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Annual Procurement Report Financial Year 2017/2018

SDS Annual Procurement Report 2017/18

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1. Introduction

The Skills Development Scotland Co. Ltd (SDS) (registered number SC202659) is a public sector contracting authority, subject to the Procurement Reform (Scotland) Act 2014 and the European Directives, and as such is required to produce an annual report on our regulated procurement activities. The Annual Procurement Report for Financial Year (FY) 2017/18 is aligned to the SDS Procurement Strategy 2016/20.

SDS is pleased to publish this, our fifth Annual Procurement Report which contains detail of our regulated and non-regulated procurements and key highlights from the 2017/18 financial year. The publication of this Annual Procurement Report meets the requirements of Scottish Ministers (Scottish Procurement Policy Note (SPPN) 1/2018).

SDS champions the Scottish Procurement Model through 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 a wide array of goods and services. We spend more than 70% of our Financial Budgets through suppliers which deliver services on our behalf. Our key procurement principles are Fairness, Openness, Transparency, Mutual Recognition, Non-Discrimination and Proportionality.

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

SDS published its 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 continued to interpret the new domestic and European procurement legislation, introduced in 2016, and updated our related documentation to implement changes as required. This is a major and ongoing undertaking which will ensure our continuing adherence to all relevant procurement legislation.

SDS undertook preparatory work for the introduction of the General Data Protection Regulations (GDPR). Clauses were included within contract documentation for the National Training Programmes which were commissioned October to December 2017.

Within this report we also take the opportunity to detail some of the key achievements of the SDS Procurement team during the financial year 2017/18.

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 as being at the leading edge of sustainable procurement, which places greater emphasis on:

- socio-economic value
- communities
- 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
- promoting Fair Work Practices (FWP) e.g. living wage

This year, the SDS Procurement team has published Best Practice Guidance Notes for internal customers to advise on the interpretation and implementation of the legislation.

The following Guidance Notes have been published internally:

- Guidance Note 1, Community Benefits in Procurement – June 2017
- Guidance Note 2, Supported Businesses – June 2017
- Guidance Note 3, Contract Management – July 2017
- Guidance Note 4, Demand Management – August 2017

Further Guidance Notes will be developed and published in the coming year.

For the first time, Fair Work Practices were included and scored as an evaluation criteria for the major National Training Programmes in the last quarter of calendar year 2017.

The SDS Procurement team undertook a phased approach to the implementation of GDPR. SDS terms and conditions have been revised to include a GDPR clause and our procurement documentation has been changed to ensure GDPR compliance. The major National Training Programmes now have GDPR clauses.

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 2017/18

SDS have conducted regulated procurements in a compliant manner, during FY 2017/18.

Our regulated procurements for the financial year 2017/18 are listed below.

Contract Ref No	Contract Title	Contractor	Annual Value (ex VAT)	Total Contract Value incl extension periods (ex VAT)	Contract Start Date
P12-020	Internal Audit and Associated Services	Scott-Moncrieff	£80,000	£400,000	01/05/2017
P12-022	Risk Management Information System	Covalent (Ideagen)	£4,000	£4,000	01/04/2017
P13-001	Legal Services Extension	S&W, Burness Paul, DWF, AS	£250,000	£1,450,000	26/09/2017
P14-057	Digital Services (SE)	Dog Digital	£94,900	£369,906	01/08/2017
P15-058	ICT FA Framework	The Tech Partnership	£24,625	£24,625	03/05/2017
P15-063	FIPS Programme	Leidos	£267,759	£1,719,677	19/06/2017
P15-079	Service Desk Tool	Softcat PLC	£140,886	£230,085	05/05/2017
P15-097	Telephony	Commsworld	£350,000	£350,000	15/04/2017
P16-045	Oil & Gas Transition Training Fund	Traind'Up	£25,780	£154,681	26/02/2018
P16-052-1	WorkAble Scotland (TES) - Lot 1 and 1a CPA - Clyde Coast and Grampian and 1a Highlands and Islands	Progress Scotland - The Lennox Partnership	£475,200	£475,200	03/04/2017
P16-052-2	WorkAble Scotland (TES) - Lot 2 CPA - Forth Valley, Fife and Tayside	The Wise Group	£527,700	£527,700	03/04/2017
P16-052-3	WorkAble Scotland (TES) - Lot 3 CPA - Glasgow, Lanarkshire and East Dunbartonshire	The Wise Group	£973,850	£973,850	03/04/2017
P16-052-4	WorkAble Scotland (TES) - Lot 4, 4a and 4b CPA - Edinburgh, Lothians, Ayrshire and Inverclyde - 4a Borders and 4b Dumfries and Galloway	Remploy Limited	£712,050	£712,050	03/04/2017
P16-088	NTP - MA Provider	Various	£76,000,000	£76,000,000	01/04/2017
P16-089	NTP - MA Employer	Various	incl in above	incl in above	01/04/2017
P16-090	NTP - Employability Fund	Various	£19,000,000	£19,000,000	01/04/2017
P16-091	STEM Change Management Programme	Anmersion UK	£7,000	£7,000	28/02/2018
P16-124	Contact Centre Software Solution	8x8	£16,000	£32,901	01/04/2017
P16-126	Digital World PR & Communications Campaign	Hot Tin Roof	£51,015	£51,015	03/04/2017
P16-134	Intranet Hosting and Platform Software	Interact	£39,130	£78,260	01/04/2017
P16-137	NOS Database	Active IS	£20,000	£20,000	01/04/2017
P16-139	PolicyHub Licence Renewal	Mratech	£5,292	£5,292	01/04/2017
P16-140	Microsoft Premier Support Agreement	Microsoft	£87,792	£175,583	04/04/2017
P17-002	Gartner	Gartner	£61,200	£61,200	01/04/2017
P17-003	Moray Skills Plan	EKOS	£13,700	£13,700	25/05/2017
P17-004	Sub Sea Research	EKOS	£11,800	£11,800	24/05/2017
P17-005	STEM Evidence Base	Ekosgen	£30,887	£30,887	11/05/2017
P17-006	Life Sciences & Chemical Sciences SIP Refresh	Optimat	£29,688	£29,688	09/06/2017
P17-008	Gaelic Labour Market	Ekosgen	£19,984	£19,984	30/05/2017
P17-009	MyWoW Development	LiveWork Studio	£62,500	£90,000	01/05/2017
P17-010	Copyright Licencing Agency	Copyright Licencing Agency	£31,551	£31,551	01/04/2017
P17-011	Forecasts - Evidence Base	Oxford Economics	£38,560	£38,560	05/05/2017
P17-012	Storage of SDS Records	Dataspace Scotland	£6,100	£24,400	10/07/2017
P17-013	UPS Maintenance Agreement	Linnet Technology Limited	£7,978	£7,974	01/04/2017
P17-014	Skills Development Fund - Subsea Sector	The Underwater Centre (Fort William) Ltd	£258,069	£258,069	12/06/2017
P17-015	GLA Framework Development - Food and Drink - Sector Skills Council	National Skills Academy Food and Drink	£19,000	£19,000	10/04/2017
P17-016	Employee Learning in Presentation and Group Work Skills	Elite Training	£20,000	£20,000	30/05/2017
P17-017	Employee Learning in Social Media	NS Design	£20,000	£20,000	30/05/2017
P17-018	Employee Learning in Additional Support Needs	Children in Scotland	£20,000	£20,000	01/06/2017
P17-019	Employee learning in Partnership Working	Smart Consultancy	£12,298	£12,298	05/06/2017
P17-020	Online User Testing	WhatUsersDo	£30,000	£30,000	15/05/2017
P17-021	National Occupational Standards	Lantra, Instructus, Cogent, Creative & Cultural Skills	£1,000,000	£1,000,000	11/07/2017
P17-022	Technical Apprenticeship Framework in Career Development	3i	£43,000	£43,000	26/05/2017
P17-023	Equalities eLearning	eCOM	£19,670	£19,670	13/06/2017
P17-025	CSS Upgrade and Developments	Incremental Group Ltd		£615,580	10/01/2018
P17-026	PA Support for Chair	Dedicated EA Ltd	£18,660	£18,660	01/04/2017
P17-027	Skills Show	Prospects	£30,425	£30,425	26/05/2017
P17-028	Microsoft Azure Licences (FIPS)	Trustmarque	£70,000	£70,000	01/04/2017
P17-029	FA Framework- Accountancy	Skills for Health and Justice	£25,000	£25,000	01/06/2017
P17-030	Provision of the 'Qualification in Career Guidance' and Development (QCGD) to SDS Sponsored Employees	Napier UWS	£125,000	£400,000	01/07/2017
P17-031	Executive Springboard	Aberdeen and Grampian Chamber of Commerce	£64,835	£64,835	02/05/2017
P17-032	Tay Cities Regional Skills Investment Plans	Adam Smith Business School	£24,000	£24,000	09/03/2018
P17-033	Intent Based Leadership Development Programme	Re:remarkable	£52,000	£52,000	14/06/2017
P17-035	SIP Calthness and North Sutherland	EKOS	£10,000	£10,000	29/08/2017
P17-036	Code Clan- Return on Investment	EKOS	£6,700	£6,700	13/06/2017
P17-037	Digital Skills Programme Project Funding Evaluation	Axiom Consultancy	£9,885	£9,885	28/08/2017
P17-042	O365 Programme Independent Assurance Review	Valuta	£5,363	£5,363	10/07/2017
P17-043	Multiview Software & Maintenance	Visionware	£28,610	£57,219	28/07/2017
P17-044	Asigra	Asigra	£7,200	£14,400	30/06/2017
P17-045	Demy's (DND Hosting)	Demys	£15,000	£30,000	01/08/2017
P17-046	Contract Management Independent Assurance Review	Valuta	£27,300	£27,300	01/07/2017
P17-047	Work Based Learning Elearning Module	Latitude 91	£33,000	£33,000	16/08/2017
P17-050	AT&T	AT&T (USA)	£34,080	£34,080	01/07/2017
P17-052	o365 Workstream - Contact Centre for SDS and EIS	Voicenet Solutions Limited t/a 8x8	£177,250	£177,250	04/12/2017

P17-053	Star Awards	SQA	£5,000	£5,000	21/07/2017
P17-054	Xpert HR Subscription Service	Reed	£7,000	£7,000	21/07/2017
P17-056	Scottish Apprenticeship Awards	Media Events Scotland	£8,000	£8,000	15/05/2017
P17-057	Evidence Base- Project Management	Context Economics & Social Research	£9,900	£9,900	24/08/2017
P17-058	Job Evaluation	Korn Ferry	£6,600	£6,600	20/07/2017
P17-060	RSA Data Matrix Development	EKOS	£4,000	£4,000	25/07/2017
P17-063	Research with Parents and Carers in Scotland	Progressive Partnership	£24,957	£24,957	18/09/2017
P17-064	Questionnaires etc	Ipsos Mori	£16,650	£16,650	06/10/2017
P17-065	SCDI Annual Forum	SCDI	£7,500	£7,500	14/08/2017
P17-066	GLA Healthcheck	Valuta	£5,000	£5,000	01/09/2017
P17-067	Construction SCQF Level 4- Formative Evaluation	Open Change Limited	£16,605	£16,605	19/10/2017
P17-070	Scottish Life Sciences Internship Review	ekosgen	£9,785	£9,785	09/10/2017
P17-071	CWBL & Partners Public Relations	3x1	£20,000	£20,000	19/10/2017
P17-072	Cyber Skills Programme	Digital Skills Education Limited	£16,950	£16,950	11/09/2017
P17-073	International Comparison for Redundancy	EKOS	£10,000	£10,000	09/10/2017
P17-075	PACE Client Experience Survey 2018	IFF Research	£37,444	£37,444	17/10/2017
P17-076	Marketing Automation System	Squizz	£31,900	£110,400	06/01/2018
P17-077	Return to Skills	London Economics	£40,000	£40,000	02/10/2017
P17-079	SharePoint Services Provision	Cobweb Solutions Ltd	£11,694	£11,694	28/08/2017
P17-080	Recruitment Advertising	S1 Jobs	£6,804	£6,804	15/09/2017
P17-081	EFQM Quality Assessor support	Quality Scotland	£13,000	£13,000	29/11/2017
P17-082	NOS Virtual server Hosting and Mangement	ONYX Group / Pulsant	£17,026	£17,026	01/11/2017
P17-083	Video Hosting	StreamAMG	£9,580	£9,580	07/12/2017
P17-084	Furniture for Aberdeen	RSBi	£7,810	£7,810	13/10/2017
P17-085	Award in Construction SCQF Level 4	Dundee & Angus College	£35,451	£35,451	08/10/2017
P17-086	Bespoke Desks Paisley	Dovetail	£5,100	£5,100	25/10/2017
P17-087	Office Furniture - Hamilton	Claremont	£66,546	£66,546	20/10/2017
P17-089	Website Uptime and site stability	Relic	£4,100	£12,300	20/11/2017
P17-090	FA Schools	Stone Iris	£26,250	£262,550	01/11/2017
P17-091	Visionware Multivue V5 upgrade	Visionware	£36,000	£36,000	20/11/2017
P17-092	Work Place Consultancy Space Planning and Interior Design Services	Graven Images Ltd	£48,000	£48,000	22/01/2018
P17-093	Starts in MA Programme by Young People Aged 16-24 from BAME	Rathbone	£25,406	£25,406	16/01/2018
P17-094	ScreenUnit - Creative Scotland	EKOS Limited	£32,000	£32,000	10/11/2017
P17-095	Understanding the value in Apprenticeship for Employers	IFF Research	£34,141	£41,504	07/11/2017
P17-096	Standards and Frameworks - Development of Community development MA	CLS Standards Council Scotland	£10,000	£10,000	07/11/2017
P17-100	IT Peripherals	Computacenter	As per usage	As per usage	14/03/2018
P17-106	MSP and Local Government Surveys	PA Advocacy	£14,000	£42,000	16/01/2018
P17-107	UCAS Data	UCAS Media Ltd	£6,600	£6,600	16/12/2017
P17-114	Historic Environment Skills Plan	EKOS	£20,800	£20,800	10/01/2018
P17-116	Young Scot and Scottish Education Awards	Media Events Scotland	£21,000	£21,000	12/12/2017
P17-118	Supply, set-up and support of an on-line learning resource library	MindTools	£25,000	£50,000	02/02/2018
P17-120	E-Recruiter Maintenance	Unit 4	£19,934	£19,934	01/11/2017
P17-123	PACE Task Force Data System	Advice Infrastructure	£4,800	£4,800	05/01/2018
P17-126	Event Management	Stark Events	£13,325	£40,000	05/02/2018
P17-128	Occupational Health	PAM	£40,000	£80,000	23/02/2018
P17-129	Young Carers and MA reserach	Blake Stevenson	£23,900	£23,900	26/02/2018
P17-130	Monteith House 3rd Floor Furniture	Atlas	£22,253	£22,253	26/01/2018
P17-131-1	Executive Springboard	Aberdeen and Grampian Chamber of Commerce	£45,470	£45,470	11/03/2018
P17-132	Cyber Security	Digital Skills Education Limited	£10,000	£10,000	01/02/2018
P17-133	Accreditation of legacy training modules	SQA	£9,000	£9,000	01/02/2018
P17-136	FA framework development for scientific, creative and digital, accountancy	SQA	£13,607	£13,607	26/01/2018
P17-137	Furniture Perth South Street	NL Industries	£9,917	£9,917	26/02/2018
P17-139	MyWOW Strengths Tool	University of Abertay	£35,124	£35,124	26/02/2018
P17-140	Cyber Security Sectoral Vacancies Research	EKOS	£12,250	£12,250	26/02/2018
P17-143	SE Castrum-64 Core module licence (Scottish Enterprise)	Castrum	£12,000	£36,000	01/03/2018
P17-149	Digital Feedback & Ticket Management	Zen Desk	£15,000	£60,000	23/03/2018
P17-151	Digital Xtra Research	Axiom Consultancy	£4,625	£4,625	13/03/2018
P17-152	Digital Advanced Manufacturing Model Review and Option Appraisal	Optimat	£7,410	£7,410	12/03/2018
P17-155	Pre FA Model Design	Pye Tait	£20,745	£20,745	01/03/2018
P17-156	Laptops / Tablet Devices	Dacoll	£1,300,000	£1,300,000	02/03/2018
P17-162	Qualtrics	Qualtrics	£9,191	£9,191	12/03/2018
P17-165	Scottish Life Sciences Internship Programme	Innovation Centres Scotland	£10,417	£10,417	01/01/2018
P17-166	MyWoW Video	Demus Productions	£7,600	£7,600	16/03/2018
P17-167	STEM Bursaries - PACE system development	Advice Infrastructure	£50,000	£50,000	09/03/2018
P17-169	Blinds	Genesis Blinds	£19,516	£19,516	30/03/2018
P17-40	o365 Sharepoint Development and Community Migration Tool	Bridgeall Limited	£291,662	£291,662	31/03/2018

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 Supplier Expenditure through Regulated Procurements Financial Year 2017/18

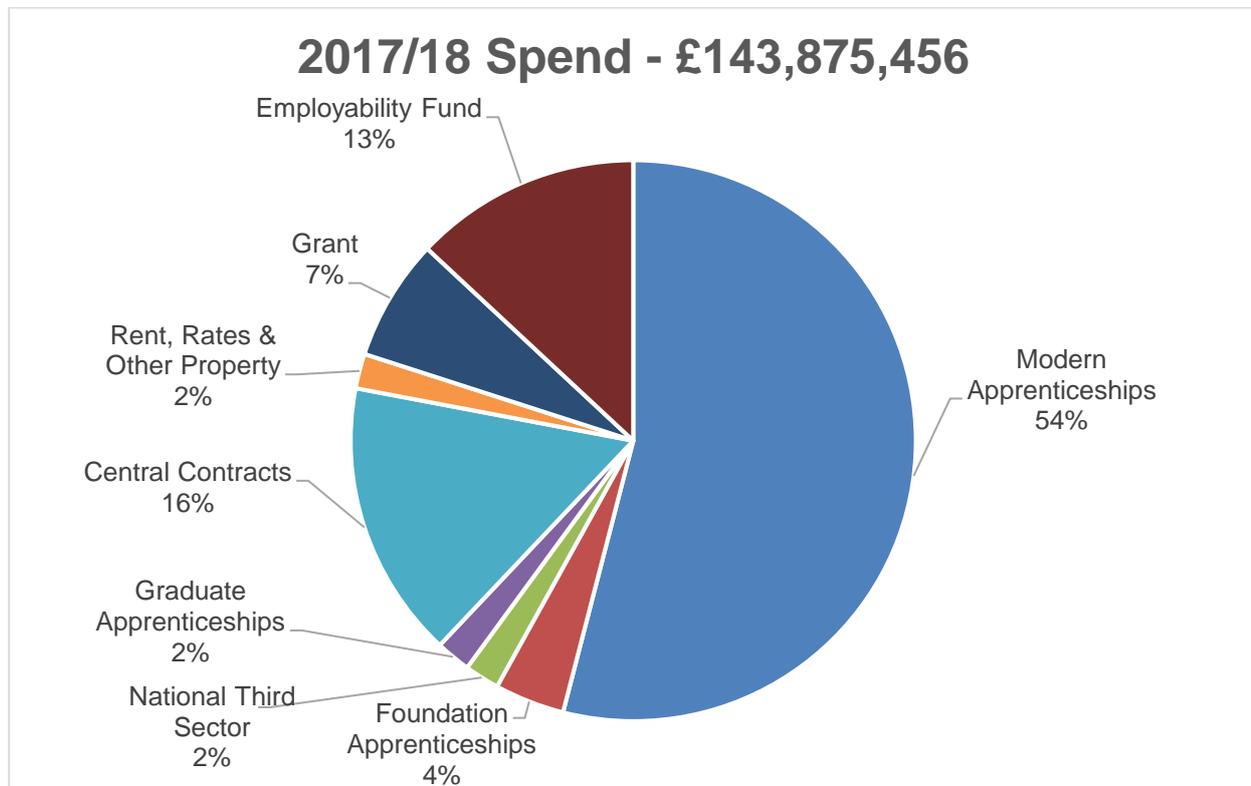
A requirement of our Central Procurement team is to work with internal customers and to develop new contracts. We also conduct IT procurements on behalf of Scottish Enterprise and Highlands and Islands Enterprise through the EIS Shared Service which is based on the Gartner Service Towers. During the Financial Year 2017/18 (1 April 2017 to 31 March 2018):

- 107 new central contracts were placed by SDS
- 67 grants were disbursed by SDS.

The total number of contracts placed and grants disbursed during Financial Year 2017/18 was therefore 174.

Total contracted supplier expenditure for SDS during the Financial Year 2017/18 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.

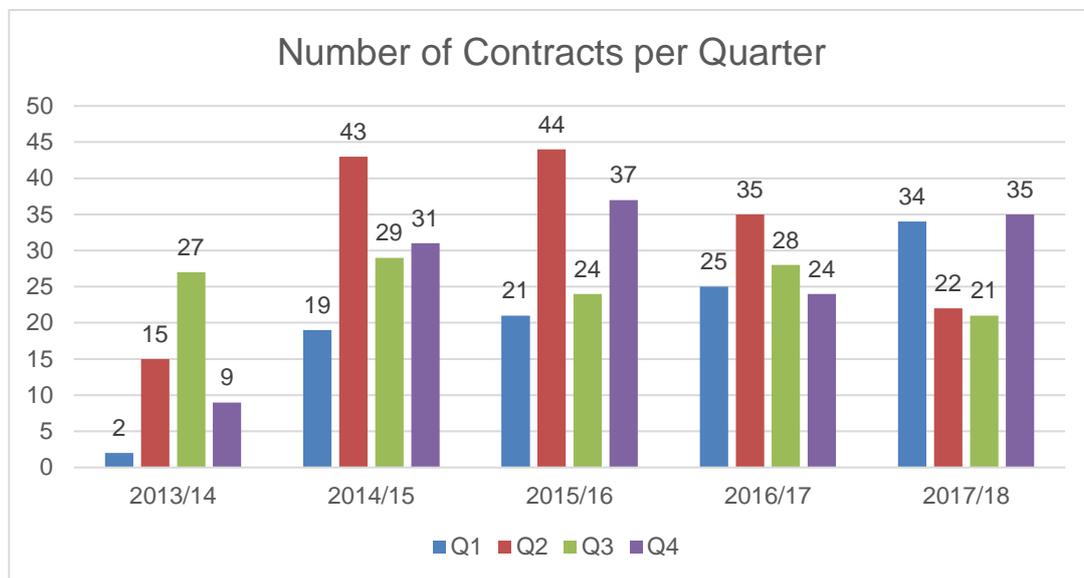
Figure 2: SDS spend in 2017/18



- The contracted supplier spend figure for 2017/18 is exclusive of any BACS, Government Procurement Card, petty cash or expense payments

Figure 3 shows the trends in number of contracts placed over the last five financial years. As predicted in last year's report, following dramatic growth in number between 2013– 2014 and 2014-2015, the awarding of contracts has now matured and stabilised, becoming more consistent in number year-on-year. We anticipate that 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 2013 - 2017



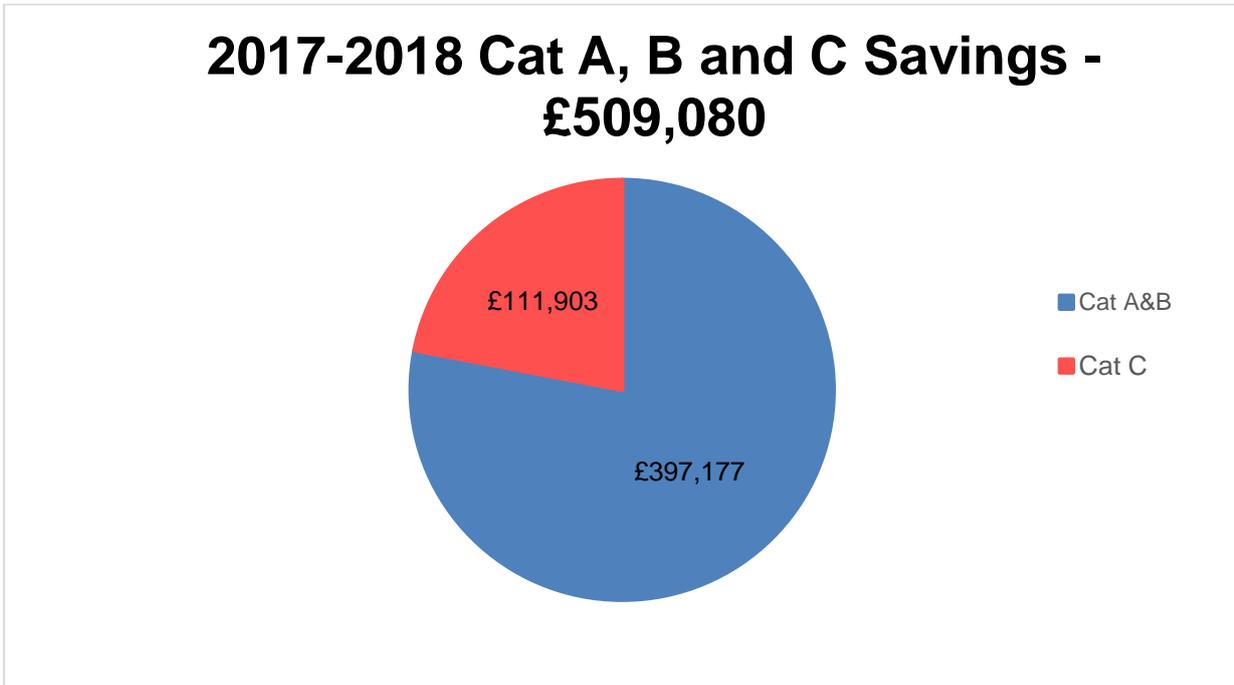
Highlights from our procurement activity in 2017/18 include:

- **SDS placed its first contract through the Digital Outcomes and Specialist dynamic framework.** Through an agile procurement, the contract award was made to Incremental Group Ltd, a Glasgow-based SME.
- **IShare developments.** Within SDS, records management is increasingly transitioning to the cloud. The first major contract for the O365 Programme via the GCloud framework was awarded to Bridgeall Limited.
- **Digital Marketplace and G-Cloud:** SDS is one of 40,000 public sector customers who have access to the UK Digital Marketplace through Crown Commercial Services. Services are available through various lots. One thousand one hundred organisations bought through the framework in March 2016. The SDS Procurement team created and shared a best practice pro-forma / user guide document in June 2017. This enables colleagues to employ a standardised, auditable approach to using the framework. A total of 10 contracts were put in place through G-Cloud and the Digital Marketplace by SDS during Financial Year 2017/18.

6. Value for Money Savings

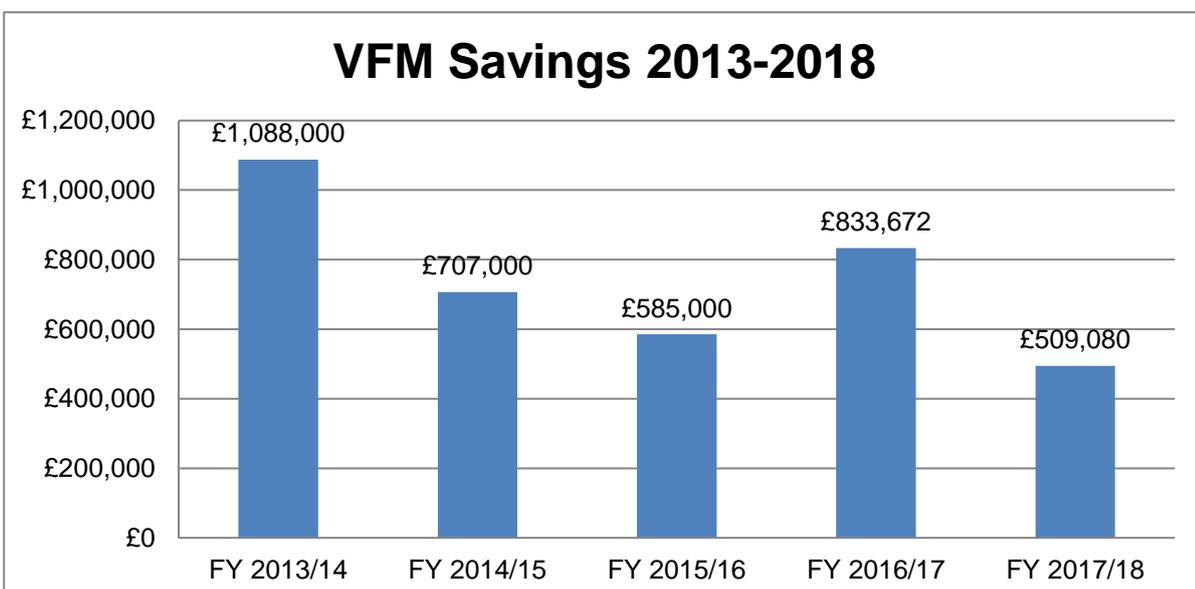
Value for Money (VFM) is a principle tenet of public sector procurement: “meeting customer’s requirements at the lowest whole life cost”. We use a standardised method for calculating Value for Money, calculating reductions made against historical cost. The total value for money savings realised on central contracts placed by SDS during Financial Year 2017/18 was £509,079.69.

Figure 4: Value for Money Savings Achieved in 2017/18



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

Figure 5: Value for Money Savings Achieved from 2013-18



7. Supplier Inclusion

Supplier inclusion supports sustainable procurement and is of significant importance to SDS. We are pleased to work with a diverse range of suppliers / providers including SMEs, Socio-Economy organisations and supported businesses, to deliver the wide range of services which we provide and contribute to our success.

Sixty-two percent of SDS's expenditure during the reporting year was with SMEs which is greater than the Scottish public sector average. Put simply, 62 pence in every £1 SDS spent in 2017/18 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 time, and particularly in the last year.

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
2017/18	£17,500,000

Third Sector organisations provide a valued service to SDS in engaging with disadvantaged groups. SDS continued to work with Ready for Business in 2017/18 to develop our approach to working with the Third Sector.

Supported businesses

The aim of a supported business is the social and professional integration of disadvantaged or disabled people, 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. In 2017/18 our Central Procurement team was 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 is 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	2017/18
Redrock	Digitisation Project	£27,482	£27,135	£1,663	
	Disposal of IT kit	£482	£2,805	£380	£1,531.80
Haven Recycling					£7,809
RSBi	Office Furniture				£5,100
Dovetail Enterprises	Office Furniture				£9,917
North Lanarkshire Industries	Office Furniture				£37,122
Routes To Work	Rental Services				

The SDS Procurement team worked closely with the Property and Facilities team to award the following six contracts to supported businesses during Financial Year 2017/18:

- Royal Strathclyde Blindcraft Industries (RSBi) £7,809
- Dovetail Enterprises £5,100
- North Lanarkshire Industries £9,917
- Haven Recycling £1,531.80
- Routes to Work £37,122

The total spend for the Financial Year 2017/18 was £61,479.80 which is a thirtyfold increase from the previous year's spend of £2,043.

8. Community Benefits

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

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 eight employees throughout the period of our Total Facilities Management contract. The MITIE employees continued to service the SDS contract during FY 2017/18.

The Procurement team published new guidance for SDS colleagues on Community Benefits in February 2018.

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 it is essential that we differentiate between Grant Funding and Procurement and follow the appropriate processes. Training on Grant v Procurement was conducted over a number of dates in February 2018. This has now been made an e-learning module available through the SDS Academy for all staff who require training.

This training allowed employees to:

- understand the differences between grants and procurements
- understand why it matters and the processes you need to follow should you be planning to disburse and grant funding
- walk through the questionnaire that is used by SDS Procurement to determine whether each arrangement should be treated as a grant or a procurement.

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.

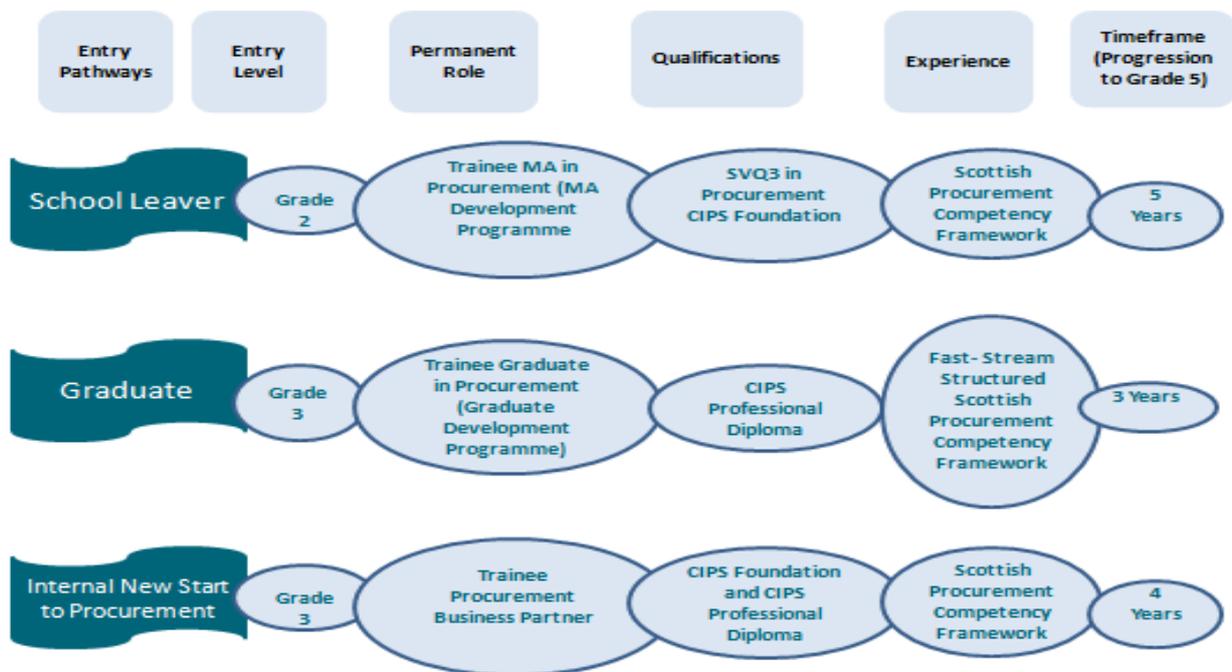
SDS has supported seven newcomers to advance in procurement as their career of choice. They each entered procurement by a different route: as an employee moving across to the procurement team from another business area, as a school leaver and as a university graduate. They each followed the pathways set out in Figure 8.

In 2017/18, our graduate intern was successful in becoming a permanent member of staff. SDS also recruited a direct entrant graduate in the role of Graduate Procurement Analyst.

SDS was pivotal in establishing the MA in Procurement and Supply Chain. The footprint of young new entrants into procurement has been extended across the private sector through the success of the MA in Procurement and Supply Chain with organisations such as:

- Advance Construction Scotland Limited
- Dawnfresh Seafoods Limited
- Edrington Group
- Graham Construction
- JB Foods Ltd
- Maccaferri Ltd
- Mannesman Oil & Gas
- Serco

Figure 8: SDS pathways into procurement



In recognition of our commitment to this, the SDS Procurement team was delighted to share the “Procurement People of Tomorrow” award with the City of Glasgow College. The award was presented at the GO Awards Wednesday 25 October 2017. SDS also won the UK Award for “Emerging Procurement Talent” – a notable success for the Scottish National Skills Agency.

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 has looked to drive improvements in the past year.

- **Contract Management Benchmarking (CMB)**
SDS completed the CMB survey conducted through the Supply Chain Management Group in September 2017 for the fourth consecutive year. Benchmarking is used to improve our approach to contract life cycle management.
- **Voice of the Customer**
The Procurement team completed a “Voice of the Customer” exercise in February 2018. During this we received intensive face-to-face feedback from the colleagues we support within SDS. The process was extremely worthwhile and we identified 10 key action points to improve our performance.
- **Use of Digital Outcomes and Specialist framework**
The dynamic framework was utilised for the re-platforming of a major SDS system onto the Cloud.
- **Monitoring and Reporting**
We now have a range of reports including a Procurement Dashboard with Key Performance indicators and have industrialised the capture of data from the Finance Management system.
- **SDS external Procurement page updated**
The procurement pages on the SDS corporate website were refreshed to improve transparency and ease of access to key information on SDS procurement. Information 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 two financial years

	Value 2018/19	Value 2019/20
	(£000)	(£000)
NTP – Modern Apprenticeships	£79,300	£79,300
FA Expenditure	£12,800	£12,800
Employability Fund	£18,800	£18,800
Evaluation and Research	£270	£270
UK CES National Occupational Standards	£1,300	£1,300
Property, Facilities & Carbon Management	£7,200	£7,200
Enterprise & Information Systems	£15,400	£15,400
Information Technologies & Systems (Shared service with Scottish Enterprise and Highlands and Islands Enterprise)		
Training & Development	£713	£713
Digital Skills	£1,000	