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Procurement Annual Report Financial Year 2016/2017

SDS Annual Procurement Report 2016/17

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1. Introduction

The Skills Development Scotland Co. Ltd (registered number SC202659) is a public sector contracting authority, subject to the Procurement Reform (Scotland) Act 2014, and as such is required to produce an annual report on our regulated procurement activities. SDS is pleased to publish this, our fourth Annual Procurement Report which contains detail of our regulated and non-regulated procurements and key highlights from the 2016/17 financial year.

SDS champions the Scottish Procurement Model through embedding sustainable procurement. Sustainable Procurement is “a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis and generates benefits not only to the organisation but also to society, the economy and the environment”.

SDS purchases business critical services intrinsic to our customer propositions. We spend more than 70% of our Financial Budgets through suppliers which deliver services on our behalf. Our key procurement principles incorporate Fairness, Openness, Transparency, Mutual Recognition, Non-Discrimination and Proportionality. This helps our expenditure to leverage fair work practices among our third party providers.

We remain committed to supplier inclusion, as detailed in this report, and seek to conduct business with a wide range of providers, including Small and Medium Enterprises (SMES), and third sector / socio-economy organisations, including supported businesses.

SDS published its new Corporate Procurement Strategy 2016/20 on 21 December 2016, which includes the 2020 SDS Procurement Vision and Mission Statement and meets the requirements of Scottish Ministers (SPPN 11/2016). As a Scottish public sector contracting authority, this year we also interpreted the new domestic and European procurement legislation and updated our related documentation to implement changes as required. This was a major undertaking which will ensure our continued adherence to all relevant procurement legislation.

Within this report we also take the opportunity to detail some of the key achievements of the SDS Procurement Team during the financial year 2016/17.

Tom Wilson

Head of Procurement (tom.wilson@sds.co.uk)

2. The Procurement Journey

To ensure consistency of approach in the Scottish public sector, we are asked to adhere to the Scottish Government's Procurement Journey, as shown in Figure 1 below. At SDS we ensure compliance with this model throughout our work, and have been praised by auditors for the clear way in which our file structures mirror the stages of the journey.

Figure 1: The Scottish Government Procurement Journey



3. Procurement Reform Regime

The Scottish Procurement Model supports sustainable economic growth, and is internationally acknowledged to be at the leading edge of sustainable procurement, which places greater emphasis on:

- socio-economic value
- communities, and
- the environment.

This report provides some detail of how we contribute to these priorities through our work.

The main changes introduced by the Procurement Reform Regime are:

- additional reporting obligations to ensure greater transparency when awarding contracts
- greater focus on sustainable procurement
- regular inclusion of community benefits clauses in contract schedules for services
- adopting Fair Work practices e.g. living wage accreditation
- using smaller contracts lots to ensure fairer opportunities for small and medium enterprises
- developing new solutions to meet authorities' requirements through greater collaboration and more innovative approaches
- reducing minimum time limits for procurement exercises, meaning that contracts can be put in place more quickly.

The new legislation came into effect on 18 April 2016. The four key priorities which SDS have interpreted and implemented through the domestic and European legislation are:

1. Light Touch Regime – Due to harmonisation in the EU Regulations. SDS requires to satisfy the standstill period for the National Training Programmes through the Light Touch Regime.
2. Selection & Award (incorporating Equal Opportunities and Fair Work Practices) – SDS ensure consistency in evaluation criteria from the outset of a procurement.
3. European Single Procurement Document – The European Single Procurement Document has replaced the Pre-Qualification Questionnaire through the new EU Regulations.
4. Sustainable Procurement Duty – Before carrying out a regulated procurement, SDS requires to consider in conducting the procurement process if we can improve the economic, social and environmental wellbeing of our contracting area.

Our major National Training Programme for Modern Apprenticeships applied the Light Touch Regime to meet the new European requirements in the last round of contracting / commissioning. More robust evaluation processes were also introduced to satisfy the standstill period. Likewise, new evaluation processes were implemented for the Employability Fund and greater transparency has been introduced.

We update our externally published contracts register on a quarterly basis. This is available online at: <http://www.skillsdevelopmentscotland.co.uk/about/policies/procurement/>

4. Summary of Regulated Procurements Financial Year 2016/17

Our regulated procurements for the financial year 2016/17 are listed below.

Contract Ref No.	Contract Title	Contractor	Annual Value (ex VAT)	Total Contract Value incl	Contract Start Date
SP-14-009	General Stationery and Office Paper Framework	Lyreco	£54,125.12	As per usage	01/06/2016
P12-020E	Internal Audit and Associated Services	Scott-Moncrieff	£80,000.00	£400,000.00	01/05/2016
P12-023EE	Actuarial Services	Hymans Robertson	£10,500.00	£20,625.00	01/03/2017
P14-041	Electronic Note Taking	Louisa McDaid; Jackie Donati; Melanie Coulter; Gail Richardson	£30,000.00	£30,000.00	13/07/2016
P14-057E	Digital Services (SE)	Dog Digital	£71,232.00	£299,453.00	01/08/2016
P15-002	Research Online	Idox	£60,893.00	£304,465.00	01/07/2016
P15-036E	Backup Technology	Asigra Inc.	£48,000.00	£48,000.00	30/06/2016
P15-063EEEE	FIPS Programme	Leidos	£1,451,919.00	£1,451,919.00	15/03/2017
P15-079	Service Desk Tool	Softcat PLC	£89,198.40	£190,896.80	05/05/2016
P15-080	Deskside Support Services	Dacoll Ltd	£170,190.00	£683,640.00	07/07/2016
P15-081	MSP Survey	PA Advocacy	£8,100.00	£8,100.00	01/09/2016
P15-086	NTP - MA Provider	Various	£75,000,000.00	£75,000,000.00	04/04/2016
P15-087	NTP - MA Employer	Various	incl in above	incl in above	04/04/2016
P15-088	NTP - Employability Fund	Various	£19,500,000.00	£19,500,000.00	04/04/2016
P15-099EE	Licences - MS Dynamics & others	Trustmarque	£268,979.00	£268,979.00	01/07/2016
P15-110EE	PACE Task Force Data System	Advice Infrastructure	£11,800.00	£11,800.00	08/03/2017
P15-118	Microsoft Licensing	Insight Direct (UK) Limited	£891,181.92	£2,673,545.76	27/04/2016
P15-217	Job Evaluation	Korn Ferry	£60,000.00	£60,000.00	11/04/2016
P16-001	Learning Management System	Media Corp	£15,000.00	£43,085.00	01/06/2016
P16-001EEE	Learning Management System	Media Corp	£9,792.00	£9,792.00	01/06/2016
P16-003	Relationship Management Module	Aviour Ltd	£5,000.00	£15,000.00	23/05/2016
P16-005	Oil & Gas Tracker	Advice Infrastructure	£34,950.00	£34,950.00	01/04/2016
P16-005E	Oil & Gas Tracker	Advice Infrastructure	£9,660.00	£39,700.00	01/04/2016
P16-006	Post Occupancy Evaluation	MILA	£9,235.00	£9,235.00	01/05/2016
P16-007	Training Provider for SDS Modern Apprenticeship Programme (MA-NTP)	Jobs & Business Glasgow			29/04/2016
P16-008	Training Provider for SDS Modern Apprenticeship Programme (MA-NTP)	You Train			29/04/2016
P16-010	Code Clan Commercial Modelling	EKOS Limited	£2,230.00	£2,230.00	02/05/2016
P16-011	Digital Schools Research & Best Practice Framework	Key Link Partnership	£25,000.00	£25,000.00	16/05/2016
P16-012	Software Licences	Comparex	£145,529.36	£727,646.80	17/10/2016
P16-013	Accredited Management Development Programme	Leadership Factory	£30,000.00	£90,000.00	27/06/2016
P16-014	Evidence Base Project Management	Context Economic & Social Research	£9,600.00	£9,600.00	29/05/2016
P16-017	Training Provider for SDS Modern Apprenticeship Programme (MA-NTP)	Glasgow Kelvin College			27/05/2016
P16-018	PA support for the Chair	EA Direct	£46,125.00	£46,125.00	01/04/2016
P16-019	Agresso Upgrade (Project Penta)	Unit 4	£108,024.00	£228,000.00	01/10/2016
P16-020	My WoW Market Place	Digeratii	£75,000.00	£75,000.00	02/06/2016
P16-021	My WoW Development Projects	Inviqa Ltd	£55,000.00	£55,000.00	02/06/2016
P16-023	Scotland's Digital Technologies Sector Analysis	Ekosgen	£31,669.13	£31,669.13	22/07/2016
P16-025	REGIONAL SKILLS ASSESSMENTS 2016	Ekosgen	£64,733.25	£64,733.25	12/07/2016
P16-026	Scotland Forecasting Work 2016	Oxford Econometrics	£54,600.00	£54,600.00	15/07/2016
P16-027	PRINT SERVICES FOR SCOTTISH ENTERPRISE AND SKILLS DEVELOPMENT	APS	£270,158.80	As per usage	17/06/2016
P16-028	EIS Solutions Design	Siva Limited	£10,000.00	£10,000.00	15/06/2016
P16-029	My WOW eLearning Resource	Aurion	£21,450.00	£21,450.00	02/08/2016
P16-030	Foundation Apprenticeships 15/16 Starts – Formative Evaluation	Research Scotland	£27,150.00	£27,150.00	02/08/2016
P16-032	Insurance Services	AON	£48,010.31	£192,041.24	01/07/2016
P16-033	Childcare SIP	Ekosgen	£16,000.00	£16,000.00	08/08/2016
P16-034	MSP Survey	PA Advocacy	£6,100.00	£25,000.00	01/09/2016
P16-036	Skills Scotland	Prospects	£10,460.00	£10,460.00	26/10/2016
P16-037	Xpert HR Subscription Service	Reed	£7,235.00	£7,235.00	22/07/2016
P16-038	MyWOW Hosting	Commerce Guys	£13,725.00	£32,050.00	22/07/2016
P16-039	Desk and Room Booking System	Computacenter	£20,000.00	£40,000.00	18/10/2016
P16-040	Employment Services	The Learning and Work Institute	£25,000.00	£23,467.00	08/08/2016
P16-042	Skills Action Plan for Western Isles	TERU	£15,000.00	£15,000.00	15/09/2016
P16-043	apprenticeship (GLA) framework development - Lot 1 Engineering & General Advisory Expertise	Odag Consultancy	£20,833.00	£20,833.00	08/09/2016
P16-043	Subject matter expertise and specialist support for Graduate level apprenticeship (GLA) framework development - Lot 3	Chartered Management Institute CMI	£12,474.00	£12,474.00	08/09/2016
P16-043	Subject matter expertise and specialist support for Graduate level apprenticeship (GLA) framework development - Lot 3	Chartered Management Institute CMI	£34,666.67	£34,666.67	09/09/2016
P16-044	Technical Apprenticeships and Hnc Modules	3i	£48,640.00	£48,640.00	01/09/2016
P16-045	Oil & Gas Transition Training Fund	Nigg Skills Academy	£173,450.00	£173,450.00	05/01/2017
P16-045	Oil & Gas Transition Training Fund	James Duns House	£16,000.00	£16,000.00	05/01/2017
P16-045	Oil & Gas Transition Training Fund	South Lanarkshire College	£624,620.45	£624,620.45	05/01/2017
P16-045	Oil & Gas Transition Training Fund	Road Haulage Association	£1,160,130.72	£1,160,130.72	05/01/2017
P16-045	Oil & Gas Transition Training Fund	Trained'Up	£128,900.74	£128,900.74	05/01/2017
P16-046	Telephony Charges	Atos	£90,000.00	£90,000.00	21/10/2016
P16-047	Licence to Practise	ABA Procurement		£9,854.00	19/09/2016
P16-048	Demand Statements for Apprenticeships	Ekosgen	£12,491.00	£12,491.00	09/08/2016
P16-048	Foundation Apprenticeship Framework for Creative & digital Media	Creative Skillset	£27,300.00	£27,300.00	02/09/2016
P16-049	Foundation Apprenticeship for Life Sciences	Cogent	£37,600.00	£37,600.00	02/09/2016
P16-050	Inverness Skills Show	DC Thomson	£6,000.00	£6,000.00	01/08/2016
P16-053	SCDI Strategic Partnership	SCDI	£22,500.00	£22,500.00	08/08/2016

P16-054	ICT and Digital Technologies Extra Curricular Funding Framework	ScotlandS	£41,600.00	£41,600.00	09/09/2016
P16-055	Call Manager Pro Solution	Sentel	£15,975.00	£15,975.00	01/07/2016
P16-056	SharePoint Services Provision	Cobweb Solutions Ltd	£15,000.00	£15,000.00	01/09/2016
P16-057	DND Hosting (Domain Management	Demys	£15,000.00	£15,000.00	01/08/2016
P16-058	Estate Professional Services	GVA Grimley	£50,000.00	£150,000.00	14/11/2016
P16-059	QCGD	Napie, UWS	£64,000.00	£64,000.00	14/09/2016
P16-061	Dundee Job, Skills and Apprenticeships Fair	Dundee City Council (City Development Department)	£5,000.00	£5,000.00	08/08/2016
P16-062	Design Services for My World of Work	Myomuno	£40,000.00	£40,000.00	24/09/2016
P16-063	Evaluation of Digital Xtra	Hall Aitken	£14,380.00	£14,380.00	14/10/2016
P16-065	MA in Career Development	Career Studio	£24,325.00	£24,325.00	01/09/2016
P16-066	Aberdeen Skills Strategy (STA)	EKOS Limited	£9,500.00	£9,500.00	22/09/2016
P16-068	Evidence Base Project Management (consultancy and STA)	Context Economic & Social Reserach	£9,600.00	£9,600.00	26/09/2016
P16-070	Buzz Learning Intervention	Icould	£6,000.00	£18,000.00	01/11/2016
P16-071	Advanced Metering Services	Energy Assets	£932.00	£4,680.00	01/11/2016
P16-072	LMI Resource for Schools	What Could I Be (WCIB)	£7,360.00	£7,360.00	01/08/2016
P16-073	My World of Work Skills Review tool	Chunky Flower	£30,000.00	£30,000.00	17/01/2017
P16-074	EFQM training, support and Quality Scotland Membership	Quality Scotland	£16,370.00	£35,075.00	10/10/2016
P16-075E	NOS Virtual server Hosting and Mangement	ONYX Group	£19,228.52	£19,228.52	23/11/2016
P16-076	First Base	First Base	£3,190.00	£3,190.00	19/10/2016
P16-077	Training Provider for SDS Modern Apprenticeship Programme	QA			14/11/2016
P16-078	CIAG Customer Feedback Questionnaires	Edit Services	£7,700.00	£7,700.00	25/10/2016
P16-079	IoD Strategic Partnership	IoD	£5,000.00	£5,000.00	19/10/2016
P16-080	SQA Star Awards	SQA	£5,000.00	£5,000.00	19/10/2016
P16-082	Workforce Resilience Initial Research	Employment Research Institute	£6,618.00	£6,618.00	09/12/2016
P16-083	Strengths Tool	CAPP	£21,500.00	£85,600.00	17/01/2017
P16-084	Business Continuity System	Bis-Web t/a Clearview Continuity	£12,000.00	£68,000.00	31/03/2017
P16-085	Employer Best Practice Guides	Equate Scotland	£8,306.00	£8,306.00	12/12/2016
P16-086	EIS Solutions Design	Siva Limited	£20,000.00	£20,000.00	01/12/2016
P16-087	SDS Factor Plan	Pay Auditor	£20,000.00	£20,000.00	01/12/2016
P16-091	Design and Delivery of a game to challenge attitudes around STEM	Annimersion UK	£19,300.00	£19,300.00	11/01/2017
P16-092	Subject Matter Expert - Engineering: design and Manufacture L10	SEE Enterprise Contracting	£14,000.00	£14,000.00	30/11/2016
P16-093	Apprenticeship Offer Modelling and External Verification	London Economics	£11,775.00	£11,775.00	09/12/2016
P16-094	Business Analysis Tool for FIPS (TPC)	North 52	£5,350.00	£5,350.00	05/02/2017
P16-095	GLA Framework Development	Sue Dumbleton	£3,980.00	£3,980.00	08/12/2016
P16-096	UK CES NOS	Various	£1,000,000.00	£2,000,000.00	01/04/2016
P16-097	Role Models and Mentors	Girl Geek Scotland, Edinburgh Napier	£17,000.00	£17,000.00	18/01/2017
P16-098	UCAS Data	UCAS Media Ltd	£24,400.00	£24,400.00	16/12/2016
P16-099	Experian CTS Licence compliance	Experian	£59,520.00	£59,520.00	01/01/2017
P16-101	Design and Delivery of Contract Management Training	SCMG Ltd	£3,000.00	£3,000.00	23/01/2017
P16-102	North America Lync & Telephony solution	Siva Limited	£10,000.00	£10,000.00	01/12/2016
P16-103	Delivery and Assessment of Core Skills	FMT Consulting	£7,000.00	£7,000.00	01/02/2017
P16-104	Young Scot Awards	Media Events Scotland	£15,000.00	£15,000.00	09/12/2016
P16-105	Employer Engagement Training (PACE)	Pareto Law Ltd	£9,863.00	£9,863.00	13/02/2017
P16-108	Presentation Skills Workshops	Kissing with Confidence	£5,952.96	£5,952.96	16/02/2017
P16-109	Usability Testing	D8	£8,050.00	£8,050.00	13/02/2017
P16-111	Subject matter expertise GLA - Civil Engineering and Construction SCQF	Institute for Civil Engineering	£28,500.00	£28,500.00	17/01/2017
P16-116	Mediation and Conflict Training	TCM	£20,000.00	£20,000.00	09/03/2017
P16-117	Strategic Review of Payroll Function	KPMG	£17,000.00	£17,000.00	23/02/2017
P16-118	EIS Solutions Design	Siva Limited	£30,000.00	£30,000.00	10/02/2017
P16-119	Evidence Base Project Management (consultancy and STA)	Context Economic & Social Research	£9,900.00	£9,900.00	27/02/2017
P16-120	Microsoft Office365 Independent Review	Valuta	£4,875.00	£4,875.00	06/03/2017
P16-121	Development of Learning Materials to support FAs	College Development Network	£9,895.00	£9,895.00	10/03/2017
P16-123	Strengths Tool Primary School Pupils	Digital Connexions	£9,600.00	£9,600.00	01/03/2017
P16-125	Marketing Automation System	Marketo	£9,800.00	£9,800.00	23/03/2017
P16-128	Microsoft Azure Licences (FIPS)	Trustmarque	£46,037.16	£46,037.16	01/11/2016
P16-129	Agresso eRecruiter Configuration	Unit 4	£5,000.00	£5,000.00	06/03/2017
P16-135	Skills Provision for Subject Matter expertise- GLA	RICS	£15,000.00	£15,000.00	03/04/2016
P16-136	Door Replacement (Montieth)	Interact Interiors	£15,388.11	£15,388.11	01/03/2017
P16-141	Business case for diversity	Genanalytics	£8,320.00	£8,320.00	09/01/2017

A summary of regulated procurement expected to commence in the next two financial years is available in Annex A of this report.

5. SDS Contracted Expenditure through Regulated Procurements Financial Year 2016/17

A requirement of our Central Procurement Team is to work with internal customers and to develop new contracts. We also conduct IT procurements on behalf of Scottish Enterprise and Highlands and Islands Enterprise through the EIS Shared Service which is based on the Gartner Service Towers. During the Financial Year 2016/17 (1 April 2016 to 31 March 2017):

- 112 new central contracts were placed by SDS.
- 48 Grants were disbursed by SDS

The total number of contracts placed and grants disbursed during Financial Year 2015/16 was therefore 160.

Total expenditure for SDS during the Financial Year 2016/17 is illustrated in Figure 2 below. The chart highlights that 99% of our expenditure was made through regulated procurements, indicating 99% contract compliance achieved. The 1% expenditure not covered by regulated procurement includes low value, ad hoc and mostly non-recurring purchases, such as professional memberships and individual training courses, purchased with the Government Procurement Card.

Figure 2: SDS spend in 2016/17

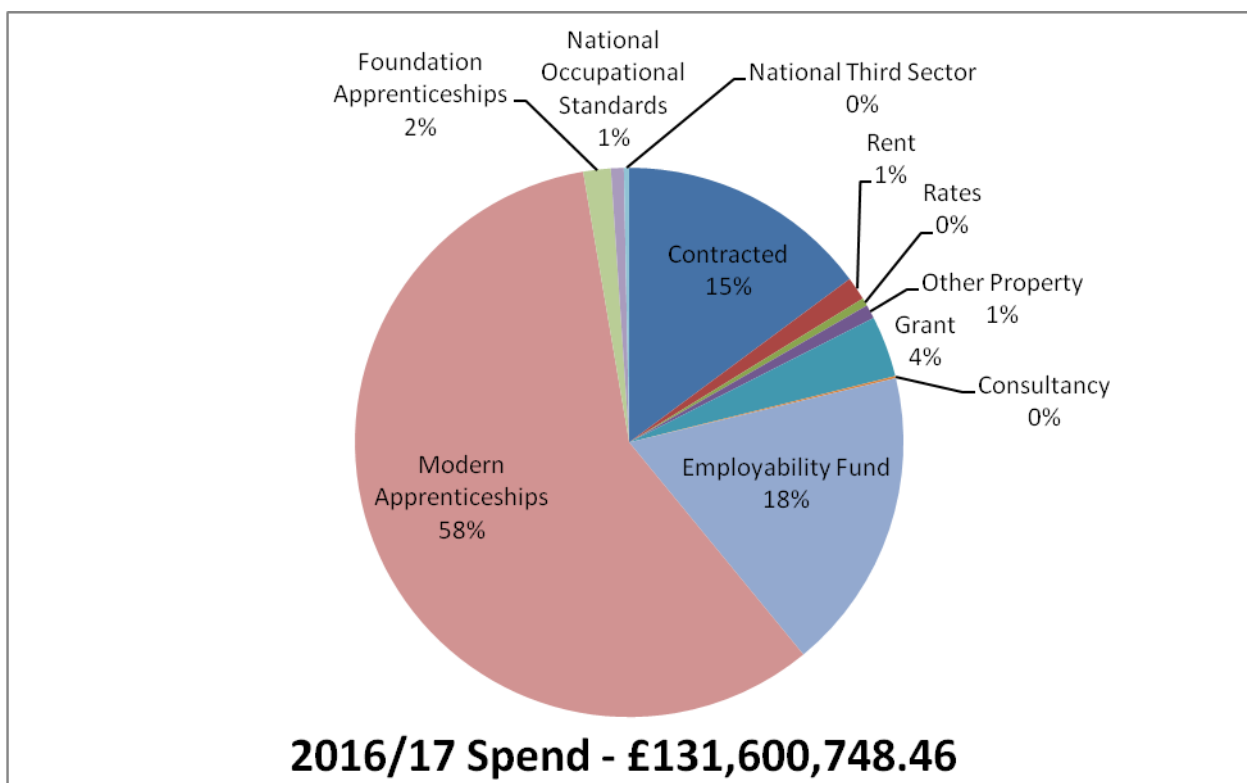
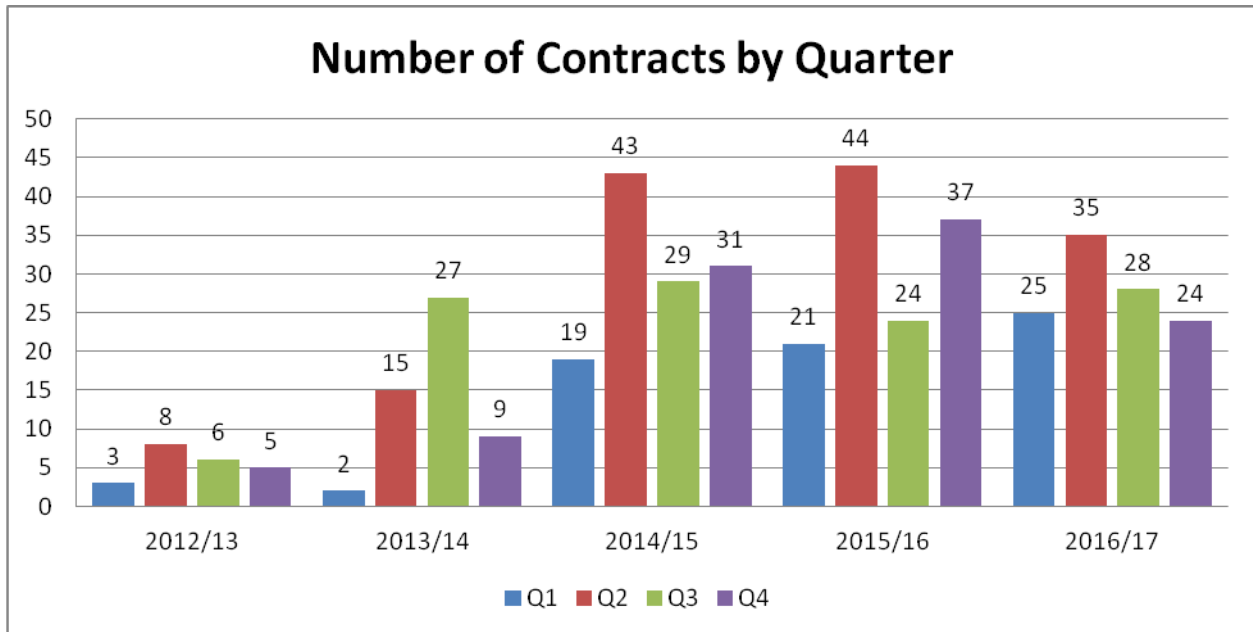


Figure 3 shows the trends in number of contracts placed over the last five Financial Years. As is shown, there has been a significant rise in the number of contracts awarded over the last five years. The total number slightly dipped in 2016/17, but this is due to the tenure of contracts already awarded. We anticipate that having matured and stabilised, the total number of annual contracts awarded will remain fairly constant over the next three to five years.

Figure 3: Number of Contracts Awarded by SDS 2012 - 2017



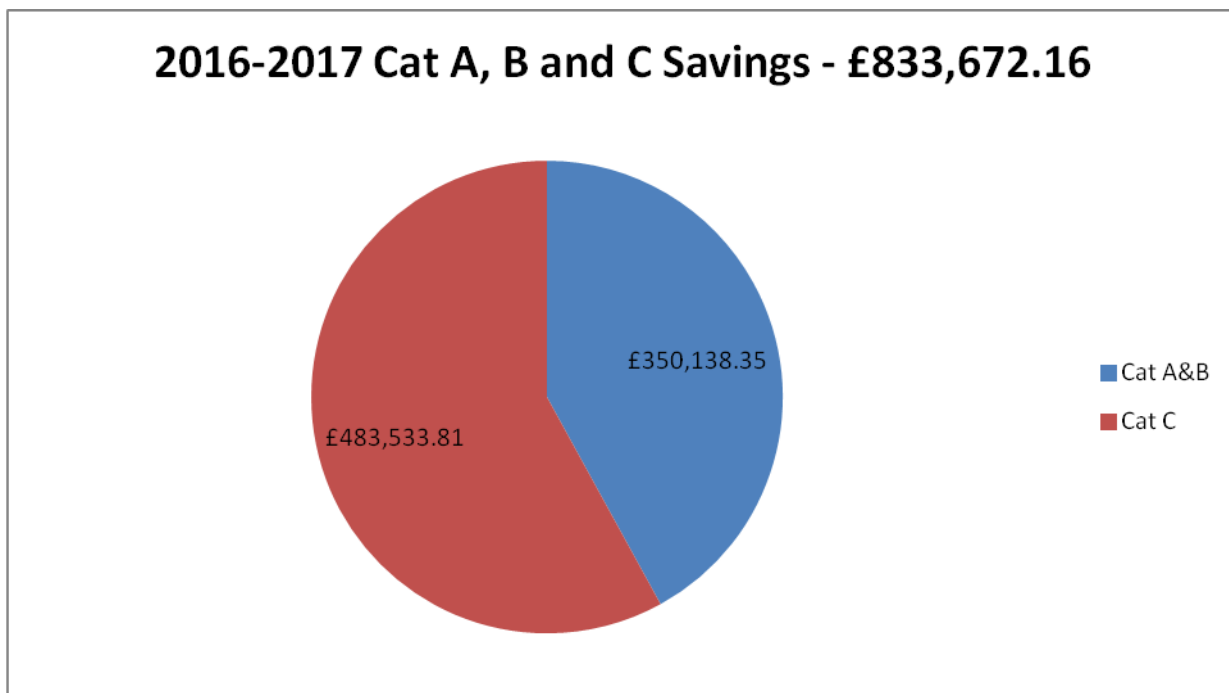
Highlights from our procurement activity in 2016/17 include:

- **SDS leading the Procurement for the UK Commission for Employability and Skills National Occupational Standards.** This was a collaborative effort led by SDS which incorporated requirements from the devolved administrations of Scotland, Wales and Northern Ireland.
- **The new Enterprise Subscription Agreement (ESA) for Microsoft was awarded** on 27 April 2016. Insight Direct (UK) Ltd was our chosen Licenses Service Provider. The agreement provides Skills Development Scotland, Scottish Enterprise & Highlands & Islands Enterprise with one contract covering: MS Dynamics for SDS & SE, Enterprise Cloud Suite covering OFFICE 365, Windows 10 and Azure Active Directory. Savings of approximately 38% were realised through purchasing the ECS suite of products.
- **The new contract for the provision of Software Licences and Associated Services was awarded** to Comparex UK Ltd. This provides a reliable and compliant route to market for a range of software providers.

6. Value for Money savings

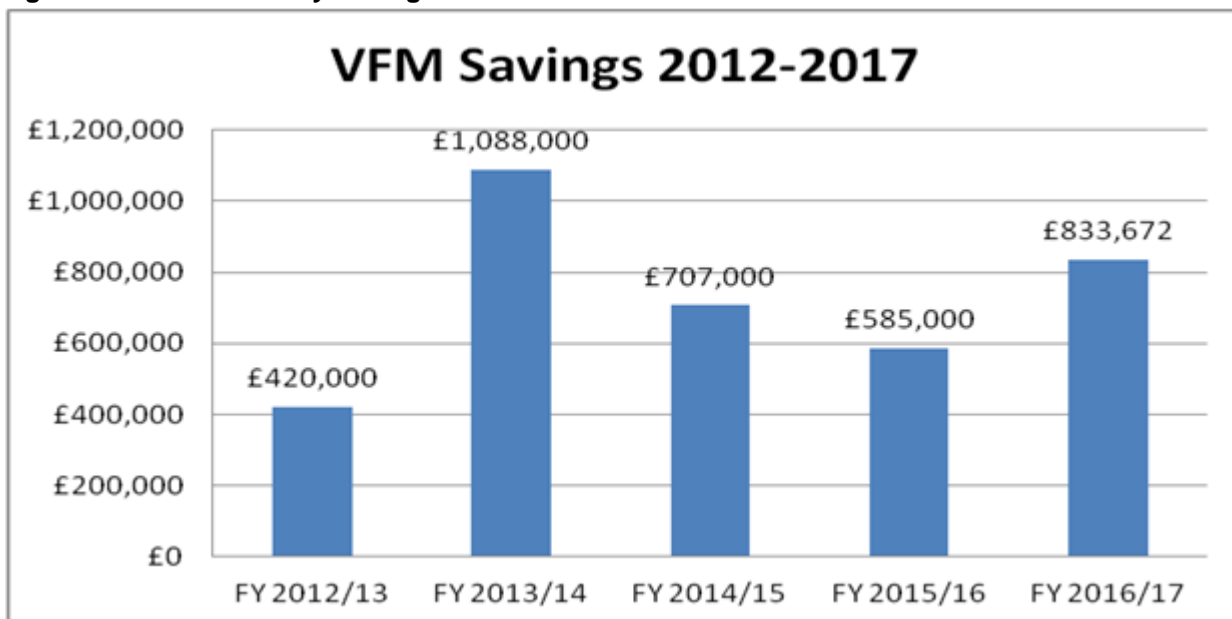
Value for money is a principle tenet of public sector procurement: “meeting customer’s requirements at the lowest wholelife cost”. We use a standardised method for calculating Value for Money, calculating reductions made against historical cost. The total value for money savings realised on central contracts placed by SDS during Financial Year 16/17 was £833,672.16.

Figure 4: Value for Money Savings Achieved in 2016/17



The SDS VFM savings trend over the last 5 years is as below. Year on year fluctuations reflect the nature of in-year contracts awarded:

Figure 5: Value for Money Savings Achieved from 2012-17



7. Supplier Inclusion

Supplier inclusion supports sustainable procurement and is of significant importance to SDS. We are pleased that we have a diverse range of suppliers / providers to deliver the wide range of services which we provide and contribute to our successes including SMEs, Socio-Economy organisations and Supported Businesses.

64% of SDS's expenditure during the reporting year was with SMEs which is greater than the Scottish public sector average, and an increase of 4 percentage points on the previous year. Put simply, 64 pence in every £1 SDS spent in 2016/17 went to small and medium size enterprises.

The Third Sector

Third sector covers the voluntary sector, charities and social enterprises (including social firms and supported businesses).

As shown in Figure 6 SDS has significantly increased the level of business placed with Third Sector organisations over the last 5 years. Third Sector is a term covering the voluntary sector, charities and social enterprises (including social firms and supported businesses).

Figure 6: Approximate SDS expenditure in the Third Sector since 2010.

Financial Year	Approximate expenditure with Third Sector Organisations
2010/11	£250,000
2011/12	£10,300,000
2012/13	£10,400,000
2013/14	£11,000,000
2014/15	£12,000,000
2015/16	£11,000,000
2016/17	£11,000,000

Socio-economy organisations provide a valued service to SDS in engaging with disadvantaged groupings. SDS has worked with Ready for Business in developing our approach to the Third Sector.

Supported Businesses

Supported businesses are a sub-section of the third sector. The aim of a supported business is the social and professional integration of disadvantaged or disabled persons where at least 30% of the employees are disadvantaged or disabled. SDS has instructed prime contractors to call-off services from supported businesses where appropriate.

Article 20 of the EU Directive 2014/24/EU allows for the direct award of contracts, and includes businesses where 30% of the workforce is considered disadvantaged or disabled. Our Central Procurement Team were able to reserve contracts under Article 20 and call-off from the Scottish Government's Supported Businesses Framework for a number of goods and services. SDS direct expenditure with supported businesses has been as shown in Figure 7.

Figure 7: SDS expenditure with supported businesses since 2014

Supported Business	Project / Service	Financial Year		
		2014/15	2015/16	2016/17
Redrock	Digitisation Project	£27,482	£27,135	£1,663
Haven Recycling	Disposal of IT kit	£482	£2,805	£380

8. Community Benefits

We include Community Benefits Clauses within major contracts with an aggregate value greater than £1M.

Community Benefits Clauses (CBCs) are contractual clauses which can be used to build a range of economic, social and environmental conditions into the delivery of public contracts. CBCs can contribute to the Best Value and Sustainable Procurement agendas and allow organisations to benefit their communities by specifying requirements which seek to deliver wider social benefits.

Our clauses have directly led to:

- MITIE recruiting 8 employees through our Total Facilities Management contract.
- CGI and Leidos each starting one Modern Apprentice while providing IT services to SDS.

9. Learning, Development and Supporting Entrants to the Sector

All members of the SDS Procurement Team have completed the central government Procurement Competency Framework. The easy-to-use competency framework identifies gaps and areas for personal development. At SDS, we have now developed and adopted a common Learning and development template based on the Four Pillars of the Global Occupational Standards as shown below:

Process	Performance
Spend Analysis	Benefits Tracking & Measurement
Market Analysis	Key Performance Indicators
Specification Development	Service Level Agreements
Contract Law	Six Sigma (continuous improvement)
Tender Process (Procurement Journey)	Project Management
Negotiation	
Contract Management	Infrastructure
Supplier Relationship Management	Ethical Standards & Conduct
Supply Chain Management	European & Scottish Procurement Legislation
People	
Leading & Influencing	Governance & Compliance
Stakeholder Relationship Management	Bribery Act
Communications	CIPS Fraud Master Class (prevention)
Managing High Performing Teams	CIPS Exams & Study Leave

As an organisation, we need to differentiate between Grant Funding and Procurement and follow the appropriate processes. Training on Grant v Procurement was conducted over four dates in February 2016. This has now been made an e-learning module available through our online Academy for all staff who require training.

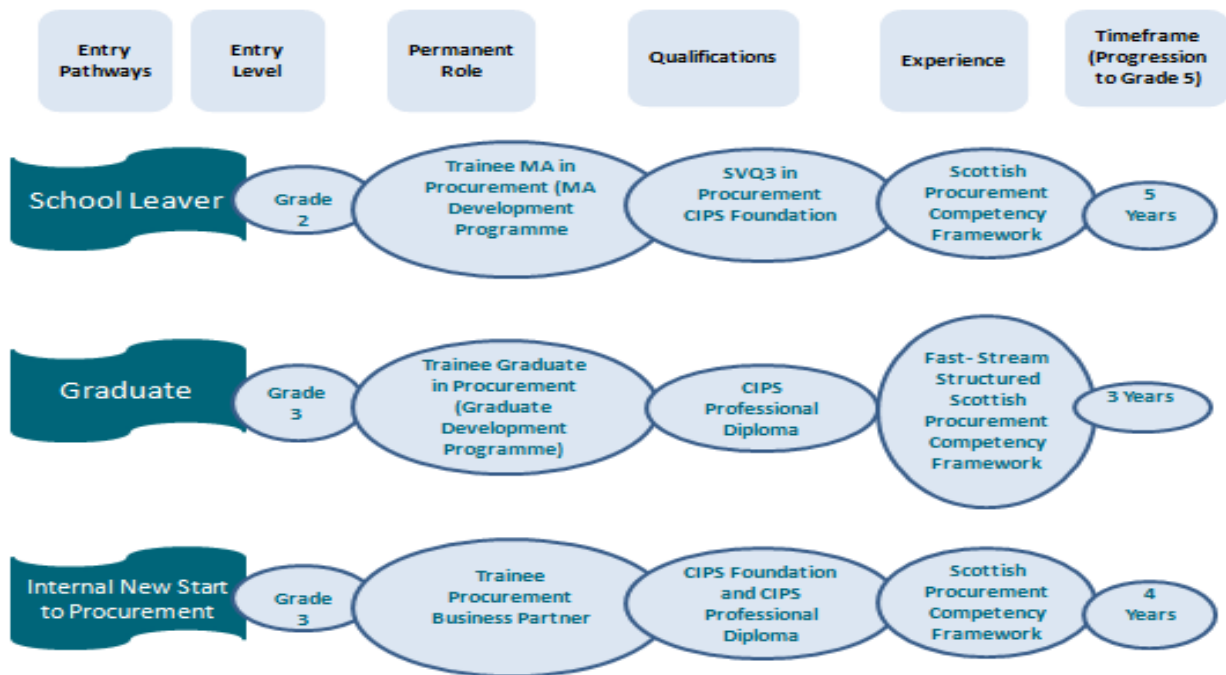
Entrants to the sector

We have an inclusive approach to Talent Management for new entrants and seek to attract and develop new people to the profession.

SDS has supported three newcomers to advance in Procurement as their career of choice. They each entered procurement by different routes; as an employee moving across to the procurement team from another business area, as a school leaver and as a university Graduate. They will each follow the pathways set out in Figure 8.

In 2016/17, our graduate intern successfully completed her CIPS Diploma and was also successful in becoming a permanent member of staff. Our first Modern Apprentice in Procurement is now employed with us as a Procurement Assistant and has completed her CIPS Foundation qualification.

Figure 8: SDS pathways into Procurement



10. Continuous Improvement Activity

Continuous Improvement is a core value at SDS. Below is a summary of some of the ways in which the SDS Procurement Team have looked to drive improvements in the past year.

- Contract Management Benchmarking**
 SDS completed the CMB survey conducted through the Supply Chain Management Group in September 2016 for the third consecutive year. Benchmarking is used to improve our approach to contract life cycle management.
- SDS Business Excellence Self Assessment**
 Procurement completed the Business Excellence Self Assessment, November 2016. The self assessment process was extremely worthwhile and we were delighted to be ranked silver in our first assessment. Key areas for improvement have been identified and are managed through the Continuous Improvement Action Plan.
- Use of GCloud**
 The GCloud framework has seen reported sales in excess of £1.26 billion across the UK Public Sector in less than 2 years since launch. 53% of the business has been awarded to SMEs. In 2016/17 the SDS Central Procurement Team produced an internal auditable pro-forma with embedded guidance notes for SDS colleagues to assist using GCloud for procurements. GCloud desktop guidance is also available. The award for hosting our My World of Work web service, conducted through GCloud, has secured savings of £54,000.

- **SDS external Procurement page updated**

The procurement pages on the SDS Corporate website were updated in December 2016 to improve ease of access to key information on SDS procurement which is set out in simple and concise sections on:

- Procurement Policy
- Contracts Register
- Law and conditions of Purchase
- Supplier Inclusion
- Performance
- Our Procurement People
- Responsible and Sustainable Procurement
- Procurement Strategy for Scottish Ministers SPPN 11/2016

Annex A. Summary of regulated procurements expected to commence in the next 2 Financial Years

(Values may be subject to change due to budget revisions/resource availability)

	Value 2017/18	Value 2018/19
NTP – Modern Apprenticeships	(£81.2M)	(£81.6M)
FA & GLA Promotion	£429k	£328k
Employability Fund	£17M	£17M
Evaluation and Research	£277k	£285k
UK CES National Occupational Standards	£1.16M	£1.16M
Property, Facilities & Carbon Management	£6.85M	£7.06M
Enterprise & Information Systems Information Technologies & Systems (Shared service with Scottish Enterprise and Highlands and Islands Enterprise)	£15.1M	£15.6M
Training & Development	£490k	£490k
Digital Skills	£1M	