. More information on these types of contracts can be found in their respective stations under <u>Procurement Procedures</u> and <u>Procurement Processes</u>.

Legislation

Legal Requirements

All public sector procurement must comply with Scottish legislation. These do not allow contracts to be awarded on the basis of the location or size of a supplier.

Scottish Law

Public procurement in Scotland is governed by a legal framework which includes:

The Public Contracts (Scotland) Regulations 2015

- The Utilities Contracts (Scotland) Regulations 2016
- The Concession Contracts (Scotland) Regulations 2016
- Procurement Reform (Scotland) Act 2014 and
- The Procurement (Scotland) Regulations 2016.

More detail on procurement legislation, including statutory guidance, can be found on the Scottish Government's Website.

For the purposes of the Supplier Journey, we use 'public procurement rules' as shorthand to describe the above legal framework.

Local Financial and Standing Orders

In practice, public procurement rules are embedded in a local organisation's own policies and procedures - often called financial or standing orders. These will usually put in place local arrangements for dealing with contracts - including lower value contracts which may not be covered by procurement legislation.