



CROWN OFFICE  
& PROCURATOR  
FISCAL SERVICE

SCOTLAND'S PROSECUTION SERVICE

# CORPORATE PROCUREMENT STRATEGY

**1 APRIL 2019 TO 31 MARCH 2022**

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## 1. Introduction

The Crown Office and Procurator Fiscal Service (COPFS) is the sole public prosecution authority in Scotland prosecuting cases independently, robustly, fairly and effectively in the public interest.

The Lord Advocate is the senior Scottish Law Officer. His position as head of the systems of criminal prosecution and investigation of deaths is enshrined in the Scotland Act 1998, and he exercises that responsibility independently of any other person. All prosecutions on indictment run in the Lord Advocate's name. The Lord Advocate also has a number of statutory functions, including in relation to extradition and mutual legal assistance with other jurisdictions.

COPFS has the duty to investigate all deaths which require further explanation, and is responsible for deciding whether criminal proceedings or a Fatal Accident Inquiry should be held, and for conducting such proceedings and inquiries.

Responsibility for investigating allegations of criminal conduct against police officers also rests with COPFS with prosecution being undertaken on the instruction of Crown Counsel.

COPFS's Proceeds of Crime and Civil Recovery Units investigate and recover proceeds of drugs trafficking and other serious crime.

COPFS also provides a Victim Information and Advice Service across Scotland.

COPFS works closely with other criminal justice organisations to help make Scotland a safer place and plays a pivotal role in maintaining the security and confidence of all communities across Scotland in the prosecution system – making the criminal justice system more accessible and more responsive. The core values of COPFS are impartiality, integrity, sensitivity, respect and professionalism.

The Scotland Act 1998 - section 57(2) came into force on 20 May 1999 and embedded the European Convention on Human Rights into Scottish Law. Our prosecution code states the following:

*"The Human Rights Act 1998 and the Scotland Act 1998 in general require Scottish prosecutors to act in a way which is compatible with the European Convention on Human Rights and European Union Law. Prosecutors will also have regard to relevant international obligations in accordance with the decision in the House of Lords in Whaley v Lord Advocate 2008 SC (HL)107."*

When developing prosecution policy, consideration is always given to the human rights of victims, witnesses and accused persons. We consider judgements from the European Court of Human Rights and consult widely on our prosecution policies and processes to ensure a balanced approach which meets our obligations in terms of the Convention. New policies and all project work within COPFS undergo Equality

Impact Assessments to ensure that the proposed changes meet the needs of the diverse communities in Scotland. COPFS' focus is operational effectiveness in all cases while continuing to give priority to the most serious crimes. We support the Justice Vision of a Just, Safe and Resilient Scotland.

COPFS works closely with a range of stakeholders including the Scottish Government, Police Scotland and the Scottish Courts and Tribunals Service.

The Victims and Witnesses (Scotland) Act 2014 has impacted upon COPFS in terms of the number of witnesses now deemed vulnerable and also the right of victims to review decisions not to take action in the case where they are involved. We are optimising the use of technology to improve the level of service that is provided to victims and witnesses, e.g. through evidence on commission. This work will continue with the implementation of the Victims and Witnesses (Criminal Evidence) (Scotland) Bill provisions once enacted.

## OUR PRIORITIES

COPFS' priorities contribute directly to the outcomes of the Scottish Government's Justice Vision and Priorities in which the vision is of a safe, just and resilient Scotland. This aims to deliver a justice system that contributes positively to a flourishing Scotland, helping to create safe, cohesive and resilient communities, in which prevention and early intervention improve wellbeing and life chances and systems and interventions are proportionate, fair and effective. We do this by working collaboratively with other parts of the justice system to deliver this overarching justice vision.

Our priorities will continue to be to:

- prosecute complex, serious and organised crime and significant financial crime before the High Court and Sheriff and Jury courts;
- take action to recover associated proceeds of crime;
- prosecute hate crime, domestic abuse, stalking and sexual offending, all of which involve significant equalities issues for those who have protected characteristics across all sections of society; and
- meet the challenges arising from changes in the legal environment, including changes in the causes of crime and workload, judicial decisions and planned legislation.

## OUR OBJECTIVES

COPFS core areas of responsibility relate to the **investigation and prosecution of crime** and the **investigation of sudden deaths**. Our Objectives are designed to reflect the business outcomes we must deliver in contributing to the Justice outcomes described above:

Criminal cases are effectively and independently investigated and prosecuted or have other proportionate action taken in the public interest:

- Deaths which need further explanation are appropriately and promptly investigated;
- Financial gain achieved by criminal means is removed from criminals using proceeds of crime laws;
- A level of service which takes account of individual needs and characteristics is provided to all;
- Victims, nearest relatives and witnesses and those accused of an offence are treated with dignity and respect.

## 2. Our Corporate Procurement Strategy

### REQUIREMENTS

The Procurement Reform (Scotland) Act 2014 Section 15 requires any public organisation, which has an estimated total value of regulated procurement spend of £5 million or more (excluding VAT) in a financial year, to prepare and publish a procurement strategy.

COPFS's non-staff expenditure budget comprises approximately £30 million from a running costs budget of approximately £112 million and all of the £3.6 million capital budget.

### STRATEGY OWNERSHIP AND CONTACT DETAILS

The owner of this Strategy on behalf of the Crown Office and Procurator Fiscal Service is the Crown Agent and Chief Executive who can be contacted at 25 Chambers Street, Edinburgh, EH1 1LA.

This strategy covers a three year period 1 April 2019 to 31 March 2022. It will be reviewed annually and extended for a further year. New versions will be published on our website: [COPFS Publications](#).

This Corporate Procurement Strategy should be read in conjunction with COPFS' Strategic Plan and the Financial Strategy as all three are closely aligned and related.

Subsequent versions of this strategy will reflect the impact of the United Kingdom's withdrawal from the European Union in so much as it is relevant to COPFS's procurement activities.

### PURPOSE

The purpose of this Strategy is to set out how the COPFS will plan and manage our procurement activity to meet our corporate aims and objectives while complying with regulatory and legislative requirements. The Strategy applies to all procurement conducted by the COPFS and supported by the Central Government Procurement Shared Service (CGPSS).

The Corporate Procurement Strategy is designed to ensure that:

- Staff are supported to deliver our corporate objectives in such a manner as to make optimum use of all resources; and
- Procurement activities are undertaken effectively, efficiently and economically while ultimately contributing to the realisation of the economic, social and environmental benefits.

Our focus is on **Securing Value for Money**, based on the **Scottish Model of Procurement** which defines Value for Money as the best balance of cost, quality and sustainability while contributing to our broader aims and objectives.

All investment decisions are made on the basis that the expenditure will contribute directly or indirectly (e.g. expenditure on IT equipment) to the pursuance of the responsibilities and objectives outlined above.

COPFS is committed to ensuring that all procurement and contract management activity complies with EU and UK legal frameworks. COPFS has its own policies which are based on those of the Scottish Government. We will continue to comply fully with these. This Strategy has been informed by:

- the Procurement Reform (Scotland) Act 2014;
- the Public Contracts (Scotland) Regulations 2015;
- the Procurement (Scotland) Regulations 2016;
- the Utilities Contracts (Scotland) Regulations 2016; and
- the Concessions Contracts (Scotland) Regulations 2016.

The Corporate Procurement Strategy reflects our commitment to take a responsible and sustainable approach to procurement.

Each year, COPFS will publish an Annual Procurement Report (APR) to document the progress that we have made towards implementing our Procurement Strategy.

**Our budget is finite.**

**The money that we take from it to spend externally on goods and services is not available to pay for staff.**

**Reducing this expenditure will allow us to maintain our staff numbers.**

**Doing so is, therefore, one of our key corporate priorities.**

In common with the rest of the UK public sector, COPFS is required to deliver efficiency savings; better procurement and contract management will support this.

## **DEFINITION OF PROCUREMENT AND CONTRACT MANAGEMENT**

Procurement and Contract Management are the processes of acquiring goods and services from third parties (from the identification of a requirement and the preparation of a Business Case through to the end of the useful life of an asset or contract).

### 3. Vision, Mission Statement, Strategic Aims, Objectives and Key Priorities

#### **OUR VISION IS:**

To undertake high quality, legally compliant procurement activity and to manage our contracts effectively to support the COPFS to deliver its corporate aims and objectives.

#### **OUR MISSION IS:**

To ensure that procurement by COPFS delivers value for money, cost savings and improved efficiencies for the benefit of the COPFS and all of our stakeholders.

#### **OUR STRATEGIC AIMS:**

We will work towards achieving best practice in procurement and continuous improvement in value for money and quality in the goods, services and works that are procured; while complying with the regulations, behaviours and standards. Our work is focussed in the following key areas:

- Delivering savings, benefits and efficiencies through procurement and contract management activity;
- Obtaining maximum benefit from the money that COPFS spends on goods, services and works by ensuring that they are fit for purpose, of the required quality, delivered at the right time, all at the right price;
- Supporting the delivery of our corporate objectives - to ensure that as much of our total budget as possible is available to maintain staff numbers, thereby ensuring that we deliver against our performance targets;
- Compliance with EU legislation, Scottish Government legislation and guidance and other legal requirements;
- Enabling procurement and commercial capability through the provision of:
  - Procurement and commercial policy and advice;
  - Construction procurement policy and advice;
  - Property, asset and estate management advice as requested by the COPFS and Scottish Courts and Tribunals Service Facilities Management Shared Service Board;
  - eCommerce solutions, best practice tools and templates;
- A focus on developing our people and ensuring supportive and enabling cultures; and
- Proportionate project assurance and continuous improvement activity.

Our procurement processes are designed to ensure that all of our procurements are carried out in compliance with our duty to treat relevant economic operators equally and without discrimination and that all procurements are carried out in compliance with our duty to act in a transparent and proportionate manner.

### **OUR OBJECTIVES:**

COPFS is taking a number of steps to achieve these aims, including setting **three key objectives** of:

- Securing best Value for Money;
- Ensuring Compliance; and
- Ensuring Control.

In practice this means:

- Securing savings from better procurement and contract management which allow the reduction of non-staff budgets and the redeployment of funding to staff budgets;
- Ensuring that all procurement activity is under a valid contract (minimising Off Contract Expenditure);
- Ensuring that all contracts are awarded through a compliant process which is consistent with COPFS's procurement policies and procedures;
- Ensuring that all contracts are entered into by staff with the requisite Delegated Procurement Authority, following a robust approvals process including robust, compelling and proportionate business cases;
- Embedding effective and proportionate contract management for every contract to ensure service delivery standards are met or exceeded;
- Delivering non-financial benefits such as sustainability, community benefits and use of supported businesses; when we develop individual procurement strategies we will explore opportunities to secure non-financial benefits.

### **OUR KEY PRIORITIES:**

Our strategy has five key priorities as follows:

- Delivering Value for Money, Compliance and Control;
- Delivering sustainable procurement;
- Raising the level of procurement knowledge, skills and expertise;
- Strengthening Contract and Supplier management; and

- Achieving the benefits derived from collaborative working.

## DELIVERY

Our objectives are being delivered through our **Strategic Transformation of Procurement** project. During 2018/19, progress against the Project Plan was monitored by the Procurement Steering Board, which was set up to support the transformation programme and agree the priorities for the procurement function to focus on. To monitor progress against the plan, the processes and procedures introduced were independently assessed by the Scottish Government through their Procurement and Commercial Improvement Programme (PCIP) assessment.

The Strategic Transformation of Procurement project had two phases:

- Phase 1: Ensuring that every aspect of our procurement activity is at least fit for purpose (December 2016 – March 2019);
- Phase 2: In Search of Excellence in Everything – embedding best practice in every aspect of our procurement activity (April 2019 – March 2021).

Phase 1 has the following work strands:

Work strand	When	Achieved?
Governance arrangements reviewed and updated	December 2016 – November 2017	<input checked="" type="checkbox"/>
Culture change	October 2017 -	Ongoing
Contract relets – control and compliance	April 2017 – October 2017	<input checked="" type="checkbox"/>
Comprehensive Contract Management in place	April 2018 – September 2018	Partially
Removing Off Contract Expenditure	October 2018 – March 2019	Partially

Following the PCIP review, the Procurement Steering Board recommended to the Resources Committee that the limited resources that are available to COPFS procurement should be used to consolidate Phase 1 – specifically ensuring culture change, embedding contract management best practice across all contracts and the minimisation of Off Contract Expenditure.

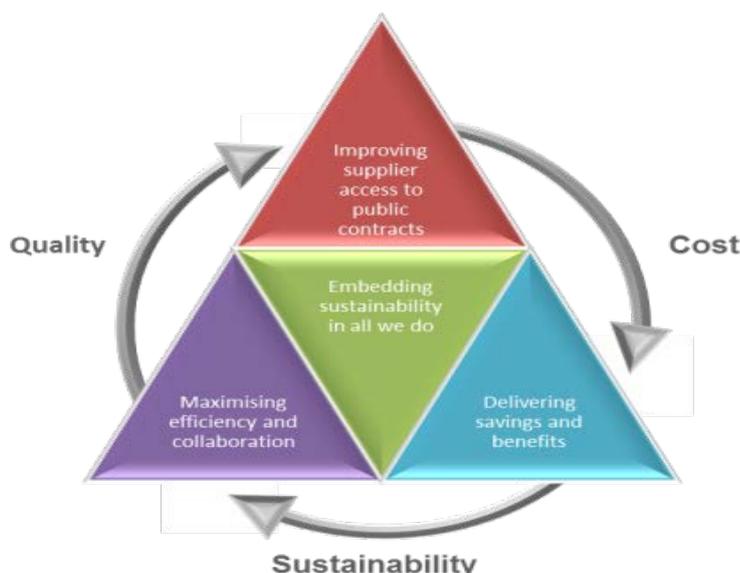
## GOVERNANCE

The **Procurement Steering Board** is at the heart of our Governance arrangements. It includes key stakeholders from across the organisation. The Deputy Chief

Executive is the senior sponsor and it is chaired by the Director of Procurement (from December 2019 the Director of Finance and Procurement). Under the Steering Board's guidance:

- All procurement policies have continued to be revised and further enhanced following their launch in November 2017, key roles and responsibilities of COPFS staff have been defined, and training and guidance has been provided;
- The Central Procurement Team (CPT) has now been restructured and comprises:
  - A full-time Director of Finance and Procurement;
  - A Procurement Business Partner (IT) – an experienced IT professional who has previously worked for the Scottish Government procurement team and as a Head of IT in the private sector;
  - A Procurement Business Partner (Non-IT) – an experienced procurement professional engaged through the Scottish Government procurement shared service;
  - A Procurement Business Partner (regulated procurements) – an experienced professional who is a permanent COPFS employee;
  - Two full-time Procurement Officers – both are permanent members of COPFS staff who are developing their knowledge of both operational needs and procurement. Both have recently begun to study for the CIPS qualification.

The new CPT structure provides a wide range of procurement experience and knowledge and enables training and succession planning to be considered to further develop the current staff.



## OUR PROCUREMENT MODEL

Our approach to how we buy goods and services incorporates our priorities and the **Scottish Model of Procurement**. We have developed our approach together with the Central Government Procurement Shared Service partner.

The principal of COPFS procurement is to align with the directives and procedures set out in the [Scottish Government publications](#):

Detailed procurement procedures are set out in the COPFS Procurement checklist. This must be followed by all COPFS who engage in procurement activities on behalf of COPFS.

## BENEFITS

In meeting the above objectives, this Strategy will deliver and measure the following benefits:

- Value for money;
- Improved contract management - holding suppliers to account;
- More effective partnerships with suppliers;
- More efficient procurement procedures;
- Compliance with all necessary procurement regulations;
- Collaboration to be developed with other service users;
- Effective risk management for all levels of procurement;
- Effective management of procurement activities, including control over who commits COPFS to contracts and expenditure;
- Integration with COPFS's overall aims and priorities;
- Better planning for future procurement activities; and
- Sustainability embedded in all we do.

Our contracting delivers a wide range of social and economic benefits as well as significant financial savings for the public sector. The COPFS Corporate Procurement Strategy is closely aligned to the COPFS Financial Strategy.

During 2018/19, the CPT focussed on refreshing and expanding the governance arrangements, processes and guidance (the original launch was in November 2017 with a significant refresh in July 2018), maintaining a robust contract register and wave plan and promoting change in the culture of the organisation. While progress

has been made in achieving savings, the new processes will enable this objective to be pursued more vigorously.

We will continue to do this on an on-going basis.

In the financial year 2019/20 our non-staff expenditure running costs budget is just under £30 million (excluding capital), which is just under 26% of the COPFS overall budget. We also have a capital budget of £3.6 million.

The CPT will continue to work with the wider organisation to ensure that this is utilised as fully as possible, to maximum effect, whilst taking every opportunity to reduce non staff costs and therefore maximise the amount of our budget that can be used on staffing.

Our wave plan of procurements will enable stakeholders who are involved in the re-letting of contracts to build sufficient time into the end to end procurement process to maximise savings and benefits from contract relets.

## 4. Progress made during 2018/19

This has been, and continues to be, an exciting and challenging time for procurement in COPFS. 2017/18 saw a root and branch review of governance, guidance and policies and procedures. During 2018/19 we used these developments as a springboard to make significant advances in the way that we let / re-let each new contract, the way that we manage contracts post award and to ensure that all relevant expenditure is under contract.

During this period the focus has been on:

- reviewing the Corporate Procurement Policy;
- creating a suite of template forms and guidance documents to support the end to end procurement process in line with the COPFS Procurement Policy;
- delivering a programme of training for nominated COPFS staff (Service User Leads) to work with the CPT in procurement activities and to undertake low-value procurements under £10K;
- working with COPFS staff to identify off contract expenditure and to move to ensure appropriate contract arrangements are put in place;
- developing the COPFS contracts register to enable future work plans to be created and savings and benefits opportunities to be tracked and captured;
- publication, on the COPFS website, of quarterly information relation to regulated contracts (over £50K) awarded and a future work plan identifying potential opportunities;
- the creation of a Contract and Supplier Management Framework document with associated templates to improve contract management in the organisation and maximise saving and benefits during the term of a contract;
- increasing the number of contracts awarded and captured on the contracts register. In February 2018 there were 157 contracts listed and in March 2019 there were 196 live contracts recorded;
- increasing the use of the Public Contracts Scotland Portal to advertise and maximise supplier opportunities to tender for COPFS procurements, particularly for Small and Medium Enterprises (SMEs). When we develop individual procurement strategies we will consider ways in which we can provide opportunities for SMEs to compete.

In order to benchmark progress against the transformation programme, in January 2019 COPFS was assessed under the Scottish Government PCIP (formerly PCA), choosing to be the first central government body to undertake this process. The

outcome was that COPFS achieved a score of F3, which is two below the highest possible score of F1. A more detailed explanation of the PCIP assessment will be included in the Annual Procurement Report. This confirmed that significant progress had been made over the preceding 3 years and that strong foundations are in place, on which we can build in during 2019/20 and beyond.

## 5. The year ahead: 2019/20 (including Expenditure / Finances)

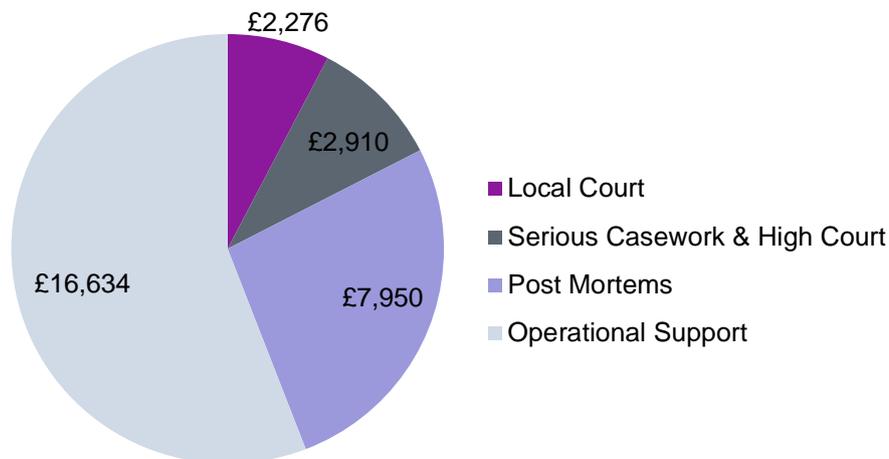
During 2019/20 the CPT, aided by the Scottish Government Procurement and Commercial Directorate (through Procurement Shared Services) will focus on:

- Ensuring that all future contract lets / re-lets are compliant and controlled and secure best possible value for money;
- Embedding use of the COPFS contract management framework across all COPFS contracts.
- Analysing and minimising Off Contract Expenditure.

### CONTRACTING ACTIVITY (SPEND/FINANCE)

COPFS Non Staff expenditure accounts for a significant part of COPFS's expenditure (approximately £37.63m from a total cash budget of IRO £120.34 million (running costs and capital)). The chart overleaf shows the budget allocation for key areas of COPFS:

### 18/19 Non Staff running Cost "000"



Good procurement can generate savings and efficiencies, which can be used to sustain staff numbers and / or re-invest in other activities to support corporate objectives. This is especially important in, what is a challenging financial climate.

During 2019/20 (and indeed beyond) the aim is for COPFS to deliver transparent and effective procurement which delivers best value, and which is not only legally compliant but which also follows best practice.

The first steps in any procurement exercise include the preparation of a proportionate business case, which clearly shows that benefits will exceed the full

costs and which must be independently approved and ensuring that there is sufficient budget available for the life of the contract.

For larger value contracts (including all regulated procurements), there will be a clearly defined approval route (for instance by the Business Process Improvement Committee, Resources Committee). Part of the scrutiny by these routes is to ensure that the expenditure contributes to COPFS's objectives and targets.

All procurement and contract management activity must be consistent with the COPFS Strategic Plan and Financial Strategy and in line with current legislation.

### **Our contracting activity covers three main areas of expenditure:**

#### **National collaborative frameworks and contracts (Category A):**

We award contracts via Scottish Government (SG) / Crown Commercial User (CCS) framework agreements and contracts for those commonly purchased commodities which are used across the public sector. The CCS frameworks are open to all public sector organisations in the UK and the SG frameworks are open to all public sector organisations in Scotland. These frameworks have already been through a compliant tender process. Examples include provision of photocopiers / scanners, fuel cards and stationery.

#### **Collaboration with other public sector bodies eg MoU / SLAs with the Scottish Courts and Tribunal Services (SCTS) (Category C1):**

COPFS is co-located in several locations with SCTS and seeks to maximise the benefits of collaborative agreements, for example Hard and Soft Facilities Management Services.

#### **Contracts let on behalf of, and for the sole use of, the COPFS (Category C):**

For example Secure Mail Services, LAN (Local Area Network) Services, Financial Management System Services.

### **Forward plan of our contracts**

Once a business case has been approved and budgetary cover has been confirmed, the first step in the procurement process is to obtain a unique COPFS contract reference number from the Central Procurement Team. At this stage the contract is added to the Contract Register. The contract register, therefore, identifies both relets of existing contracts and new contracts. We publish on our website, our regulated procurements, as required by legislation, four times per annum. This can be found at: [Finance and Procurement](#).

### **Savings**

It is not possible to predict the level of savings that might be achievable through letting / re-letting contracts and contract management, as this will depend on a

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number of factors, some within our control eg demand management, prevailing market conditions at the time that the contract is let. However, we will be working with Budget Centres within COPFS to try to establish savings targets for each contract as part of the annual business planning round and we will be reporting savings achieved in each year's Annual Procurement Report.

The creation of the new contracts register and wave plan will enable COPFS to maximise potential savings and benefits for future contracts awarded and these will be tracked and recorded throughout the contract term.

Quarterly analysis of spend from the Purchase to Pay system will be undertaken to identify maverick / off contract expenditure promptly and to identify those expenditures that could be tendered and placed under contract.

### 2020/21 and 2021/22

Budgets are currently set by the Scottish Parliament for a single financial year. The exact timing of publication of the budget varies and COPFS received confirmation of its Parliamentary approved budget for 2019/20 in January 2019. This strategy will be updated before the start of the 2020/21 and 2021/22 Financial Years, once our budget allocations for those years are known.

## 6. Monitoring, reviewing and reporting on our Corporate Procurement Strategy: Our Annual Procurement Report

The **Procurement Reform (Scotland) Act 2014** requires us to prepare an Annual Procurement Report (APR) on our regulated procurement activities. Our next report will cover the period 1st April 2018 to 31st March 2019 and subsequent reports will be produced annually. Progress against the 2019/20 to 2022/23 Strategic Plan will be reported in the 2019/20 APR.

Our report will include, as a minimum:

- information on regulated procurements that have been completed during that year;
- a summary of the savings achieved through this activity;
- a review of whether those procurements complied with our Corporate Procurement Strategy;
- to the extent that any regulated procurements did not comply, a statement of how we intend to ensure that future regulated procurements do comply;
- a summary of community benefit requirements imposed as part of a regulated procurement that were fulfilled during the financial year covered by the report;
- a summary of any steps taken to facilitate the involvement of supported businesses in regulated procurements during the year;
- a summary of regulated procurements we expect to commence in the next two financial years.

We will publish our report online and make sure it is accessible in a variety of formats.

# APPENDIX A: POLICIES, TOOLS AND PROCEDURES

In this section, we set out our general policies on a number of key areas together with a statement on how we will monitor compliance with them over the period of this Strategy.

## Our policy on applying community benefit requirements in our contracts

### Background/Context

The delivery of community benefits through procurement is aligned to **Scotland's Economic Strategy**:

'Greater participation (in the labour market) increases an economy's potential output and is essential to supporting sustainable economic growth. Bringing more people into the labour market is key to tackling poverty, inequality and social deprivation and improving health and wellbeing.'

And is also aligned to '**A plan for Scotland: The Scottish Government's Programme for Scotland 2016-17**':

'The Scotland we want to see has a resilient and growing economy, an education system that enables true equality of opportunity for all, public services that are efficient, fair, flexible and valued, and a vibrant, open and inclusive cultural life.'

It also contributes to our overarching **purpose**:

Seeking to deliver the maximum social and economic benefit from our spending decisions is consistent with our general and sustainable procurement duties and the **Scottish Model of Procurement**.

### Our policy

Where there is an opportunity to deliver community benefits, appropriate requirements will be included in public contracts and framework agreements. The opportunity to include community benefits will be considered at the commodity strategy development phase of all regulated procurements (currently £50,000 and above for goods and services, £2 million and above for works).

Where appropriate, community benefits will be addressed in one of two ways:

**Mandatory/contractual** – under this approach all bidders will be asked to deliver specific requirements (e.g. targeted training and recruitment; opportunities in the supply chain) which will form part of the contract specification. As the requirement is the same for all bidders, proposals will form part of the tender evaluation and may be scored.

This approach will be applied where the contract is high value, medium to long duration and where it is clear that specifying a community benefit outcome as a deliverable under the contract has the potential to enhance the social / economic impact of the contract.

**Voluntary** – bidders will be asked to consider what community benefits they can offer as part of their proposals, but that element of the bid will not be scored or form any part of the tender evaluation. Where a bid has been accepted, however, any associated offer of the provision of community benefits will be included in the contract to be signed by the bidder.

This method will be adopted where it is possible that the approach will secure additional value from the contract, but where it is not considered appropriate to make the provision of specific community benefits a mandatory requirement for all bidders. We will take care to ensure that where voluntary community benefits are applied, that they do not place an undue burden on bidders.

### Monitoring

Where a regulated contract includes a commitment in relation to community benefits, the contract award notice will record what the contractor is required to deliver. Oversight of delivery will be embedded in the formal contract management arrangements and a record will be kept regarding delivery of the benefits.

For contracts at or above £4 million, in accordance with our obligations under the Procurement Reform (Scotland) Act 2014, and for all contracts where the community benefit requirement is mandatory, details of the required community benefit will be set out in the contract notice. Where it is not considered appropriate to include a community benefit clause, the contract notice will include the reasons why this conclusion has been reached.

We will collate information regarding delivered benefits and this will be reported on in the formal COPFS report of performance against this Strategy.

### Further information

Further information on **community benefits** is available online.

## **Our policy on consulting and engaging with those affected by our procurements**

### **Background/context**

We consult and engage with stakeholders in a range of ways. Suppliers and the wider public sector are central to our procurement governance structure, with suppliers being represented on the Scottish Government Procurement Supply Group and the wider public sector, including COPFS, being represented on the Public Procurement Group. We participate in annual workshops held by the Scottish Government, bringing together a range of representatives from all of our stakeholder groups.

Our existing policy and legal frameworks have been developed by Scottish Government through extensive engagement with stakeholders including the wider public sector, the private and third sectors, trade unions, non-governmental organisations and individuals.

Where appropriate, we engage with the market to inform design of procurements and the procurement route. This may vary from light-touch market research, to supplier engagement days or to piloting and co-design of services. Individual procurements are in response to an identified need and the relevant stakeholders are identified and engaged as appropriate. The engagement with end users will be tailored to the particular circumstances of the procurement.

### **Our policy**

As appropriate, we will consult end-users and / or potential suppliers regarding individual procurement specifications and strategies. Our governance structures for procurement will also continue to involve comprehensive stakeholder representation at all stages of the procurement process.

### **Monitoring**

We will record any complaints regarding failure to consult and our performance reporting will address these, and will include information regarding any conclusions reached and any remedial measures taken.

## **Our policy on the payment of the living wage to persons involved in performing our contracts**

### Background/context

We strongly believe that fair work practices and the payment of the Living Wage can have a positive impact on people's lives and can help to create a fairer and more equal society. The COPFS is committed to promoting the Living Wage and shall take every opportunity to include the Living Wage through procurement. In early February 2015, the Scottish Government published a Scottish Procurement Policy Note on how and when employment practices and workforce matters, including payment of the living wage, could and should be considered in the course of a public procurement exercise. This was followed by the publication of statutory guidance which addressed fair work practices, including the Living Wage, in procurement in October 2015.

### Our Policy

Our general policy on payment of the Living Wage to those involved in performing our public contracts is influenced by our belief that those organisations which adopt fair work practices, including the Living Wage, e.g. those which have a diverse workforce and whose staff are well rewarded, well motivated, well led and who have appropriate opportunities for training and skills development, are likely to deliver a higher quality of service. Fair work practices can have a positive impact on the quality of the services, goods and works delivered on our contracts. Payment of the Living Wage is a significant indicator of an employer's commitment to fair work practices.

In implementing this policy we have regard to the statutory guidance on how and when fair work practices, including the Living Wage, can be part of a procurement process and support improved productivity and economic growth as a key driver of service quality and contract delivery. In practice, consideration is given to this policy at the earliest possible stage in all our public procurement processes. This approach ensures that, where it is relevant to the performance of the contract, a business's approach to fair employment including the Living Wage can be an integral part of the procurement process. Our approach to date has been to target this policy through award criteria which are proportionate and weighted to a degree which is relevant to the contract, taking into account a range of factors.

### Monitoring

Where a commitment has been secured in a tender to pay the living wage this will be recorded in the contract award notice and will be captured as a contractual obligation and monitored through our contract and supplier management processes.

Information on payment of the living wage by contractors will be collated centrally and will be included in our annual report of performance against this strategy. Many

of our contracts are for IT related goods and services where the market determines that wage rates are significantly above the living wage however, where this is not the case we endeavour to ensure that the living wage is paid.

## **Our policy on promoting compliance by contractors and sub-contractors with the Health and Safety at Work Act 1974 and any provision made under that Act**

### Background/context

We regard it as important that those bidding for our contracts are able to demonstrate that they are responsible contractors who comply with their legal obligations, including obligations regarding health and safety.

### Our policy

It is a standard condition of our contracts that the contractor must comply with all applicable law, any applicable requirements of regulatory bodies and good industry practice. This includes any applicable health and safety law. Furthermore, whenever contractor personnel are on our premises, they are obliged under the terms of our standard contracts, to comply with our own health and safety requirements.

Current EU procurement legislation does not explicitly address health and safety as part of the selection criteria which purchasers can use when determining which suppliers to invite to bid. In recognition of the importance of health and safety the Scottish Government ensured, when drafting guidance to accompany the European Single Procurement Document that we provided public purchasers with clear advice on how to take account of, and score, a supplier's health and safety record in a manner compatible with the new legislation.

### Monitoring

Our standard contract management arrangements will be revised to ensure that we capture information regarding health and safety incidents relating to the delivery of our contracts and any remedial measures taken. That information will be collated centrally and will inform the annual report of performance against this strategy.

## **Our policy on the procurement of fairly and ethically traded goods and services**

### Background/context

Our standard procurement procedures for regulated contracts involve an assessment of a bidder's suitability to be awarded the contract. This process includes considering whether the bidder has been convicted of certain offences and / or has committed any acts of professional misconduct in the course of its business. Detailed information is available in Scotland's "European Single Procurement Document", which is available on the procurement journey. Due to the nature of COPFS's business, we also have a Self-Declaration Form – no Criminal Activity, which is used in all procurements with a value of more than £1,000.

### Our policy

Where fairly traded goods and services are available to meet our requirements we will consider how best to promote them.

Our qualification and selection procedures for regulated procurement will include an assessment of the suitability of bidders to be awarded the contract.

Our standard terms and conditions will contain a provision which enables us to terminate a contract if the contractor or sub contractor fails to comply with legal obligations in the fields of environmental, social or employment law when performing that contract.

### Monitoring

We will maintain a central record of the value of fairly traded products bought or sold under our contracts. Our annual report against this strategy will include a statement regarding the effectiveness of our qualification and selection procedures.

## **Our policy on using contracts involving food to improve the health, wellbeing and education of communities in Scotland and promote the highest standards of animal welfare.**

### Background/context

We recognise the potential of public procurement of food and drink to further contribute to our economy and to help improve the nation's health and wellbeing. Our policies reflect this ambition. We currently do not procure food directly, however, if this position changes we will ensure that our contract terms include provision for this policy.

### Our policy

Our approach is to ensure that appropriate service contracts comply in full with all relevant Government policies on healthy eating and nutrition, on the promotion of fresh and seasonal and local produce and on fairly traded produce. Any appropriate contract will also comply with the **UK Government's buying standards for food**.

These take account of a range of factors including production, traceability, authenticity, origin, ethical trading, animal welfare, environmental standards, health and waste, and as such are consistent with the [Catering for Change: Buying food sustainably in the public sector](#) issued in January 2011.

We also regard catering as a service where fair employment practice is relevant to the quality of service provided and, when competing for such catering services, we shall ensure bidders' commitment to fair employment will be evaluated as part of the process.

### Monitoring

Compliance with our policy requirements will be an integral part of the contract management arrangements for any catering contracts we enter into.

## **Our policy on payment of invoices within 30 days to and by contractors and sub-contractors**

### Background/context

We are committed to promoting prompt payment both to, and by, our contractors and their sub-contractors. Our standard terms and conditions provide for payment in 30 days of receipt of a valid invoice. Our performance against this target for the period 1st April 2018 to 31st March 2019 was 98.23%. Moreover, we have an aspirational target of making payment within 10 working days (96.91% achieved 2018/19) and we are working to introduce an electronic invoicing payment system which will assist us further to achieve this aspiration.

### Our policy

It is a standard condition of our contracts that we will pay valid invoices within 30 days. It is also a standard condition that any sub-contract must contain a clause which requires payment of invoices to sub contractors within 30 days; and that this clause should be replicated down through the supply chain. The condition must also make clear that if a sub contractor believes that invoices are not being paid within the 30 day period the sub contractor may raise the issue directly with the COPFS and is not required to first raise the issue up through the various tiers of the supply chain.

### Monitoring

Through our contract management arrangements we will monitor complaints so that we can gauge the level of compliance and take action as appropriate. COPFS's payment performance is published in each year's annual accounts.

### Our Procedures

All procurements follow a COPFS procurement journey. This is adapted from the SG procurement journey and is proportionate to the value and business criticality of the contract. Each step of the journey is supported by proforma that should be used to ensure consistent use of best practice.

## APPENDIX B: GLOSSARY OF TERMS USED

Term	Definition
<b>Category A</b>	A national collaborative contract
<b>Category C1</b>	A regional or local collaborative contract let on behalf of more than one buyer
<b>Category C</b>	A local contract let on behalf of one buyer only or collaborative contract
<b>CGPSS</b>	Central Government Procurement Shared Service is team within Scottish Government who provide procurement support to Central Government bodies in Scotland
<b>Cluster group</b>	Cluster Groups are arranged by Scottish Government Procurement to facilitate liaison between similar public bodies in order to facilitate dialogue, learning and opportunities in procurement.
<b>CPT</b>	Central Procurement Team (within COPFS)
<b>Delegated Procurement Authority</b>	This is the authority to enter COPFS into a contract with a Whole Life Value (WLV) of more than £1,000.
<b>Delegated Purchasing Authority</b>	This is the authority to place an order against an existing contract to which COPFS is a party.
<b>NCA</b>	Non-Competitive Action
<b>OJEU</b>	The Official Journal of the European Union. Contracts with a whole life value of more than £118,000 have to be advertised in this journal
<b>Procurement Shared Service</b>	A procurement function that is used by more than one organisation. COPFS utilises CGPSS, which includes the provision of an embedded procurement resource.
<b>PCA</b>	Procurement Capability Assessment - the predecessor of the PCIP where an organisation's procurement processes are assessed against a number of key areas and related questions
<b>PCIP</b>	Procurement and Commercial Improvement Programme
<b>PCS</b>	Procurement Contracts Scotland

<b>SME</b>	The usual definition of a SME is any business with fewer than 250 employees
<b>SPCD</b>	Scottish Procurement and Commercial Directorate
<b>SUL</b>	Service User Lead – a member of COPFS staff trained in procurement and contract management processes
<b>WLV</b>	Whole Life Value – the full and total cost of the contract over its entire life to include any mobilisation and exit costs