



Procurement Strategy

1 January 2017 to 31 March 2019

Version 1.0

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Foreword

Disclosure Scotland is undergoing a period of significant transformation. The 2015-18 Corporate Plan sets out a three-year plan for the transformation of the Agency. As DS enters into the second year of that Plan, important foundations for 'Phase 2' of our Transformation Programme have been laid. This has put in place the structure and investment required to go on and develop the services that our customers want to use in a way they want to access them. It is anticipated that in September 2017 processing of basic Disclosures for England and Wales will transfer to the Disclosure and Barring Service (DBS) leaving Disclosure Scotland to focus mainly on Scottish customers. This will be a major transition for the Agency affecting almost every area of its operations. Everyone in the Agency is committed to maintaining the very best levels of service as we approach the end of the delegation and ensuring a smooth transition for our customers. After this, the Agency will be well placed to work more collaboratively with our customers and stakeholders, co-designing service improvements and ensuring the Agency delivers efficient, proportionate and sustainable services. The key objectives, and how DS will achieve them, are set out in the Disclosure Scotland Business Plan. Procurement will assist Disclosure Scotland in meeting these objectives, through the procurement of a wide range of goods and services over the next 2 years.

Disclosure Scotland is committed to managing all procurement activity which meets the needs of the business and achieves maximum efficiency and effectiveness through value for money, control and compliance within the EU and UK legal frameworks, in its acquisition of goods, services and works.

Disclosure Scotland is taking steps to achieve this through a number of ways:

- increase of procurement staff from 1 Interim member of staff to 2 full time members of staff ;
- obtaining Additional procurement support from the Central Government Procurement Shared Service team when required;
- Providing guidance and support to our customers in defining requirements which reflects the needs of the business and achieve the desired outcomes; and
- working closely with other functions.

This strategy sets out how Procurement will contribute to the achievement of Disclosure Scotland's corporate goals and deliver significant benefits and savings to the organisation.

Commitment to, and communication of, this strategy will allow Disclosure Scotland to continue to achieve improved performance status, financial savings and contribute to Disclosure Scotland's corporate social responsibilities.



Lorna Gibbs
Chief Executive

1. Introduction

This document sets out Disclosure Scotland's Procurement Strategy for 2017–2019. This Procurement Strategy shall be reviewed annually.

Disclosure Scotland's Procurement Strategy 2017-19 has been informed by the Public Contracts (Scotland) Regulations 2015, the Procurement Reform (Scotland) Act 2014 and the Procurement (Scotland) Regulations 2016. The Procurement Strategy is designed to take a responsible and sustainable approach to procurement.

The purpose of this Strategy is to set out how Disclosure Scotland will plan and manage their procurement processes to meet their corporate aims and objectives and comply with regulatory and legislative requirements. The Strategy applies to all procurement conducted by Disclosure Scotland and by Central Government Procurement Shared Services on behalf of Disclosure Scotland.

Definition of Procurement

Procurement can be defined as:

“The acquisition of supplies, works and services which meet the needs of customers and users, whilst at the same time, ensuring value for money throughout the life of the product or service including, where appropriate, disposal”.

While previously, procurement activities have principally focussed on the specification and tendering stage of the contract process, it is now more widely acknowledged that the benefits of optimising the experience and expertise of procurement professionals has a much wider reach and should be an influencing factor throughout the entire procurement process from service (re)design through to effective contract management.

Procurement activity accounts for a significant part of Disclosure Scotland's expenditure and good procurement can generate savings and efficiencies that can be used to re-invest in other activities to support the business objectives. This is especially important in a challenging financial climate. The aim is to deliver transparent and effective procurement which delivers what the organisation needs, secures best value, is legally compliant and follows best practice.

Procurement best practice ensures that Disclosure Scotland has in place, arrangements that respond to the risks of possible legal action. Any Public Body failings in terms of its procurement practices, could result in increased costs and reputational damage.

The Procurement Strategy is designed to ensure that:

- staff are supported to deliver the business objectives in such a manner as to make optimum use of all resources; and
- Disclosure Scotland makes its procurement decisions in an efficient and professional manner, taking into account not only the need to deliver goods, services and works which meets the needs and objectives of the organisation and realise savings but also to consider the core values such as equal opportunities, health and safety, corporate responsibility and risk and contributing to the realisation of economic, social and environmental benefits.

2. Disclosure Scotland Procurement:

2.1 Vision, Mission and Role

Our vision:

“To provide a high quality, fit-for-purpose Corporate Procurement Service which will provide best value for Disclosure Scotland and to support Disclosure Scotland in the delivery of its corporate aims and objectives”.

Our mission:

‘Public procurement in Disclosure Scotland delivers appropriate goods and services, cost savings and improved efficiencies for the benefit of Disclosure Scotland and all its stakeholders.’

Our role:

Disclosure Scotland will work towards using best practice in procurement and continuous improvement to provide value for money and quality in the goods, services and works that are procured; adhering to the regulations, behaviours and standards outlined in the Scottish Procurement Policy handbook. Our work is focussed in the following key areas:

- delivering savings, benefits and efficiencies through procurement to obtain maximum benefits from the money that Disclosure Scotland spends on goods and services and ensuring that they are fit for purpose, of the required quality, delivered at the right time and continually focus on supporting the delivery of our corporate objectives;
- compliance with EU legislation, Scottish Government legislation and guidance and other legal requirements;
- enabling procurement and commercial capability through:
 - procurement and commercial policy and advice;
 - construction procurement policy and advice;
 - property, asset and estate management advice;
 - eCommerce solutions, best practice tools and templates;
 - focus on developing our people and ensuring supportive and enabling cultures; and
 - proportionate project assurance and continuous improvement activity.

3. Procurement Reform (Scotland) Act 2014

The Procurement Reform (Scotland) Act was introduced in October 2013 with the aim *“to establish a national legislative framework for sustainable public procurement that supports Scotland’s economic growth by delivering social and environmental benefits including community benefits, supporting innovation and promoting public procurement processes and systems which are transparent, fair and business-friendly”*.

In particular the Act seeks to recognise:

- that there is a need for behaviour and cultural change;
- the importance of guidance material and training;
- the importance of monitoring, reporting and evaluation;
- the need to improve accessibility to contract opportunities and support for SMEs and the Third Sector;
- the need to recognise the influence of effective procurement on workforce matters;
- to differentiate between buying “things” and buying “services”; and
- the role of procurement in addressing social and environmental issues.

The main duties of the Act are to:

- treat relevant economic operators equally and without discrimination and act in a transparent and proportionate manner; and to
- comply with the sustainable procurement duty.

Proposed measures expected of a public body and included in the Act are:

- to publish a Procurement Strategy and report against the strategy annually;
- publish a Contracts Register;
- consider Community Benefits – for all major contracts;
- develop a strategy for using Reserved Contracts (Supported Businesses);
- embed regulations relating to the use of technical specifications;
- prohibit charging for participation in procurement process;
- embed the use of standard and proportionate pre-qualification questionnaires;
- publish advert and award notices;
- embed procedures relating to the non-exclusion of bidders;
- consider measures to support the Climate Change (Scotland) Act 2009 (amendment regarding recycled and recyclable products; and
- develop a strategy for debriefing unsuccessful bidders.

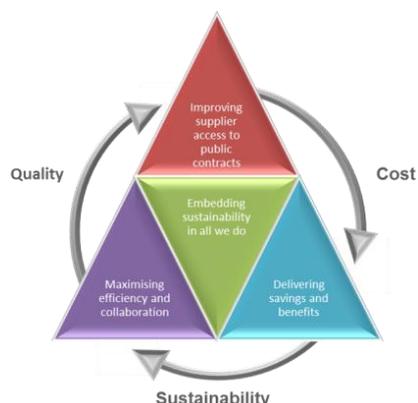
It is confirmed that Disclosure Scotland’s Procurement Strategy has been intentionally developed to take cognisance of the measures contained within the Procurement Reform (Scotland) Act 2014.

4. **Contracting activity**

Our approach to how we buy goods and services incorporates our priorities and the [Scottish Model of Procurement](#).

The principal of Disclosure Scotland procurement is to align with the directives and procedures set out in the Scottish Government publications:

<http://www.gov.scot/Publications/2006/05/sdpolicymanual>



Detailed procurement procedures that are set out in Disclosure Scotland Procurement Policy Manual must be followed by Disclosure Scotland employees empowered with the relevant delegated purchasing authority when engaged in procurement activities on behalf of Disclosure Scotland. It is important that all staff understand and review this policy even if they do not directly carry out procurement activities.

4.1 **Benefits**

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

- improved value for money;
- more efficient procurement procedures;
- more effective partnerships with suppliers;
- compliance with all necessary procurement regulations;
- collaboration to be developed with other service providers;
- effective risk management for all levels of procurement;
- effective management of procurement activities, including control over who commits Disclosure Scotland to contracts and expenditure;
- integration with Disclosure Scotland's overall aims and priorities;
- better planning for future procurement activities; and
- embed sustainability in all we do.

4.2 **Achieving and Measuring success**

Through active participation in the Scottish Government's Procurement and Commercial Improvement Process (PCIP), the Head of Procurement is responsible for ensuring that Disclosure Scotland's procurement capability/performance improves where applicable.

Disclosure Scotland is supported by the Central Government Procurement Shared Services team to provide ad-hoc support services where required.

4.3 **Contracting activity covers two main areas of expenditure:**

National collaborative frameworks and contracts

We award contracts via Scottish Government (SG)/Crown Commercial Service (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 UK and the SG frameworks are open to all public sector organisations in Scotland as well as charities registered in Scotland.

For example Interim Staff, Vehicle Hire and Stationery,

Contracts let on behalf of, and for the sole use of Disclosure Scotland

It is Disclosure Scotland policy that goods, services and works must be awarded through genuine and effective competition unless there are convincing reasons to the contrary. We will identify the most appropriate procurement process that is likely to offer the best VfM and deliver the best outcome. Procurement processes for each form of competition are outlined within the Procurement Journey and are followed for all procurements.

For example DS10007 – PVG system with BT, DS10001 -Toilet Refurbishment with HCS, DS10010 – Business Continuity with Plan B.

4.4 **Delegated Purchasing Authority**

The Head of Procurement is responsible for the scheme of Delegated Purchasing Authority (DPA) across Disclosure Scotland.

DPA is the authority to enter into a contract for goods, services and works and oversee the process leading up to and including the award of a contract and any subsequent contract changes.

DPA is:

- required for competition of contracts where there is not an existing contract/framework agreement. It is also required for running mini competitions against an authorised and eligible national framework agreement:
- granted to permanent staff by the Head of Procurement (or his/her nominated representative) and will be in writing based on the business need and training/experience of staff concerned. It will specify the value of contracts (excluding VAT) that the individual will be authorised to award; and

- personal to an individual only whilst occupying their current position unless they are seconded to another post within Disclosure Scotland to carry out their procurement role in that post. DPA does not automatically transfer to their successor should they leave their current post nor does it transfer with them to another post. If DPA is to be withdrawn by the Head of Procurement for any reason this will be confirmed in writing.

DPA is not:

- to be confused with financial/budgetary authority which is detailed in the Scheme of Delegation (available on the DS Procurement Intranet page);
- required to purchase goods, services or works from single supplier framework agreements awarded or approved by Central Government Procurement Shared Services; and
- the authority to approve a contract without following a genuine and effective competition - Non Competitive Action (NCA) (see section 8.1)

Individuals with DPA are known as a Delegated Purchasing Officer (DPO).

4.5 **Benefits and Savings**

Our contracting delivers a wide range of social and economic benefits as well as significant financial savings for the public sector. In the financial year 2015/16 our portfolio of contracts was valued at over £23.5m which is 99% of Disclosure Scotland overall budget spend.

Collaborative national and sectoral frameworks and contracts

Collaborative procurement is about achieving value for money for the Scottish public sector by working in partnership with buying organisations, Centres of Expertise (CoEs) and suppliers. These can be used by public bodies across Scotland and cover a range of commodities.

The call off contracts awarded by Disclosure Scotland via the collaborative national frameworks during FY2015/16 have a combined value of £5,380,231 per annum and have delivered over £428,813 in savings.

Collaborative call off contracts in the 3-year period 2016/17 to 2018/2019 are estimated to continue to deliver value for money savings.

5. **Key Priorities**

Our procurement strategy:

- sets out our priorities and proposals for procurement over the planning period;
- identifies those factors that will influence the way in which we manage the procurement process; and
- describes the arrangements for monitoring and evaluating the strategy.

Our strategy has five key priorities:

1. achieve value for money
2. deliver sustainable procurement
3. raise the level of procurement knowledge, skills and expertise
4. strengthen Contract and Supplier management processes
5. achieve the benefits derived from collaborative working

5.1 **Priority 1 - How our procurement activity contributes to Value for Money**

We aim to secure value for money by working closely with users of the goods, works and services we procure to understand and help them articulate their requirements.

How we will achieve the objective:

- develop and deploy standard tools throughout the organisation to ensure any procurement exercise will be evaluated on VfM principles;
- deploy training to ensure staff only engage with a procurement exercise when it is actually required;
- ensure contracts are robust and managed effectively; and
- ensure adequate planning for future procurement activities occurs.

How we will measure success:

- reduced contract prices without reduction in service or obtain more for the same price;
- maximise both cash and non-cash benefits from existing contracts;
- identify new benefits, including social and community benefits for any re-let or new contract opportunity; and
- reduction in time and other resources spent on each procurement activity through more efficient procurement procedures.

We recognise that value for money is rarely achieved by simply accepting the lowest-priced bid, which is why procurement legislation in Scotland has now removed the possibility of Official Journal of the European Union (OJEU) level public contracts being awarded solely on the basis of price.

We will also drive continuous improvement through the action plan developed as the result of the Procurement & Commercial Improvement Programme (PCIP) to maximise value for money and improve procurement capability.

5.2 Priority 2 - Compliance with our general and sustainable procurement duties

We aim to comply in full with our legal obligations and to treat all suppliers fairly, equally and without discrimination. To that end only staff with appropriate training and experience will be authorised to oversee regulated procurements.

We are committed to making public procurement transparent and accessible to businesses, especially SMEs, the third sector and supported businesses. We use the free to access portal, Public Contracts Scotland (PCS), on which contract notices for regulated procurements are published. Our contract register on is also available on the PCS Website.

Sustainable public procurement aims to make the best use of public money, helping the government to achieve its overarching purpose and strategic objectives. The sustainable procurement duty requires that before we buy anything, we must think about how we can – through our procurements - improve the social, environmental and economic wellbeing in Scotland, with a particular focus on reducing inequality. It also requires us to think about, and then design, our procurement processes in such a manner as to encourage the involvement of SMEs, third sector bodies and supported business and also how we can use public procurement to promote innovation.

Compliance with the sustainable procurement duty should aid compliance with other legislation that places specific requirements on us with respect to our procurement activities, such as:

- the Equality Act 2010;
- the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012;
- the Climate Change (Scotland) Act 2009; and
- the Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Order 2015.

We will consider sustainability early in a procurement process, which enables us to identify risks and opportunities before engaging with suppliers. This will enable us to develop individual commodity strategies for our contracts, in which we can embed sustainability, and maximise opportunities for SMEs, the third sector and supported businesses to participate in the procurement process.

How we will achieve the objective:

- provide targeted training for all staff involved in procurement activities on these issues;
- develop tools, templates, information and guidance to the inclusion of these issues into procurement exercises;
- conduct regular reviews of procedures against Scottish Government guidance and practice to ensure current guidelines are implemented;
- develop and review regularly an accurate and detailed Contract Register for Disclosure Scotland.

How we will measure success:

- increased delivery of community benefits from contracts; and
- increased delivery of sustainable, environmental and social benefits.

5.3 Priority 3 – How we shall raise the level of procurement knowledge, skills & expertise

We will ensure that all procurement staff, who have responsibility for any aspect of procurement activities, are suitably trained. On-going training needs will be recorded in individual training and development plans as part of the annual staff appraisal process.

How we will achieve the objective:

- Disclosure Scotland shall provide targeted training for all staff involved in procurement activities;
- develop tools, templates, information and guidance for staff involved in procurement;
- Disclosure Scotland shall provide commercial awareness training to staff who require procurement awareness; and
- produce procurement policy documents and publish on Disclosure Scotland's website to support staff.

How we will measure success:

- all requests for procurements are routed via the Disclosure Scotland Procurement Team;
- maintain a low level of non-contracted spend.

5.4 Priority 4 – How we shall strengthen the Contract & Supplier management processes

We fully understand the importance of effective contract management in the delivery of goods, services and works, to ensure savings and quality is delivered under the terms of the contracts.

How we will achieve the objective:

- provide targeted contract management training and guidance for all staff identified as contract managers;
- include clear contract management requirements including Key Performance Indicators in all contracts;
- perform regular review of contract performance with involvement from procurement, contract manager and business areas; and
- perform regular and appropriate review meetings with suppliers.

How we will measure success:

- objectives and savings/performance are delivered and captured by Disclosure Scotland;
- reduction in supplier disputes; and
- reduction in invoice queries as correct prices are charged by suppliers in accordance with terms of Contracts.

5.5 Priority 5 – Identification of opportunities for working with others, in order to widen the scope for maximising purchasing power and identifying innovations.

The aim is to embed the practice of collaborative procurement when and where appropriate throughout the organisation.

How we will achieve the objective:

- engage with Scottish Government colleagues to ensure information about collaborative opportunities is shared and acted upon appropriately;
- engage with “Cluster Group”* members regularly; and
- review when appropriate any shared service agreements.

How we will measure success:

- increase in use of centrally procured frameworks where applicable;
- maximising goods and services obtained through shared service arrangements;
- increased participation in Scottish Government user groups and intelligence gathering forums for procurement; and
- sharing lessons learned with the wider SG procurement network.

** Cluster Groups are arranged by Scottish Government Procurement to align similar public bodies in order to facilitate dialogue, learning and opportunities in procurement.*

6. **Policies**

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

6.1 **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.'

Our policy

We will seek to deliver the maximum social and economic benefit from our spending decisions which will be consistent with our general and sustainable procurement duties and the [Scottish Model of Procurement](#). 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 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 is made 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 Disclosure Scotland report of performance against this Strategy.

Further information

Further information on [community benefits](#) is available online.

6.2 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 Procurement Supply Group and the wider public sector, including Disclosure Scotland, being represented on the Public Procurement Group. We participate in annual workshops held by Scottish Government, bringing together a range of representatives from all 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

Where 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.

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.

6.3 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.

We are committed to promoting the Living Wage and shall take every opportunity to promote the Living Wage through procurement. In early February 2015, 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. A positive approach to fair work practices can have a positive impact on the quality of the services, goods and works delivered on our contracts. It is also our view that the 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 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 in to 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.

6.4 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 which 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 we 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.

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

Background/context

Scotland achieved Fair Trade Nation status in 2013 and was one of the first countries in the world to sign up to the UN Sustainable Development Goals. There is a commitment in the Programme for Government 2016/17 to update the National Performance Framework to reflect this. In their current form the sustainable procurement tools can be used to identify opportunities to consider ethical issues.

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", available on the [procurement journey](#).

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.

6.6 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 & wellbeing. Our policies reflect this ambition. We currently do not procure food or a catering service directly. However, if we do we shall ensure our contract terms include provision for this policy.

Our policy

Our approach is to ensure that appropriate service contracts complies 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 contracts shall 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.

We also recognise catering as a service where fair employment practice is relevant to the quality of service provided and, if we require to compete 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 would be an integral part of the contract management arrangements for any catering contact.

6.7 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 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 Scottish Government 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.

7. Annual procurement report

Disclosure Scotland will produce an annual report on progress against the Procurement objectives and publish this on the Disclosure Scotland's website. This report, produced as soon as practicable after the end of the financial year will also describe how Disclosure Scotland has discharged its obligations under the Procurement Reform (Scotland) Act and how it has exercised discretion and judgement as permitted by the public procurement rules to secure strategic objectives in compliance with the Act.

Our report will include, as a minimum:

- information on regulated procurements that have been completed during the year;
- a review of whether those procurements complied with our 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; and
- such other information as the Scottish Ministers may by order specify.

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

8. On-going Review

This Strategy will be reviewed annually by the Disclosure Scotland Procurement function to ensure that it continues to be relevant to the needs of the organisation. The results of the Procurement Continuous Improvement Programme (PCIP) carried out on behalf of the Scottish Government will feed into that annual review, as will any reviews of the Disclosure Scotland Corporate Strategy.

9. Strategic Ownership and contact details

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