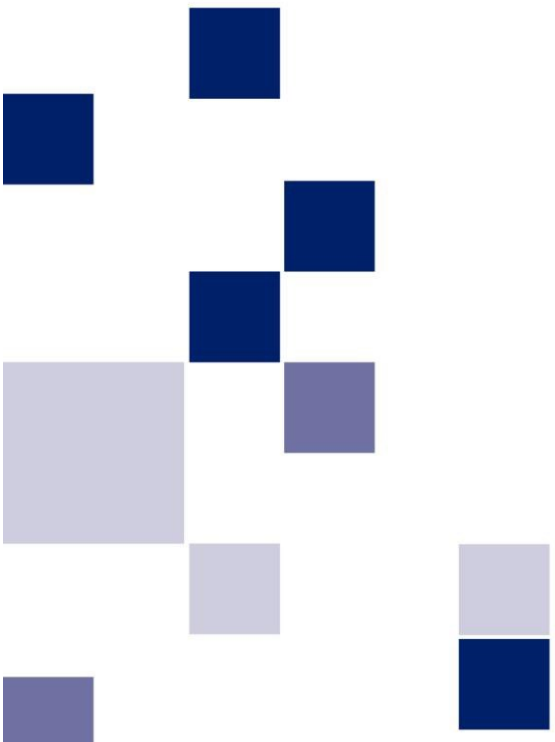




Annual Procurement Report 2023/24

October 2024



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Approved by:
Audit and Assurance Committee: 29 October 2024

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1.0 INTRODUCTION

1.1 About the SSSC

The Scottish Social Services Council (SSSC) is the regulator for the social work, social care and children and young people workforce in Scotland. We were established in 2001 by the Regulation of Care (Scotland) Act 2001 to regulate social service workers and to promote their education and training.

We protect the public by registering this workforce, setting standards for their practice, conduct, training and education and by supporting their professional development. Where people fall below the standards of practice and conduct, we can investigate and take action.

We:

- publish the national Codes of Practice for people working in social work, social care and children and young people services and their employers
- register this workforce and make sure they adhere to our Codes of Practice
- promote and regulate their learning and development
- lead workforce development and planning for this workforce in Scotland and provide national statistics.

1.2 Strategic outcomes

Outcome 1: People who use services are protected by ensuring the regulated workforce is fit to practice.

Outcome 2: The SSSC supports and enhances the development of the registered workforce to deliver high standards of practice and drive improvement.

Outcome 3: Our workforce planning activities support employers, commissioners and policy makers to deliver a sustainable, integrated and innovative workforce.

Outcome 4: The social work, social care and early years workforce is recognised as professional and regulated and valued for the difference it makes to people's lives.

1.3 Values

In everything we do, we believe the people of Scotland have the right to be safe when accessing social care services. We do this by listening, learning and then doing the right thing.

Our values are:

- Work together
- Accept responsibility and accountability
- Recognise and respect others.

2.0 PROCUREMENT STRATEGY

The SSSC and the Care Inspectorate published a joint Procurement Strategy in 2023. This strategy covers the period April 2023 to March 2026 and is designed to take a responsible and sustainable approach to procurement. The strategy has the following key priorities:

1. deliver best value
2. deliver sustainable procurement
3. raise the level of procurement knowledge, skills and expertise
4. provide timely performance information
5. demonstrate a continuous improvement approach to our practice
6. deliver inclusive procurement

The purpose of this report is to record and publish SSSC's procurement performance and progress in delivering its procurement strategy.

3.0 KEY PRIORITIES

3.1 Deliver Best Value

Procurement spend subject to procurement legislation and procedures excludes the following:

- Payroll expenditure
- Internal spend - ie spend or cross charging between departments.
- All direct payments to Her Majesty's Revenue and Customs (HMRC)
- Rent and rates
- Shared services
- Reimbursement of travel and subsistence
- Student disbursements
- Fitness to Practice Panel Members
- Practice learning fees
- Voluntary Sector Development Fund.

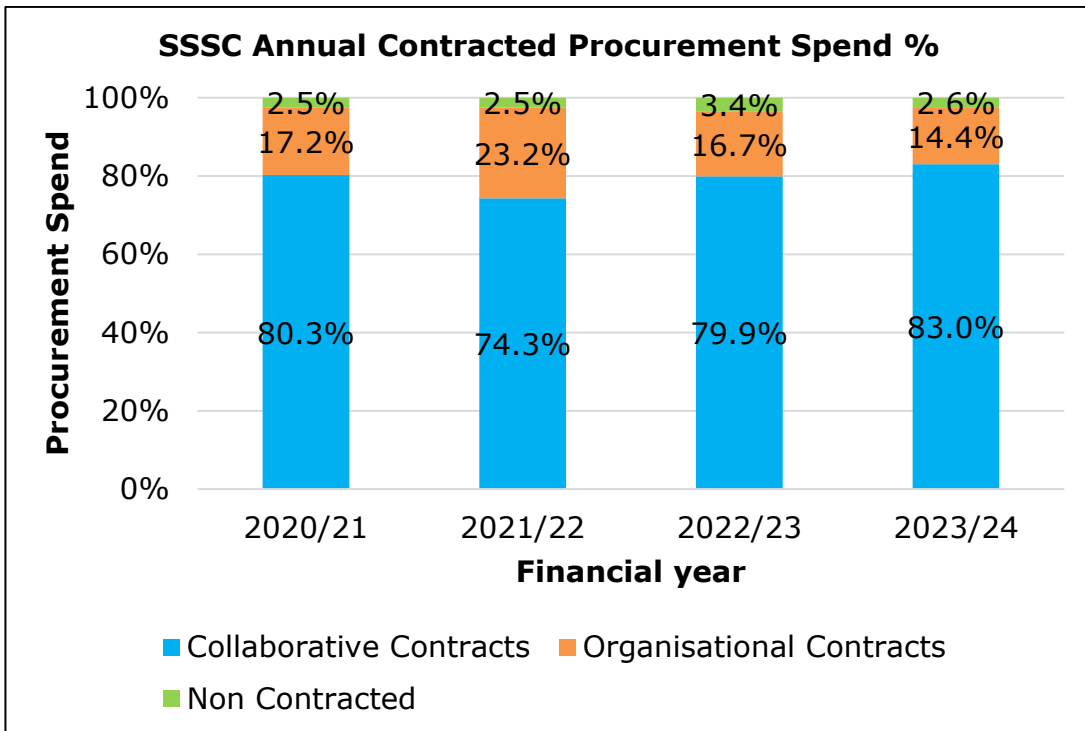
To make sure we achieve value for money in our procurement activity, we prepare sourcing strategies for all regulated procurements.

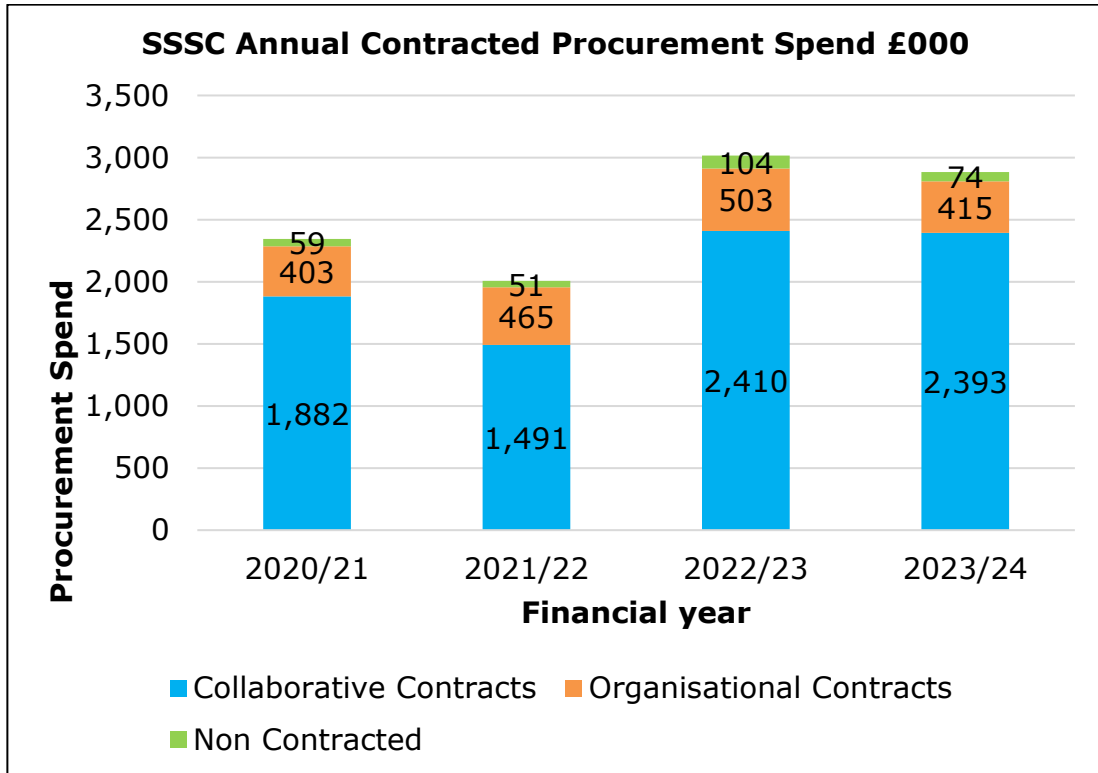
The table below shows the value and volume of procurement activity for the year to 31 March 2024 (figures for the year to 31 March 2022/23 are shown for comparison):

Table 1: Value and Volume Summary	2023/24	2022/23
Total Spend	£6,257,579	£6,406,335
Total Procurement Spend	£2,882,888	£3,016,142
Total Invoice Value	£5,376,773	£6,125,623
Number of Invoices	1,192	1,182
Number of Suppliers Paid*	474	426
Average Invoice Value	£4,511	£5,182

* No of suppliers includes 86 paid by electronic purchasing card (2022/23: 77)

The analysis of procurement spend between spend on collaborative frameworks and spend on organisation owned contracts and frameworks is shown in the graphs below.





As can be seen from the analysis above, contracted spend continues to be very high with 97% of procurement spend compliant with our procurement thresholds (2022/23: 96.5%) from contracts. A very small proportion of spend is classified as non-contracted. This represents spend with suppliers where there is no contract in place and an analysis of this is provided in 3.1.2.

3.1.1 Collaborative Procurement

We use collaborative frameworks wherever possible and only tender for our own procurement when there is not a suitable framework in place. Spend on collaborative procurement continues to represent the highest value of procurement spend. During the year we have undertaken mini-competitions and continued to call off frameworks with the following contract or framework owners:

- Scottish Procurement and Property Directorate (SPPD)
- Crown Commercial Services (CCS)
- Care Inspectorate
- Scottish Prison Service (SPS)
- National Services Scotland (NSS)
- HMRC
- Yorkshire Purchasing Organisation (YPO).
- Fusion21 (social enterprise).

3.1.2 Non-Contracted Spend

Non contracted procurement spend comprises expenditure with suppliers where we do not have a contractual relationship with. This totals £74k (3%) of total procurement spend. This is an improvement in the reported position for 2022/23. An analysis of this is:

	£000
Spend now regularised	56
Future requirement to be sourced through compliant procurement route	18
Total	74

All regulated procurement spend is compliant with our procurement guidance.

All non-complaint spend is addressed directly with the relevant officers.

3.1.3 Contract Benefits Realised

We have calculated reported procurement savings following the 'Procurement Benefits Reporting Guidance' which was developed for the Scottish Public Sector.

We have realised savings totalling £166k (2022/23: £250k) from procurement during the year. This comprises £112k cash (2022/23: £212k) and £54k non-cash savings (2022/23: £38k).

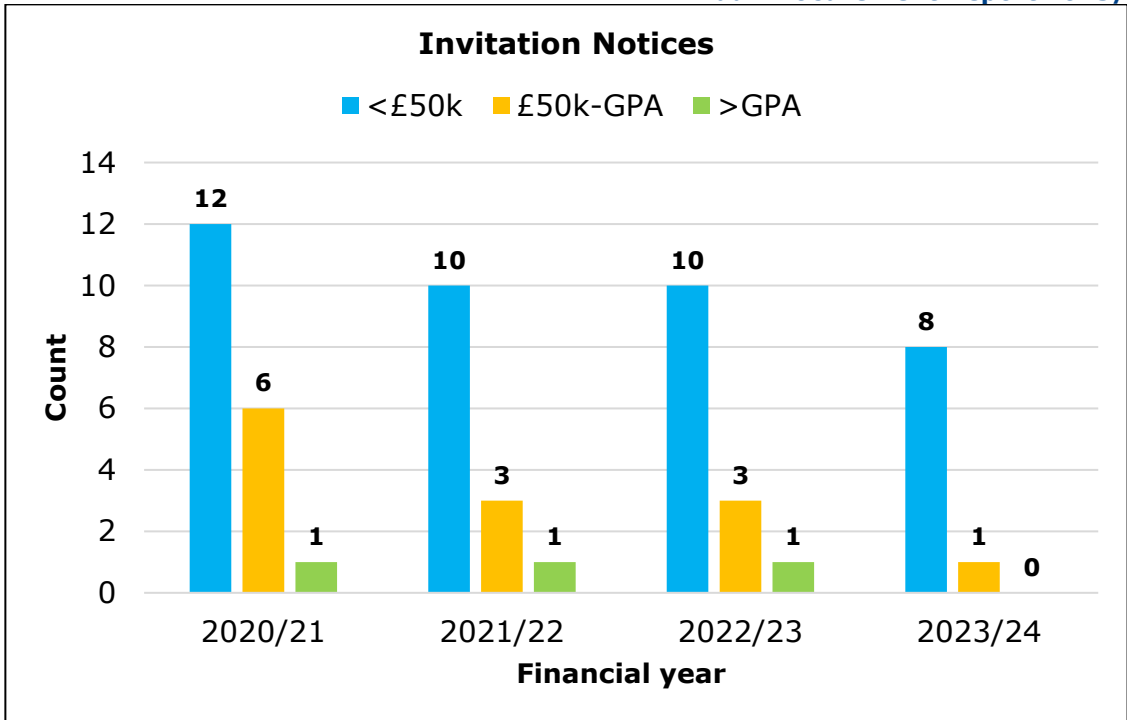
The highest savings were realised through a non-regulated competition for the provision of Leadership & Management Development Training.

Sustainability benefits realised during the year are detailed in 3.2.

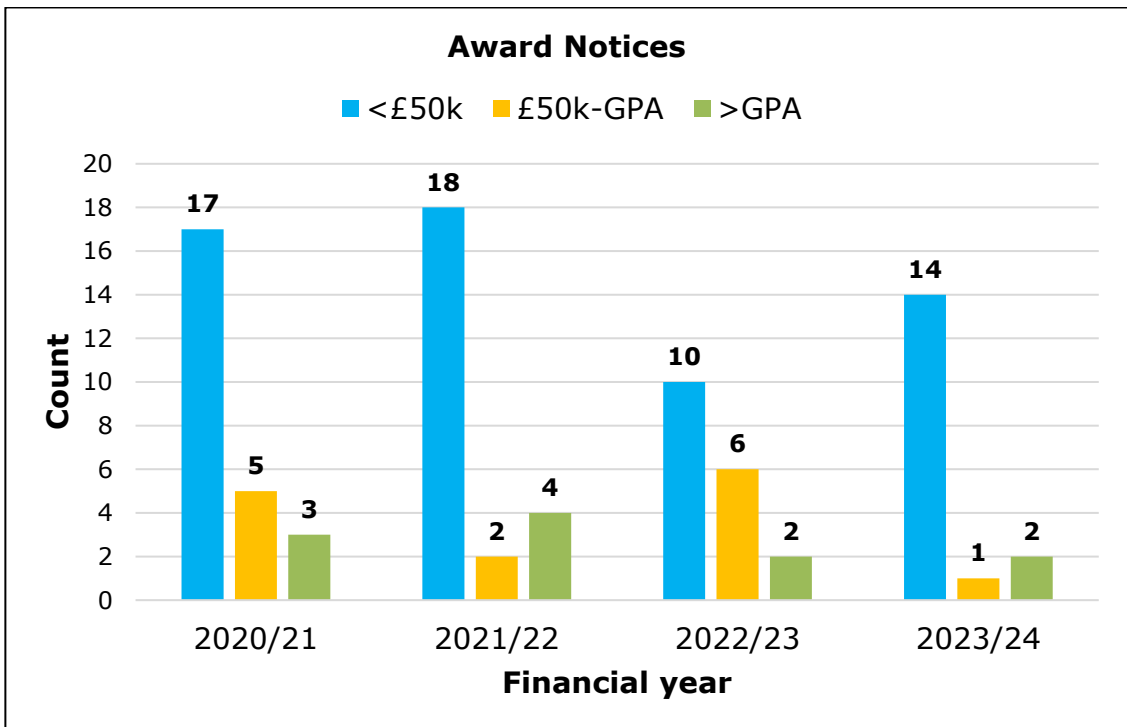
3.1.4 Summary of Procurement Activity 2023/24/3

We are committed to making public procurement open and accessible to businesses and especially small and medium sized enterprises (SMEs), the third sector, supported businesses and not for profit organisations. We advertise our tender opportunities greater than £10,000 electronically. Our contract register is publicly available on Public Contracts Scotland.

The following summarises the invitation notices issued:



We awarded 17 contracts during the year. The awards greater than the Government Procurement Agreement (GPA) threshold were either direct awards through single supplier frameworks or contracts awarded using a Dynamic Purching System (DPS).



3.1.5 Forward Procurement Plan

We publish a two-year plan of our procurement activity to promote wider participation in our procurement process. This plan gives notice to suppliers of future opportunities and provides the following information:

- the subject matter
- whether it is a new, extended or re-let procurement
- anticipated route to market
- the expected contract notice publication date
- expected contract award date
- expected contract start date

3.1.6 Electronic Purchasing Card

We encourage purchasing and payment by electronic purchasing card (ePC) when paying for low value, high volume goods and services. There were 311 (2022/23: 288) transactions totalling £45,118 (2022/23: £50,080) made using this purchasing method in 2023/24 with an average transaction value of £145.07 (2022/23: £173.88).

3.1.7 Invoice Analysis

We processed a total of 1,192 invoices (2022/23: 1,182m), totalling £5.377m (2022/23: £6.126m) in value during the year.

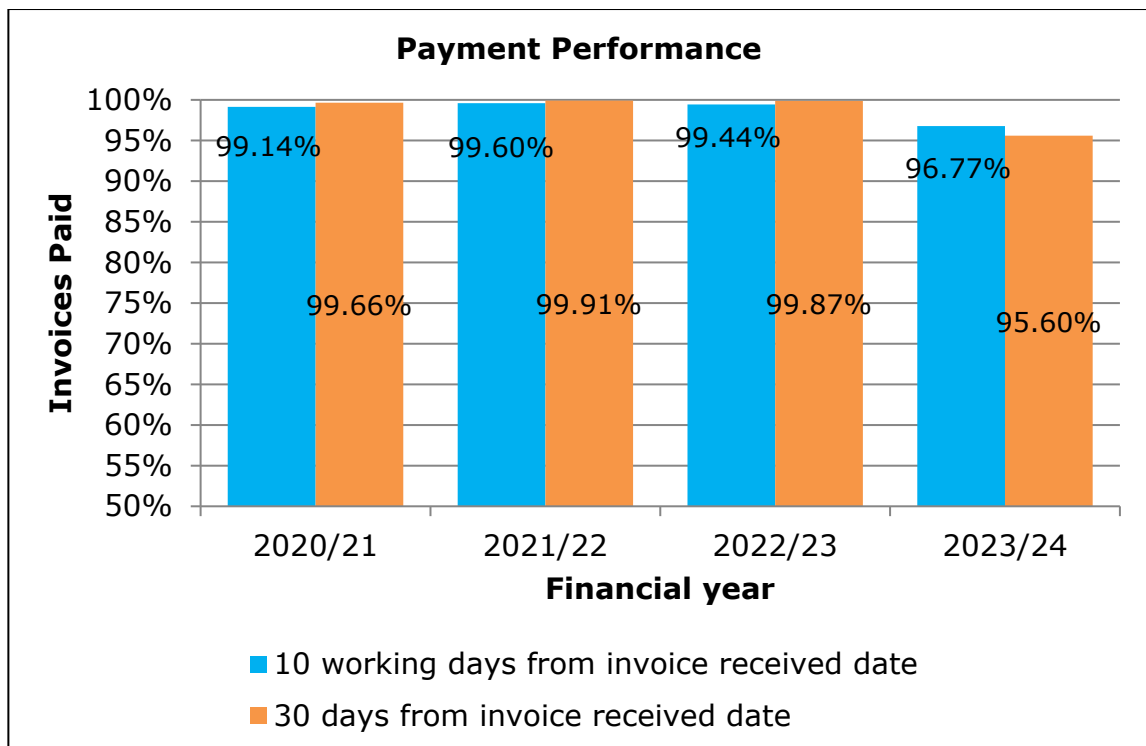
We continue to explore opportunities for consolidating invoicing and purchasing low value goods and services using ePCs, where savings are realised from the reduction in volume of invoices processed. The cumulative saving from this is £15k (2022/23: £14k) which is reported in the non cash savings in 3.1.3.

3.2 DELIVER SUSTAINABLE PROCUREMENT

The SSSC has a duty to comply with the sustainable procurement duty as detailed in the Procurement Reform (Scotland) Act 2014. The procurement strategy details our sustainability priorities and our progress towards achieving those are outlined in 3.2.1 to 3.2.6.

3.2.1 Prompt Payment to Suppliers

We are committed to paying our suppliers promptly and we continue to maintain payment performance at a very high level. 96.77% of suppliers were paid within 30 days of the invoice received date, and 95.60% paid within the Scottish Government’s target of 10 working days. The following shows payment performance for the financial years 2020/21 to 2023/24.



The reduction in the percentage of suppliers paid within 30 days and within 10 days is due to an adjustment to the payment performance model.

3.2.2 Paying the Living Wage Through Regulated Procurement

We promote fair work practices in all our tender documentation and are committed to promoting the use of the Real Living Wage. We are accredited as a Real Living Wage employer.

We have awarded 17 contracts or call-offs during the year where sustainability benefits were secured. Of those, 10 suppliers documented that they pay the Real Living Wage or the Living Wage for the provision of the following categories of goods and services:

Contracted Service	Award Value £000
Temporary/interim staff	137
Leadership management and development training	50
Social work practice funding: research & evidence	29
Legal services	28
English to English transcription services	25
General office supplies	5
Banking services	4

We also benefit through a shared service agreement with the Care Inspectorate from the award of these contracts where the suppliers have agreed to pay at least the Real Living Wage or the Living Wage:

- total cleaning services (contract award value £584,000)
- search and selection services (contract award value £170,000)
- security alarms, CCTV and access control provision, maintenance and monitoring (contract award value £22,000).

3.2.3 Community Benefits

We promote the use of community benefits within procurement exercises where they are relevant and proportionate to the contract. We have not had any contracts exceeding the reporting threshold of £4m in value, however, we continue to call-off of Scottish Procurement and Property Directorate collaborative frameworks which support the provision of apprenticeships, work placements, community volunteering, science technology engineering & mathematics (STEM) learning and partnering arrangements.

We also continue to realise the following benefits from the award of contracts:

- pro bono legal services to social enterprises
 - the provision of approved work placements for secondary school pupils and support for events to promote and encourage entrepreneurship
 - an opportunity for a modern apprentice to be involved in the delivery of the contract
 - free advice and help to charity and not for profit clients around financial and fundraising activities. As a new client, we have access to this
 - a commitment to working with us in supporting charitable causes
 - a commitment to work closely with Elevator on the Dundee Accelerator Programme and provide financial and specialist business improvement advice to the business incubator which assists fledgling companies to become market and investor ready
 - creating employment opportunities for long term unemployed people
 - volunteering opportunities
- recruitment of school leavers for Association of Accounting Technicians (AAT) via the modern apprenticeship route and the Institute of Chartered Accountants of Scotland (ICAS) direct entry route towards the CA qualification.

We continue to receive the following benefits in the award of our Legal Services framework in 2022/23:

- improved access to, and socio-economic diversity within the legal profession
- paid workplace experience to members of the Scottish Ethnic Minorities Lawyers Association
- paid internships to members of Black Professionals Scotland
- workplace opportunities 15–16-year-olds
- one school visit per annum as members of Developing the Young Workforce to encourage the care sector as a career
- Schools Mock Court Project delivered to a school identified by SSSC
- provision of one day supplier development programme per annum to SME's.
- our catering services contract donates to foodbanks and community fridges and works with Zero Waste Scotland to minimise waste from their products. They also offer two kickstarter placements and use local produce.

The SPPDs Banking Services framework offers an apprenticeship programme, funded educational programmes and work experience opportunities.

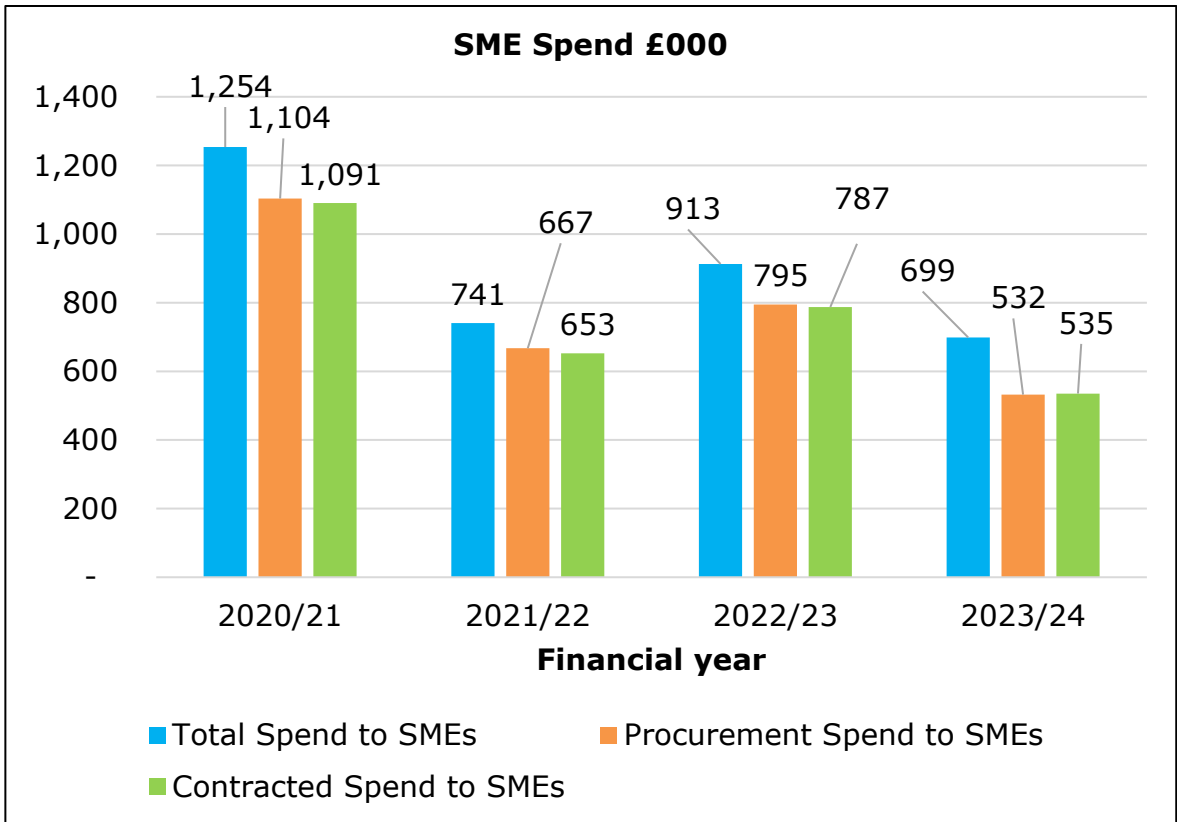
The SPPDs General Office Supplies framework offers volunteering in the community, partnering with Young Enterprises Scotland as well as modern apprenticeships.

3.2.4 SME's, Local Businesses, Supported Businesses and the Third Sector

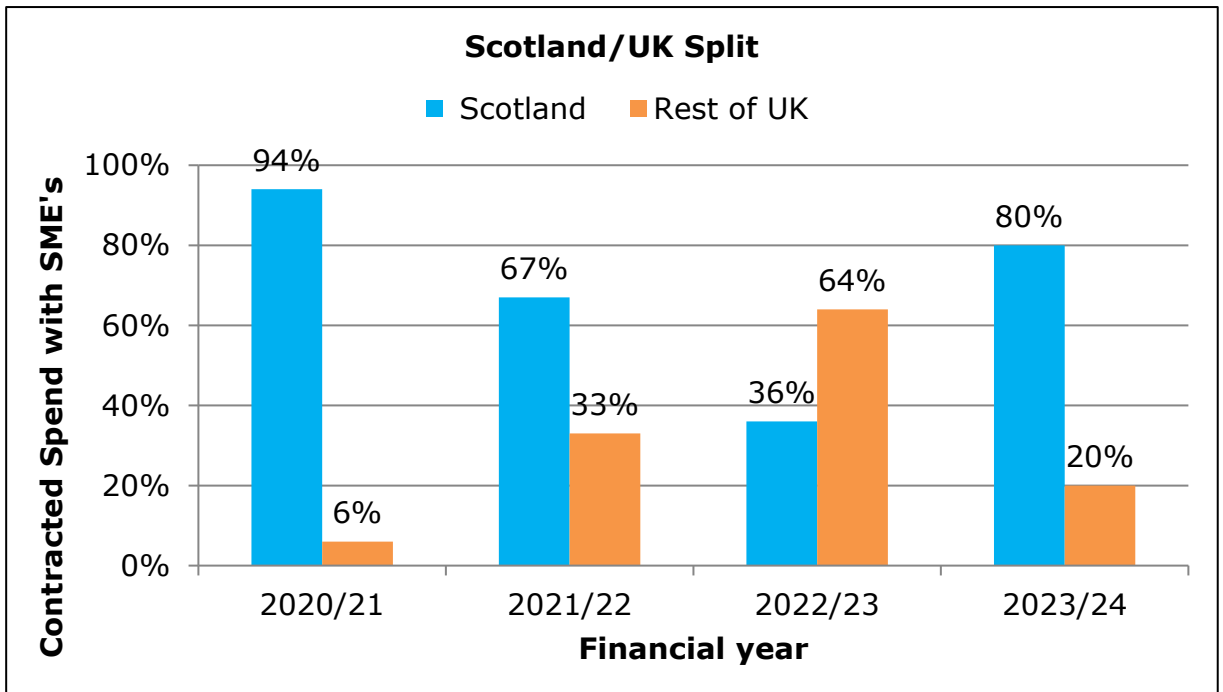
We continue to address sustainability in procurement during the year.

We publish a directory of supported businesses on the SSSC intranet. This directory provides supported businesses contact details including website links and a summary of goods and services provided by each supported business.

We capture spend with SME's, social enterprises and third sector suppliers. Our spend with SMEs in 2023/24 is £0.699m (22/23: £0.913m), representing 11% of our total spend (14%) and 18% of our procurement spend (2022/23: 26%). An analysis of our annual spend with SMEs is shown in the graphs below with the reduction in spend due to previous SMEs business growth meaning they are no longer classed as an SME.



Further analysis of this spend between Scottish SMEs and other UK SMEs is represented in the table below:



3.2.5 Fair and Ethical Trading

We assess a bidder's suitability to be awarded the contract for all regulated procurement. This process includes considering whether the bidder has been convicted of offences or committed any acts of professional misconduct which would exclude them from our procurement process.. There were no tenders where mandatory or discretionary grounds for exclusion were applied.

Our standard terms and conditions allow us to end a contract if the contractor or subcontractor fails to keep to their legal duties in the areas of environmental, social or employment law when carrying out that contract.

3.2.6 Other Sustainability Benefits

We maintain a sustainability tracking tool where we capture sustainability benefits in our procurement. For 2023/24 the SSSC awarded five contracts and 12 call-off agreements where the following social, environmental and economic benefits were realised:

- | | |
|-------------------------|--|
| Environmental benefits | <ul style="list-style-type: none"> • Vehicle emission reduction • Carbon and energy consumption reduction • Reduction in carbon in production • Waste and efficient resource consumption |
| Socio-economic benefits | <ul style="list-style-type: none"> • Fair work first principles • Employment skills and training • Communities • Awards to SMEs and micro businesses • Equalities within the workforce. |

These benefits relate to regulated and lower value contracts.

1. Many of our contracts include the delivery of services remotely, reducing the carbon emissions and providing a cost benefit from the reduction in travel time and cost. Where services are delivered face to face, we encourage this to be locally based where possible.
2. Our office supplies contractor partners with a social enterprise to provide closed loop recycling and prevent the use of single use plastic in their supply chain.
3. Our mobile voice and data services contract provides device disposal, recycling, reuse and wiping service free of charge.
4. We continue to work in an agile way, maintaining more sustainable methods of working. Our paper requirement has continued to remain low, only 11% of the volume used pre pandemic. We continue to only purchase sustainable promotional materials.
5. Hosting. Support and maintenance services from 100% green energy.

Other sustainability benefits we continue to receive include:

- sub-contracting arrangements with Scottish companies and SMEs
- supply of paper from sustainable chains and active promotion of carbon capture
- energy consumption from certified renewable sources
- removal and recycling of packaging

3.3 RAISE THE LEVEL OF PROCUREMENT KNOWLEDGE, SKILLS AND EXPERTISE

The SSSC continues to invest in ensuring our staff are equipped with the right tools and experience to discharge their procurement duties effectively and efficiently. The Procurement Team maintains a central procurement training register. Activities during the year included:

- Delivery of training at SSSC Team level. This allows them to deliver the training around individual team requirements, making sure it was meaningful and relevant. During the year, they delivered seven training events.
- Our procurement team attended several external courses during the year to keep their skills and learning up to date, and to share this learning with the wider workforce who have a procurement role.
- We appoint contract managers for all relevant contracts, and we hold regular contract management meetings for all key contracts. We effectively manage supplier performance on key contracts to deliver value for money.
- Contract management training has been delivered to all staff with responsibility for managing contracts. This is further supported by mandatory completion of contract and supplier management e-learning modules and a contract management handbook.
- Staff with delegated procurement responsibility are asked to complete climate literacy e-learning modules.
- The procurement team collate contract management information bi-annually and maintain a central record of this which is linked to the contract register.

The Procurement Team has also had an integral role in the creation of lessons learned reviews during the year. These are shared with the wider internal procurement community to make sure they consider these valuable lessons for future procurements.

3.4 PROVIDE TIMELY PERFORMANCE INFORMATION

The Procurement Development Group (PDG) provides an opportunity where key procurers within the SSSC and the Care Inspectorate can discuss best practice, new developments and procurement plans with a specific aim of developing and improving the organisation's procurement capability and the effectiveness of our internal processes. The PDG informs the development of our internal procedures and reporting requirements, both internally and to Scottish Government.

A set of agreed performance measures are reported to this group biannually where they review progress against targets and discuss solutions for further improvement.

This report on annual performance is also presented to this group, the Executive Management Team and the Audit and Assurance Committee. We will incorporate feedback from this report into the 2024/25 procurement action plan as required.

Outwith the above, we report any areas of concern to the relevant management team as they occur.

3.5 DEMONSTRATE A CONTINUOUS IMPROVEMENT APPROACH TO OUR PRACTICE

The public procurement landscape and the economic environment is constantly evolving. This year, through a benchmarking exercise with other public sector bodies we reviewed our current thresholds directing the route to market for requirements with an aggregate spend of less than the regulated threshold of £50k.

Whilst our thresholds remained within the parameters of the benchmarked organisations, we recognised that the cost of goods and services have increased in line with general inflationary increases. This, alongside our excellent procurement performance, suggested there was scope for increasing the threshold where only one quote is needed. We increased this to £5k during the year.

Our delivery of best value is supported by our relationships with Central Government Procurement Shared Service (CGPSS) and our Cluster Group. These relationships encourage partnership working through the sharing of knowledge and best practice.

We reviewed our internal processes and guidance which were updated to reflect any changes identified through lessons learned, our partnership working and Scottish Procurement Policy Notes.

3.6 DELIVER INCLUSIVE PROCUREMENT

We are committed to providing procurement services that are equitable, fair, inclusive and accessible to everyone. We added an equalities section to our tender documents to make sure our procurement process complies fully with the Equality Act 2010, with bidders asked to supply evidence of their commitment to equality and diversity where appropriate and relevant to do so.

- We make public procurement open and accessible to businesses, especially small and medium sized enterprises (SMEs), the third sector, supported businesses and not for profit organisations.
- We advertise tender opportunities greater than £10,000. Our published 2-year forward procurement plan provides advance notice of contract opportunities, both above and below the regulated procurement

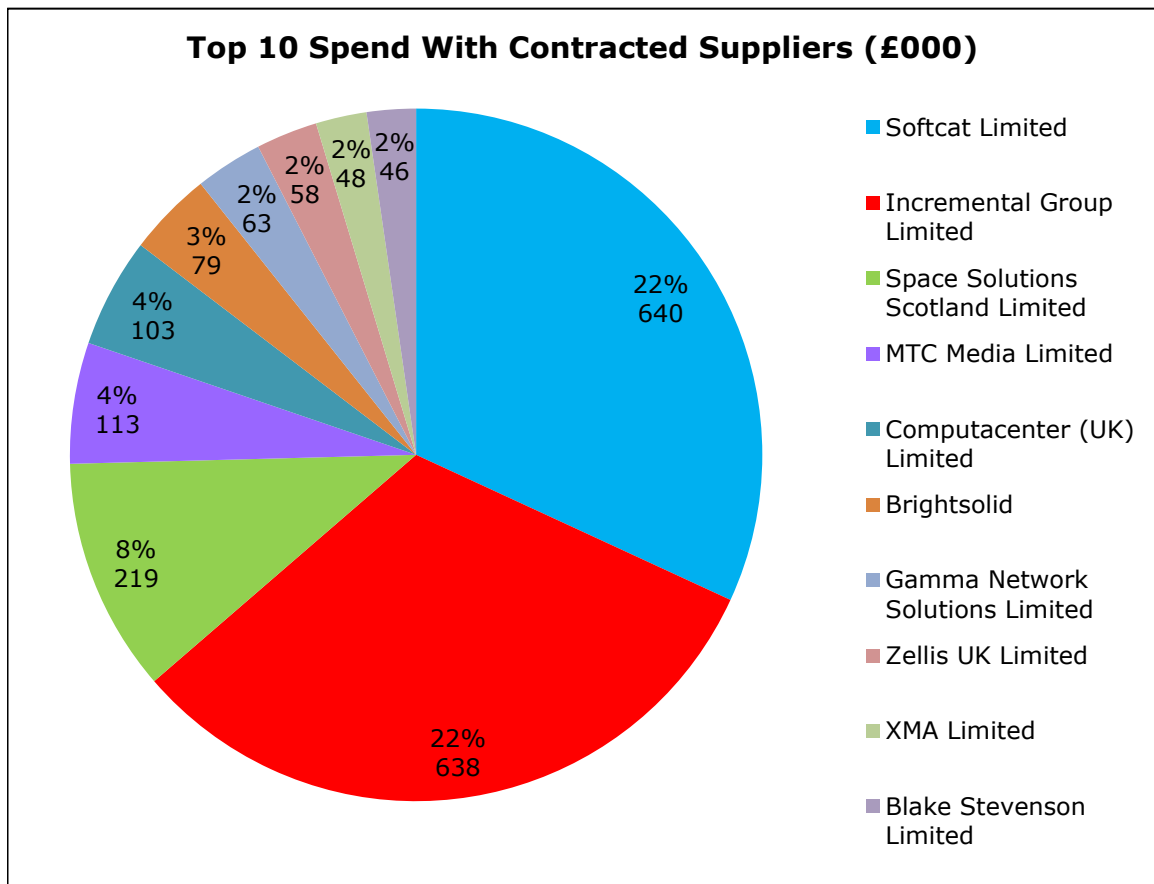
threshold.

- We review the procurement business processes on a cyclical basis to make sure they reflect current legislation and meet the needs of the users.
- We have amended and continue to amend and develop several of our processes to support the changing procurement landscape.

The success of the service delivery is informed by the Scottish Government’s procurement capability assessment, reporting on agreed performance measures, regular feedback from users of the procurement service and regular customer surveys. This feedback and follow-up actions contribute to making sure that we deliver the right level and quality of service.

4.0 TOP 10 CONTRACTED SUPPLIER

Our top ten supplier spend accounts for 71% of our total procurement spend (2022/23: 72%)



The top 10 contracted suppliers provide goods and services across the following categories of expenditure:

Spend Category	Spend value £000
Information systems	1,667
Property costs	184
Professional fees	120
Furniture & equipment	31
Training & development	5
	2,007

5.0 SUPPLIER ACTIVITY

The Procurement Team review active suppliers quarterly with the aim being to make sure we only set up suppliers in the creditors ledger that we do regular business with. We make suppliers 'inactive' if we have not used them for a period of thirteen months and any request to use them requires completion of a procurement **template** to make sure we comply with procurement procedures. Only when we have done this can we create new suppliers or update inactive suppliers to 'active' status. This makes sure we analyse current contract arrangements and buy from a contract wherever possible. This is also good practice to mitigate the risk of purchasing or supplier fraud.

The number of active suppliers at 31 March 2024 was 262 (2022/23: 250) comprising the following:

- 146 supplier sites for the supply of goods and services (2022/23: 153)
- 76 social service members (2022/23: 79)
- 40 legally qualified chairs (2022/23: 18)

6.0 CONCLUSION

The SSSC continues to make good progress towards the achievement of the published procurement priorities. We have updated the procurement action plan, which supports the procurement strategy, to reflect current priorities. The implementation of this plan will support continued development in procurement.

Glossary

Term	Description
Call off	Either mini competition or direct call off from a collaborative framework using framework conditions.
CGPSS	Scottish Government Central Government Procurement Shared Service.
Collaborative Frameworks	A collaborative framework is a framework which has been awarded to meet the needs of a number of public sector organisations.
Community Benefits	Contractual requirements which deliver a wider social benefit in addition to the core purpose of the contract. In particular, requirements in relation to targeted training and employment outcomes.
Contracted spend	Spend which is compliant with SSSC procurement governance.
Dynamic Purchasing System (DPS)	An electronic process of pre-qualified suppliers, for commonly used purchases which are generally available on the market, from which the Scottish public sector could invite tenders. As a procurement tool, it has some aspects that are similar to a framework agreement, however, it is a fully electronic process and new suppliers can apply to join at any time.
GPA	Government Procurement Agreement. Applies to procurement of minimum estimated value equal to or exceeding certain specified financial value thresholds.
Living Wage	National minimum wage for workers aged over 25.
Non contracted	Spend not linked to a formal contract which is recorded on the contract register.
Own contracts	Contracts advertised and awarded by the SSSC.
Procurement Cluster Group	Group of Scottish Public Sector bodies of differing sizes who meet to discuss best practice, new developments and procurement plans. This facilitates the development of procurement capability within the Scottish Public sector.
Procurement spend	Spend which is influenced by Procurement governance arrangements.
Public Contracts Scotland (PCS)	Public procurement advertising portal where contract notices and awards are published.
Regulated procurement	Procurement seeking offers in relation to a contract with a value of £50,000 or over.

Real Living Wage	Living wage calculated to be sufficient to provide the necessities and comforts essential to an acceptable standard of living. Applies to all workers over the age of 18.
SME	The usual definition of small and medium sized enterprises (SMEs) is any business with fewer than 250 employees.
Supported Business	A supported business' primary aim is the social and professional integration of disabled or disadvantaged persons. At least 30 percent of the employees of those businesses should be disabled or disadvantaged.
Third Sector	Term used to describe the range of organisations that are neither public sector nor private sector. It includes voluntary and community organisations (both registered charities and other organisations such as associations, self help groups and community groups), social enterprises, mutuals and cooperatives.



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