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scotland
SCOTTISH GOVERNMENT

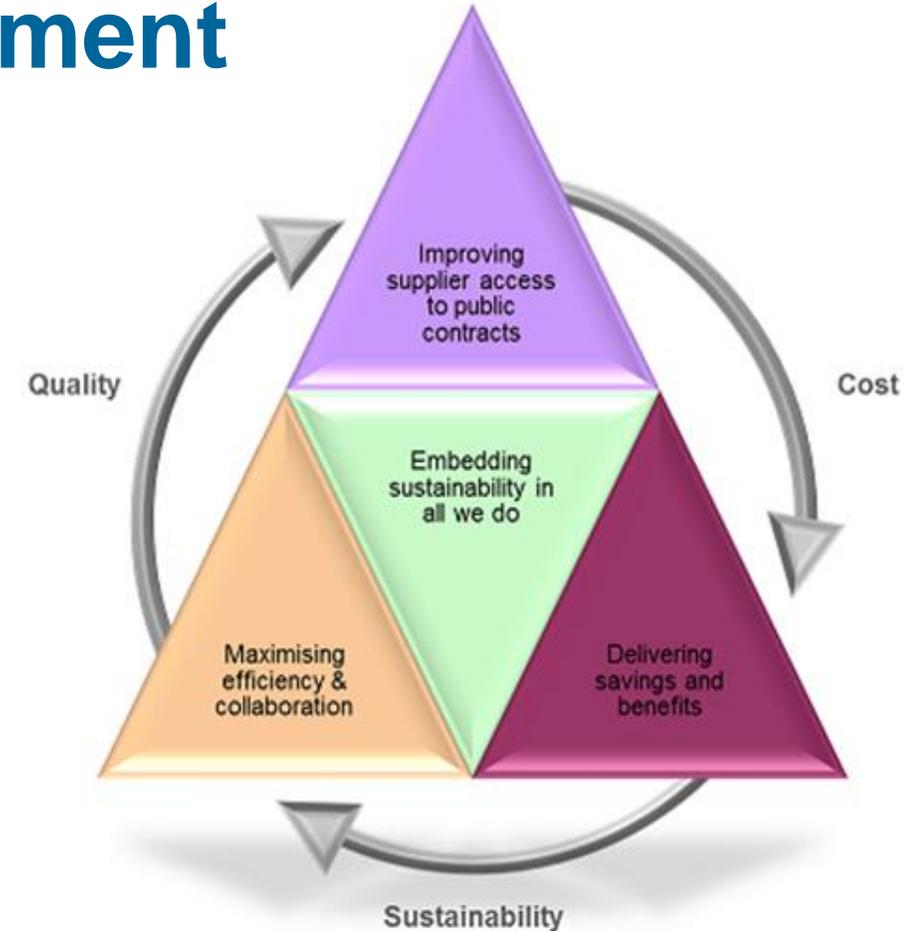


Pauline Graham CEO, Social Firms Scotland



The Scottish Model of Procurement

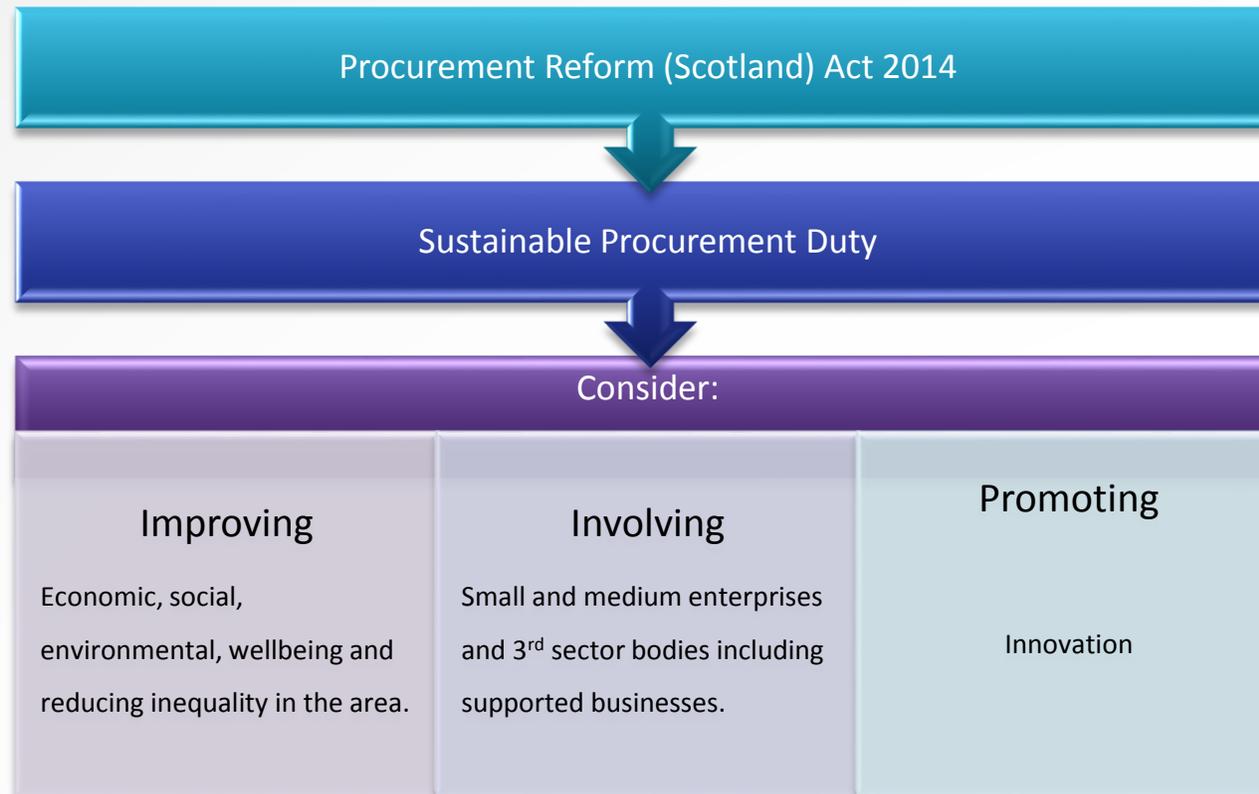
- Puts Procurement at heart of Scotland's economic recovery
- an integral part of policy development and service delivery.
- Max VfM through best balance of cost, quality and sustainability
- Outcomes - using power of public spend to deliver genuine public value
- Strategic relationships with business, third sector



Obligations under Procurement Reform (Scotland) Act 2014

- Apply a **sustainable procurement duty** to all regulated procurements;
- Consider **Community Benefit clauses** for contracts
- Publish **Corporate Procurement Strategy** –
 - Set out how they plan to comply with the general duties in the Act; and,
 - Publish their policy on community benefits;
- **Annual Procurement Report** -
 - Review compliance against Corporate Procurement Strategy;
 - Report on community benefits fulfilled in their annual procurement report;
- **Publish contract register – forward plan**
Statutory Guidance – including living wage/workforce matters

Procurement Reform (Scotland) Act 2014



EU Directives - Key Changes

- Lighter touch regime on health & care services
- Extended scope for ‘social considerations’
- Changes re reserving contracts for ‘supported businesses’
 - 30% workforce must be ‘*disadvantaged*’
- New procedure – ‘Innovation Partnerships’ – long term p/ships between buyer/supplier – scope for PSPs?
- Ref to: Smaller lots to encourage access for SMEs/TSOs

Community Benefits in procurement

“In these challenging economic times it is especially important that we get the maximum possible benefit for our communities from public spending.



The first question that we should ask when developing any contract specification should be: ‘Can we include a Community Benefit clause?’

**John Swinney, Cabinet Secretary for Finance and Sustainable Growth,
March 2010**

Types of Community benefits we have seen

- **Employment**
 - Long-term unemployed
 - youth unemployed
 - specific disadvantaged groups
- **Employment / Training**
 - apprenticeship / modern apprenticeship
- **Work experience**
 - work placements
- **Community engagement**
 - To add value to end-users of service
 - to inform service evolution over time
- **Supply chain opportunities / upskilling**
 - advertisement
 - capacity building measures
- **Education**
 - measures with schools
 - measures with further/higher education
 - measures with community
- **Other / Innovations!**

Employability - Examples

Commonwealth Games

- 330 New entrant jobs

Energy Assistance Package

- 149 qualifications

Scottish Crime Campus

- 21 weeks of work experience for young people, 15 apprentices
- 16 CV seminars for young people, 16 mock interviews



Unity Enterprise

On site catering at Velodrome

- 10 Employment opportunities for people experiencing barriers to labour market
- Increasing their chances of sustainable employment.
- Gave trainees the opportunity to apply catering skills in a real business environment
- Organisational Development.....Unity won 3 other opportunities..



Supply Chain - Examples

New South Glasgow Hospital

- Sub contracts advertised on Glasgow Business Portal a number of “local” contracts awarded

Energy Assistance Package

- £10M spent with “small” Scottish suppliers

Glasgow - achieved

- 363 contracts worth £250M to Scottish suppliers
- Social enterprise catering supplier



Education Initiatives - Examples

Climate Challenge Fund – Commitment

- Involving schools

Glasgow Recycling and Renewable Energy Centre – commitment

- Engage local schools and community re “green” issues
- Development of Visitor centre



CBC in Service Contracts

- D&G Council recycling and re-use contract
- Scottish Borders - social care
- Scottish Gov't – Just Enterprise



Community Benefits and National Outcomes

| | | |
|---|--|--|
| 2 | We realise our full economic potential with more and better employment opportunities for our people | <ul style="list-style-type: none"> • Recruitment from priority groups. • Apprenticeships from priority groups. • Opportunities in the supply chain for SMEs and third sector organisations (will generate further employment outcomes). |
| 3 | We are better educated, more skilled and more successful, renowned for our research and innovation | <ul style="list-style-type: none"> • Work placements • Training (to meet market needs) |
| 4 | Our young people are successful learners, confident individuals, effective contributors and responsible citizens | <ul style="list-style-type: none"> • Apprenticeships and job opportunities targeted at young people. • Work experience placements for young people at school, college and university. • Support to young people to become successful learners, confident individuals, effective contributors and responsible citizens – including school visits, mock interviews and assistance with CVs. |
| 7 | We have tackled the significant inequalities in Scottish society | <ul style="list-style-type: none"> • Clauses targeted at specific groups (e.g. long term unemployed, residents of deprived areas) – thus contributing to a reduction in inequality. |

TSOs & Social Enterprises

- Responding to the changing environment, seizing opportunities
- Building capacity, scale, geographical reach through partnerships, so that bigger contracts are within their grasp
- Good for CBCs – SEs deliver significant social value and are good at demonstrating this : wide range of benefits for individuals and communities.
- Good for collaboration with Private Sector bidders to create real local benefit and fulfil the CBC aspect – good examples from Commonwealth Games etc
- **You should start to see more third sector consortium bids (in the future)**