



**TRANSPORT
SCOTLAND**
CÒMHDHAIL ALBA

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Procurement Strategy

2023-2024

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Foreword

Transport Scotland is the national transport agency for Scotland and performs a crucial role in the movement of people, essential goods and services. Procurement underpins much of the delivery of our priorities, as well as having a notable impact on Transport Scotland's performance and success. Transport Scotland's Procurement Strategy is revised annually in line with requirements of sections 15, 17 and 19 of the [Procurement Reform \(Scotland\) Act 2014](#).

Our Procurement Strategy 2023-2024 is underpinned by the recognition of the wider impact that procurement policy and practice has on achieving the Scottish Government's Purpose, as it is set out in the [National Performance Framework](#). The commitments made in this Procurement Strategy support our vision for procurement:

“To support the delivery of value for money, sustainable and innovative infrastructure and services in fulfilment of the Scottish Government's ambition and vision for transport, and Transport Scotland's corporate commitments through a strategic and systematic approach to procurement.”

The procurement of works, services and goods to support infrastructure investment enables the delivery of a sustainable, inclusive, safe and accessible transport system for the benefit of the people of Scotland.

Independent assessment through the Scottish Government's Procurement and Commercial Improvement Programme has verified that Transport Scotland has a high level of procurement capability. We continue to look at ways to build on this achievement by improving our performance, procuring in a sustainable manner, and encouraging innovation to achieve the maximum benefit from the Scottish Government's investment in transport while promoting a just transition to net zero.

The COVID-19 pandemic caused significant pressures on society, the economy and the transport network, and we are working with transport operators and our suppliers to support their recovery from this period. Ensuring that our procurements support the development of our supply chain, provide opportunities for Fair Work, and drive the Scottish Government's net zero agenda are key to supporting that recovery, in line with the [National Strategy for Economic Transformation](#).

1. Executive summary

Procurement and commercial capability are key enablers to successfully delivering Transport Scotland's business.

Our financial resources are part of the Scottish budget which is currently set on an annual basis to support the delivery of the [National Transport Strategy](#) (NTS2) and the [second Strategic Transport Projects Review](#) (STPR2), to create a sustainable, inclusive, safe and accessible transport system, which in turn will help to deliver a healthier, fairer and more prosperous Scotland for communities, businesses and visitors.

While a large part of this budget is allocated to other public and private sector organisations through grants and support, our procurement spend is significant and more than £800 million was spent on contracts under our management in 2022-2023.

As an agency of the Scottish Government, and in line with the [Procurement Reform \(Scotland\) Act 2014](#), we have reviewed and updated our Procurement Strategy to ensure that it continues to support the Scottish Government's goals and procurement priorities. Our Procurement Strategy sets out the strategic direction of Transport Scotland's procurement activity for 2023-2024 taking account of our legal obligations, ensuring that we make the best use of public money, whilst protecting our climate and improving lives.

Transport Scotland publishes an [Annual Procurement Report](#) on the performance of our regulated procurements, with the most recent published in June 2023.

2. Transport Scotland's corporate commitments

2.1. Transport Scotland's Procurement Strategy in context

Transport Scotland's Procurement Strategy identifies the key policies and processes to be followed in undertaking our procurement activity. It sets out our corporate procurement aims and associated actions to support the achievement of Scottish Ministers' ambition and vision for transport, as well as the strategic direction of our procurement activity for 2023-2024.

The Scottish Government published the first [Public Procurement Strategy](#) for Scotland on 27 April 2023. The vision statement for public procurement in Scotland is:

“Putting Public Procurement at the heart of a sustainable economy to maximise value for the people of Scotland”.

The Scottish Government's [Public Procurement Strategy](#) details how procurement enablers can be used to support the delivery of four key objectives through our procurement activity:

- good for businesses and their employees
- good for places and communities
- good for society
- open and connected

These procurement objectives and their enablers are reflected in Transport Scotland's procurement priorities in this Corporate Procurement Strategy. This strategy also sets out the framework in which we will ensure that procurement delivers value for money and sustainability, whilst being conducted to high professional standards and in accordance with the relevant legal requirements.

2.2. Transport Scotland's corporate delivery commitments

As an agency of the Scottish Government, Transport Scotland supports and advises the Government on the strategy and policy options for transport in Scotland. This enables the delivery of major transport projects and maintains the infrastructure of Scotland. The agency is responsible for funding the development, operation and improvement of the trunk road, ferry, canal and railway networks in Scotland, Highlands and Islands and Prestwick airports, the provision of rail and ferry services, securing air routes for Scotland, the national concessionary travel schemes and the provision of network traffic and travel information services.

As an enabler for enhancing productivity and delivering faster, more sustainable growth, transport is a key element of the overall strategy for infrastructure investment and is central to the Scottish Government's ambitions for a low carbon economy.

We seek to deliver a sustainable, inclusive, safe and accessible transport system for the benefit of the people of Scotland. The Scottish Government published the First Minister's [Equality, opportunity, community: New leadership - A fresh start in April 2023](#). This publication sets out the First Minister's vision for Scotland and the outcomes the government aims to achieve by 2026 against the backdrop of the current cost of living crisis, the ongoing war in Ukraine and the economic recovery from Brexit and COVID.

In addition, the [National Strategy for Economic Transformation](#) was published in March 2022 which sets out a strategy for putting people and opportunities at the centre of Scotland's economy as it develops over the next 10 years. Our [Corporate Commitments](#) support this programme and sets out the commitments that Transport Scotland will deliver to support the Scottish Government's Purpose. The [National Transport Strategy \(NTS2\)](#) presents the vision for Scotland's transport system over the next 20 years, which is:

"We will have a sustainable, inclusive, safe and accessible transport system, helping deliver a healthier, fairer and more prosperous Scotland for communities, businesses and visitors."

Our Vision

We will have a sustainable, inclusive, safe and accessible transport system, helping deliver a healthier, fairer and more prosperous Scotland for communities, businesses and visitors.



Figure 2.2

The vision is underpinned by four priorities, each with three associated outcomes as shown in Figure 2.2. The vision, priorities and outcomes will be the basis upon which we take decisions and evaluate the success of Scotland’s transport policies going forward. Procurement will be key in delivering the vision. The [National Transport Strategy Second Delivery Plan](#) sets out the practical actions which will deliver the vision, providing a coordinated overview to our transport investments and projects.

A core part of the NTS2 delivery plan is the second [Strategic Transport Projects Review \(STPR2\)](#). The final reports on the STPR2 were published in December 2022 and will inform transport investment in Scotland for the next 20 years (2022-2042). These provide evidence-based recommendations on which the Scottish Ministers can base future transport investment decisions and cover all active travel methods. STPR2, in addition to tackling inequalities and promoting health and wellbeing, supports Scotland’s net zero targets by addressing how transport emissions can be reduced.

In June 2021, the Scottish Government’s Public Procurement Group (PPG) set the strategic vision and direction for public procurement in Scotland. Following consultation across the public sector and with representatives from business and the third sector, the PPG has published a set of seven [Public Procurement Priorities](#) for all public procurement leaders. These priorities are embedded into chapter 6 of this procurement strategy and we are committed to using the power of procurement to deliver and influence outcomes that are good for the people of Scotland.

The Scottish Government's second [Just Transition Commission Report](#) was published in July 2022. This report sets out strategic priorities to ensure the decarbonisation of Scotland's economy is delivered fairly. Transport Scotland is committed to achieving Net Zero by the 2045 target and will include Climate Change considerations in all relevant procurement projects.

2.3. Transport Scotland's procurement spend

Transport Scotland has a wide range of procurement needs to enable the agency to deliver its responsibilities. In 2022-2023 we spent over £800 million on contracts under our management. This represents a substantial proportion of our budget with most of the remainder being expended as grant funding and other forms of support to public and private sector organisations.

On average we have more than 250 contracts in place at any one time. These range from large-scale contracts such as those associated with trunk road maintenance and provision of ferries services, through to smaller contracts including the purchase of goods and services needed to keep our staff and offices supported and operational.

In accordance with the requirements of the Procurement Reform (Scotland) Act 2014, Transport Scotland's Contracts Register, which includes details of contracts entered into as a result of a regulated procurement, is published on the [Public Contracts Scotland portal](#).

2.4. Stakeholder engagement

Effective engagement with our stakeholders on procurement matters is essential to drive innovation, best practice and collaboration. The following list, although not exhaustive, demonstrates the broad range of stakeholders that may be engaged in these discussions relating to procurements with Transport Scotland.

- active travel groups
- Association of Consulting Engineers
- British Transport Police
- Civil Engineering Contractors Association
- community groups and individual landowners and residents
- Convention of Scottish Local Authorities
- cycling groups
- Department for Transport
- disabled people organisations
- Department for Infrastructure - Roads (Northern Ireland)

- Federation of Small Businesses
- Freight Haulage Association
- National highways
- Highways Term Maintenance Association
- Local Authorities and National Park Authorities
- Mobility and Access Committee Scotland
- Network Rail
- Office of Rail and Road
- public utility providers
- public transport groups
- Rail Delivery Group
- Regional Transport Partnerships
- Scottish Futures Trust
- Scottish Government Directorates, including Scottish Government Legal Directorate and Scottish Procurement and Property Directorate
- Scottish Ministers
- Society of Chief Officers of Transportation in Scotland
- Scottish Government Agencies including those acting as Statutory bodies or Regulators e.g. NatureScot and Historic Environment Scotland
- suppliers
- third sector
- trade unions
- Transport Focus
- Transport for Wales
- universities and other academic establishments

We advertise regulated procurement opportunities, as well as lower value procurements, through the [Public Contracts Scotland Portal](#) and those valued at over the relevant UK threshold are also advertised through the UK [Find a Tender service](#). We undertake early market engagement to identify areas of savings, added value, innovation and to ensure that tendering for Transport Scotland contracts remains an attractive opportunity. We also publish Contract Award Notices for regulated procurements, including frameworks and collaborative contracts, on the [Public Contracts Scotland Portal](#).

Transport Scotland holds industry days when appropriate to promote interest in forthcoming contract opportunities and inform potential suppliers of the business

opportunities that a contract may provide. We also utilise Competitive Dialogue procedures for works contracts to encourage innovative solutions and achieve best value for money.

3. Procurement governance

3.1. Procurement governance

Procurement is an integral part of the project delivery process in Transport Scotland and consequently this activity is not undertaken by a centralised procurement function, but instead carried out by staff with appropriate skills and expertise who are members of specific project teams. Support is provided where necessary by a central procurement team.

The Scottish Procurement and Property Directorate of the Scottish Government controls the publication and dissemination of best practice, process and standards of procurement across the core Scottish Government and its Agencies, including Transport Scotland. The [Scottish Government's Procurement Policy Manual](#) sets out the requirement for Delegated Purchasing Authority (DPA) to be held by officials who are responsible for preparing contracts for goods, services and works.

Transport Scotland's procurement governance hierarchy is shown in Figure 3.1. Our Chief Executive is the accountable officer who is responsible for the regularity, propriety and ensuring value for money of procurement activity in the agency. The Chief Executive has appointed the Director of Purchasing to hold purchasing authority for all procurement relating to the management and operation of Transport Scotland. The Director of Purchasing is supported by the Depute Director of Purchasing. The Director of Purchasing has been given authority to sub-delegate purchasing authority to DPA holders in individual project teams within Transport Scotland as considered appropriate. DPA holders are empowered to prepare terms to contractually commit Transport Scotland to enter into a contract and agree changes to an existing contract affecting the financial or legal terms and conditions. Levels of purchasing authority may vary depending on the role requirements and the type and value of contracts. We have clear policies and approval procedures in place to ensure separation of duties between DPA holders and staff who hold budget authority.

The Director of Purchasing meets biannually with the Director of Procurement and Property from the Scottish Government's Scottish Procurement and Property Directorate to discuss procurement-related issues.

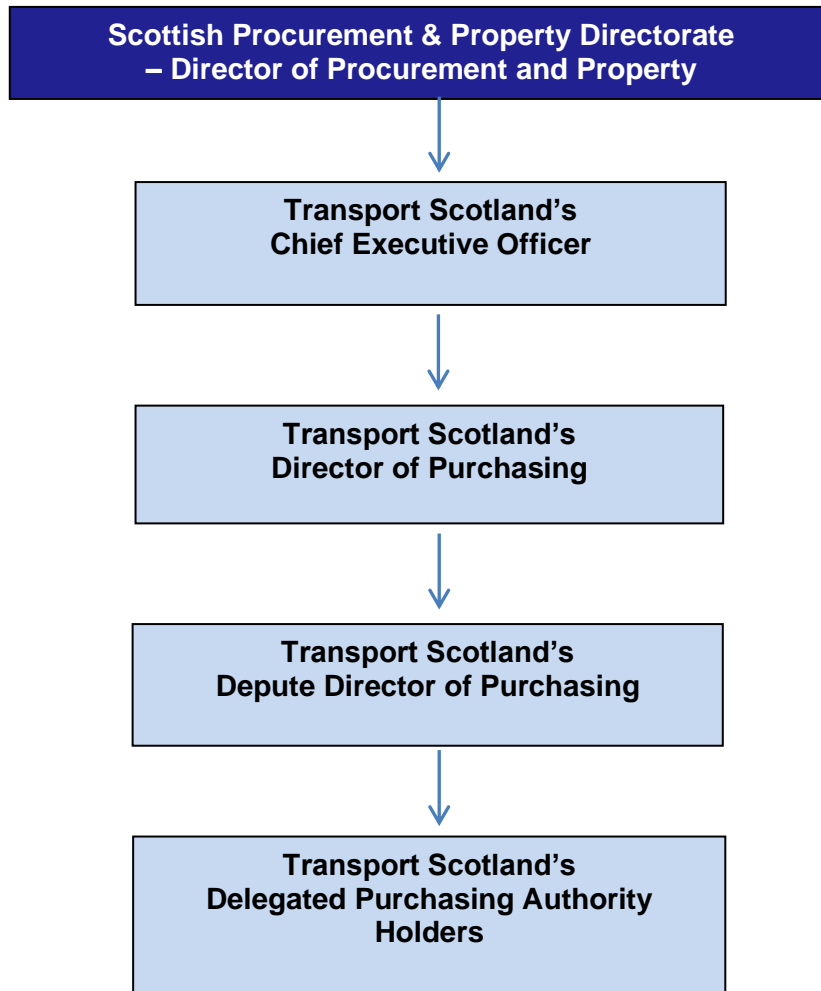


Figure 3.1

3.2. Transport Scotland’s Procurement Team

Transport Scotland’s Procurement Team, led by the Director and Depute Director of Purchasing, perform a central role in key areas of procurement activity in the organisation by:

- supporting the procurement of works, services and supplies with overall responsibility for managing the various stages of the procurement process from the development of the procurement strategy to contract award and implementation
- seeking collaborative procurement opportunities for Transport Scotland
- supporting continuous improvement in all areas of procurement practice, improving procurement capability and ensuring that procurement activity is conducted to the highest standard
- working with the wider Scottish public sector procurement community to develop, share and promote best practice

- preparing and communicating sources of guidance on procurement practice, including Transport Scotland's Procurement Advice Notes
- developing and maintaining close links with a wide range of internal and external stakeholders through liaison on matters of common interest, including engaging with suppliers to stimulate interest in Transport Scotland's contract opportunities with the aim of achieving healthy competition and best value for money
- promoting sustainability through Transport Scotland's procurements to support Scotland's National Transport Strategy 2 and its ambitious vision for our transport system for the next 20 years, including taking forward procurement actions to support the Scottish Government's [Climate Change Plan](#) and [Transport Scotland's Carbon Management Plan](#)
- supporting delivery of our infrastructure programmes and the procurement aspects of other activities and targets set out in the agency's Corporate Plan
- providing advice and support to delegated purchasing authority holders across Transport Scotland's Directorates
- participating in sharing knowledge and best practice through involvement with the Scottish Government's Procurement Collaboration and Cluster Groups
- establishing and maintaining internal procurement governance processes and records and overseeing compliance with Scottish Government procurement policy
- identifying procurement training needs and organising training for delegated purchasing authority holders and those actively involved in procurement activities to ensure their knowledge and skills are fit for purpose.

4. Procurement capability and training

4.1. Procurement capability

Transport Scotland employs a wide variety of professionals with specialisms ranging over a number of disciplines including engineering, environmental, law, accountancy and other technical disciplines. The skills of staff cover numerous competencies such as planning, project management, procurement, stakeholder engagement, budgeting, policy making and staff management. We are therefore well positioned to achieve the highest standards of innovation, professionalism and teamwork across all areas of the business.

The Scottish Government's Procurement and Commercial Improvement Programme was most recently undertaken in 2019. This programme is designed to evaluate the performance of public sector organisations' procurement activity and the assessment confirmed that our procurement capability was in the highest performance band, with a score of 92%.

4.2. Procurement training

Procurement training is key to ensuring that staff have the knowledge, skills and behaviours to achieve the desired outcomes. It is essential that our capability and skills are fit for purpose in both the short and long term. Transport Scotland fully supports continuous professional development for staff to ensure it is well positioned to achieve the highest standards of innovation, professionalism and teamwork across all areas of the business.

We operate a graduate recruitment and training programme as well as offering opportunities for modern apprenticeships.

Our Procurement Training Strategy plays a key role in supporting our overall procurement aims to deliver value for money and sustainable procurement. The Procurement Training Strategy is intended to identify the actions and resources needed to achieve this vision. This results in an annual Procurement Training Programme which takes account of changes in legislation and any identified skills gaps.

An important aspect of the Procurement Training Strategy is the alignment of training and development opportunities with the Scottish Government's Skills for Success and [Scotland's National Procurement Competency Framework](#).

DPA is only granted to staff that have demonstrated the necessary skills and have undertaken appropriate training in procurement. In addition, those with DPA must complete the Scottish Government's Scottish Procurement and Property Directorate (SPPD) Procurement Development Framework and include procurement training when preparing their Personal Learning Plan to ensure that Transport Scotland retains a high level of procurement competence.

5. Transport Scotland's procurement policy and procedures

5.1. Introduction

The following policies are embedded into existing procurement processes in Transport Scotland and are intended to assist decision making, management and administrative functions. Monitoring, review and reporting of the effectiveness of a policy is a key part of ensuring continuous improvement.

5.2. National policies

Transport Scotland staff involved in procurement are required to take account of the following national policies, legislation and tools:

- Procurement Reform (Scotland) Act 2014
- The Public Contracts (Scotland) Regulations 2015
- The Procurement (Scotland) Regulations 2016
- General Data Protection Regulations 2018
- relevant environmental and health and safety legislation, such as the Construction (Design and Management) Regulations 2015
- Published Statutory Guidance to support the implementation of the Procurement Reform (Scotland) Act 2014
- The Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012 and subsequent duties under the Public Contracts (Scotland) Regulations 2015
- Scottish Government Construction Policy Notes (CPNs), published by the Scottish Government Construction Procurement Policy Unit
- Scottish Procurement Policy Notes (SPPNs), published by the Scottish Procurement and Property Directorate
- Scottish Government's Procurement Journey
- The Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Order 2015
- Scottish Government's [Client Guide to Construction Projects](#)
- Scottish Government's National Strategy for Economic Transformation
- Scottish Government's Gifts and Hospitality standard of conduct guidance
- Scottish Government's National Performance Framework

- Public Procurement Group's Public Procurement Priorities
- Scottish Public Finance Manual
- the sustainable procurement duty tools developed by Scottish Government to assist public sector bodies to identify and address how they can optimise economic, social and environmental outcomes of procurement activity

5.3. Local policies and procedures

In addition, Transport Scotland staff are required to take account of local policies and procedures when undertaking any procurement activity, including:

- the prompt payment of invoices for works, goods and services in line with the Scottish Government's 10 day payment policy
- the requirement for appropriate staff to have a suitable level of Delegated Purchasing Authority
- Transport Scotland's Investment Decision Making procedures
- Transport Scotland's Framework Document
- Transport Scotland's requirement that procurement activity is underpinned by an approved Procurement Strategy
- Transport Scotland's Fraud Policy and Response Plan

5.4. Compliance with Requirements of Section 15(5) of the Procurement Reform (Scotland) Act 2014 and Statutory Guidance

Section 15(5) of the [Procurement Reform \(Scotland\) Act 2014](#) and the published [Statutory Guidance](#), sets out what should be included in Transport Scotland's Procurement Strategy. This section can be broadly divided into two parts, firstly how specific tasks will be achieved as set out in section 15(5) (a) and (d) and secondly what policies and approaches are in place as set out in section 15(5) (b) and (c).

5.4.1. In terms of the requirements of section 15(5) (a) and (d), Transport Scotland is required to set out how it intends to ensure that:

- (i) Its regulated procurements will contribute to the carrying out its functions and achievement of its purposes (section 15(5)(a)(i) of the Act)
- (ii) Its regulated procurements will deliver value for money (section 15(5)(a)(ii) of the Act)
- (iii) Its regulated procurements will be carried out in compliance with its duty to treat relevant economic operators equally and without discrimination (section 15(5)(a)(iii) of the Act)

- (iv) Its regulated procurements will be carried out in compliance with its duty to act in a transparent and proportionate manner (section 15(5)(a)(iii) of the Act)
- (v) Its regulated procurements will be carried out in compliance with the sustainable procurement duty (section 15(5)(a)(iii) of the Act)
- (vi) So far as reasonably practicable, the following payments are made no later than 30 days after the invoice (or similar claim) relating to payment is presented:
 - payments due by the authority to a contractor
 - payments due by a contractor to a sub-contractor
 - payments due by a sub-contractor to a sub-contractor (section 15(5)(d) of the Act)

5.4.1.1. The following statements demonstrate how Transport Scotland will ensure the delivery of the above requirements.

- (i) Regulated procurements will contribute to carrying out Transport Scotland's functions and achieving its purposes:
 - Transport Scotland's Procurement Strategy and its commitments sets out the strategic direction of Transport Scotland's procurement activity for 2022-2023 and progress on delivery will be reported on a quarterly basis to Senior Management through the Procurement Group
 - robust investment decision making and procurement approval processes are in place to provide assurance that the decision to invest and place a contract directly supports a corporate delivery commitment and that the selection of an appropriate procurement route has been made in accordance with policy and legislation
 - effective contract and supplier management will ensure delivery in accordance with the contract terms
 - stakeholder engagement will be undertaken during project development and procurement preparation
 - corporate delivery commitments will be communicated to all Transport Scotland staff
- (ii) Regulated procurements will deliver value for money:
 - robust investment decision making and procurement approval processes are in place to provide justification for the requirement and assurance that value for money will be obtained
 - early market engagement is undertaken as appropriate to enable areas of savings, added value and innovation to be identified
 - collaborative opportunities are identified during preparation of a project procurement strategy

- effective contract and supplier management procedures are in place to enable delivery in accordance with the contract terms
 - Transport Scotland’s lessons learned process allows identification of areas for improvement
 - effective stakeholder engagement will be undertaken, both internally and externally, to drive innovation and ensure that purchase requirements are fully understood
 - analysis of previous procurement activity and contract performance data will be undertaken to identify potential areas of savings and added value
 - supplier feedback system enables performance feedback to suppliers on a regular basis
 -
- (iii) Regulated procurements will be carried out in compliance with its duty to treat relevant economic operators equally and without discrimination:
- a procurement strategy approval process is in place to provide assurance that the selection of an appropriate procurement route has been made in accordance with policy and legislation
 - early market engagement is undertaken and, where appropriate, industry days are hosted
 - the Public Contracts Scotland portal is used for the publication of contracts and primary contractor’s sub-contract opportunities where appropriate
 - an appropriate Lot structure is considered and developed for our Frameworks
 - Transport Scotland’s Contracts Register is published on [Public Contracts Scotland](#)
 - provide suitable feedback to unsuccessful tenderers
 - proportionate requirements are specified for insurance and financial requirements at tender stage
- (iv) Regulated procurements will be carried out in compliance with its duty to act in a transparent and proportionate manner:
- a procurement strategy approval process is in place to provide assurance that the selection of an appropriate procurement route has been made in accordance with policy and legislation
 - the Public Contracts Scotland portal is used for publication of contract and main contractors’ sub-contract opportunities where appropriate
 - the use of Meet the Buyer events and industry days
- (v) Regulated procurements will be carried out in compliance with the sustainable procurement duty:

- the Scottish Government’s recommended sustainable procurement tools are utilised to identify and address how we can optimise economic, social and environmental outcomes of procurement activity
 - project procurement strategies require to be approved prior to procurement commencing. These take account of sustainable procurement practices and the output of the sustainability tools
 - sustainable procurement principles and requirements are embedded in project and contract documentation, processes and procedures
 - Transport Scotland engages with stakeholders to advance our scientific and engineering knowledge and, where practical, enhance the natural and physical environment
 - Transport Scotland provides sustainable procurement training to staff throughout the organisation
- (vi) Payments are made no later than 30 days after the invoice (or similar claim) relating to the payment is presented including:
- (a) Payments due by the authority to a contractor
 - (b) Payments due by a contractor to a sub-contractor
- Transport Scotland is committed to the prompt payment of invoices for works, goods and services and aims to settle all undisputed invoices within contract terms and also in line with the Scottish Government’s 10 day payment policy. In 2022-2023 Transport Scotland settled an average of 96% of invoices within this timescale
 - prompt payment clauses requiring a 30 day payment term are embedded within our contracts and these are required to be replicated throughout the supply chain
 - Project Bank Accounts (PBAs) will be in place for all works contracts of value equal to or greater than £5 million in accordance with the Scottish Government requirements

5.4.2. In terms of section 15(5) (b) and (c) of the [Procurement Reform \(Scotland\) Act 2014](#) Transport Scotland is required to set out the agency’s general policy on:

- (i) The use of community benefit requirements (section 15(5)(b)(i) of the Act)
- (ii) Consulting and engaging with those affected by its procurements (section 15(5)(b)(ii) of the Act)
- (iii) The payment of a living wage to persons involved in producing, providing or constructing the subject matter of regulated procurements (section 15(5)(b)(iii) of the Act)
- (iv) Promoting compliance by contractors and sub-contractors with the Health and Safety at Work etc. Act 1974 (c. 37) and any provision made under that Act (section 15(5)(b)(iv) of the Act)

- (v) The procurement of fairly and ethically traded goods and services (section 15(5)(b)(v) of the Act)
- (vi) How it intends its approach to regulated procurements involving the provision of food to:
 - (a) improve the health, wellbeing and education of communities in the authority's area (section 15(5) (c) of the Act)
 - (b) promote the highest standards of animal welfare (section 15(5) (c) of the Act)

5.4.2.1. The following statements demonstrate how Transport Scotland will ensure the delivery of the above requirements.

- (i) General policy on the use of community benefit requirements:
 - Transport Scotland requires that the potential for community benefits to be delivered is considered at procurement preparation stage for regulated procurements, prior to approval of the project procurement strategy. When developing any contract specification, consideration must be given to the suitability of including community benefit clauses, such as the requirement to provide targeted recruitment and training. Where appropriate, the delivery of community benefits will be a contractual commitment
 - the delivery of community benefits through Transport Scotland contracts continues to provide opportunities for targeted training and recruitment, including training and jobs for long-term unemployed people, development of the skills and qualifications of the existing workforce, apprenticeships and job start positions and professional graduate training opportunities

This policy will be monitored and reported on by:

- undertaking contract management to ensure delivery in accordance with contractual requirements
- undertaking procurement strategy compliance checks to provide assurance that the requirements identified at development stage are carried through to the contract
- summarising the outcome of the monitoring in Transport Scotland's Annual Procurement Report, in compliance with section 21 of the Procurement Reform (Scotland) Act 2014
-
- (ii) General policy on consulting and engaging with those affected by its procurements:
 - consultation and engagement with key stakeholders affected by our procurement activity is embedded in our processes, both during project development and any subsequent procurement activity. This consultation may include public engagement, consultations with other statutory bodies (such as SEPA and NatureScot), consultation with suppliers at open days or market engagement events and meetings with specialist groups, such as the Civil Engineering Contractors Association and the Association for

Consultancy and Engineering. The appropriate level of consultation and engagement for projects will be identified at the procurement development stage and feedback from the consultation will be reported in the procurement strategy. This provides assurance that an appropriate level of consultation has been undertaken to inform the decision making process

- information about the progress of major projects is supported by an appropriate approach to communication. This may include the use of the agency's website, specific project websites and press releases to provide progress reports and other information of interest to the public about major projects throughout their lifecycle.
- Transport Scotland advertises tender opportunities for lower value procurements and those regulated under the Procurement Reform (Scotland) Act 2014 through the Public Contracts Scotland portal. Procurements valued at over UK thresholds are also advertised on the Find a Tender service

This policy will be monitored and reported on by:

- undertaking lessons learned reviews to identify any issues arising from the consultation
- undertaking compliance checks to ensure that the level of consultation stated in the procurement strategy is proportionate and appropriate
- undertaking compliance checks on procurements to ensure that they have been advertised appropriately

(iii) General policy on the payment of a living wage to persons involved in producing, providing or constructing the subject matter of regulated procurements:

- Transport Scotland understands the need to support a society that offers equal opportunity and ensures the benefits from a stronger economy are shared fairly
- Transport Scotland became an Accredited Living Wage employer in 2016 and considers payment of the [real Living Wage](#) to be a significant indicator of an employer's (supplier) commitment to its workforce. Transport Scotland is committed to supporting the Scottish Government in its objective of implementing the payment of the real Living Wage through our procurement activities in line with updates to the [Procurement Reform \(Scotland\) Act 2014: Statutory Guidance](#) published in May 2022. Transport Scotland encourages a proactive approach from its contractors and sub-contractors by utilising scored and non-scored fair work practice award criteria within our Invitations to Tender in relevant contracts
- Transport Scotland undertakes to include relevant and proportionate questions on Fair Work First for all regulated procurements, in line with [the Procurement Reform \(Scotland\) Act 2014: Statutory Guidance, SPPN 6/2021](#) and the Scottish Government's [Fair Work First Guidance](#) which was published in March 2023. Consideration of the need to include a

scored question on a supplier's approach to fair employment, including the real Living Wage, are considered at procurement strategy stage depending on the nature of the procurement

This policy will be monitored and reported on by:

- undertaking contract management to ensure delivery in accordance with contractual requirements
- undertaking procurement strategy compliance checks to provide assurance that the requirements identified at development stage were carried through to the contract

(iv) General policy on promoting compliance by contractors and sub-contractors with the Health and Safety at Work etc. Act 1974 (c. 37) and any provision made under that Act:

- health and safety risks are taken into consideration at the design stage of a project as well as during preparation for procurement. Factors pertaining to specific health and safety requirements are recorded in project procurement strategies on a case by case basis. These will vary depending on the nature of the works, services or goods being purchased. The supplier will be required to provide information in its tender to demonstrate compliance with the necessary legislation, such as the Construction Design and Management Regulations 2015

This policy will be monitored and reported on by:

- undertaking contract management to ensure delivery in accordance with contractual requirements
- undertaking procurement strategy compliance checks to provide assurance that the requirements identified at development stage were carried through to the contract

(v) General policy on the procurement of fairly and ethically traded goods and services:

- consideration of specific requirements and availability in relation to fairly and ethically traded goods and services will be considered at project development stage and recorded in the project Procurement Strategy for approval prior to commencement. The use of the Single Procurement Document for above threshold procurements allows consideration of whether a potential supplier has been convicted of certain offences and/or committed any acts of professional misconduct and allows suitability to be assessed

This policy will be monitored and reported on by:

- undertaking contract management to ensure delivery in accordance with contractual requirements

- undertaking procurement strategy compliance checks to provide assurance that the requirements identified at development stage were carried through to the contract
- (vi) General policy on how it intends its approach to regulated procurements involving the provision of food to:
- improve the health, wellbeing and education of communities in the authority's area
 - promote the highest standards of animal welfare

This is not applicable to Transport Scotland as the agency has no requirement to purchase food using regulated procurements.

6. Transport Scotland's procurement priorities

6.1. Corporate procurement priorities

Transport Scotland aims to deliver its procurement activities while striving for best value and promoting responsible procurement and effective contract management. This will be achieved by the continuous improvement of procurement activity, having regard for economy, efficiency, effectiveness, openness, sustainability and transparency and our legal obligations. We will continue to seek opportunities to promote best practice and to work creatively and collaboratively with Scottish Government Procurement and Property Directorate and other organisations where appropriate.

Our corporate procurement priorities support the agency's overall delivery commitments in respect of the [Scottish Government's Public Procurement Priorities](#). Following consultation across the public sector and with representatives from business and the third sector, the Scottish Government published a set of seven priorities in June 2021 for all public procurement leaders. The priorities take cognisance of requirements deriving from procurement legislation including the [Procurement Reform \(Scotland\) Act 2014](#), the [Procurement \(Scotland\) Regulations 2016](#), the [Public Contracts \(Scotland\) Regulations 2015](#) and associated published Statutory Guidance. Transport Scotland's corporate procurement priorities are listed below:

Priority 1 – Leadership and Visibility

Transport Scotland will raise its profile and maximise internal and external engagement with Leaders and stakeholders

Delivery sub-actions:

- engage with and influence internal and external stakeholders as appropriate to lead the sharing of best practice
- effectively communicate policy through a variety of platforms, including the Transport Scotland intranet, to ensure that our staff have easy access to guidance
- identify and record procurement issues to convert into lessons learned for sharing with leaders and stakeholders
- manage procurement risk across Transport Scotland

Priority 2 – Sustainable Economic Recovery

Transport Scotland will support sustainable economic recovery, implement sustainable procurement tools, use data intelligently and deliver responsibly to support its suppliers and the community

Delivery sub-actions:

- use our processes and Scottish Government sustainable procurement tools to support the identification of opportunities for the inclusion of community benefits, Fair Work First and carbon management in Transport Scotland procurements
- facilitate future opportunities for supported businesses, the third sector, SMEs and local business, and ensuring ethical and fair treatment
- support the delivery of the Scottish Government’s vision for transport through sustainable procurement practice
- monitor and review effectiveness of our procurement processes, taking opportunities for continuous improvement to ensure Transport Scotland remains at the forefront of sustainable procurement practices

Priority 3 – Supply Chain Resilience

Transport Scotland will use procurement to build resilience in its supply chain and collaborate to support its capability

Delivery sub-actions:

- monitor and manage risks to the supply chain, including those associated with geopolitical developments, through regular engagement with suppliers
- support fair management of the supply chain
- collaborate with suppliers to identify areas of savings, added value, innovation and risk mitigation
- continually improve our model contract documents and utilise Scottish Government and UK wide collaborative contracts to secure a range of benefits and savings

Priority 4 – Maximise impact of the Sustainable Procurement Duty

Transport Scotland will use its procurement programme to maximise the impact of the sustainable procurement duty

Delivery sub-actions:

- ensure compliance with the sustainable procurement duty, such that our contracts are procured and managed in an economically, socially and environmentally sustainable manner
- support project teams to maximise the impact of the sustainable procurement duty within their procurements and contracts
- promote the inclusion of community benefits considerations throughout the development of contracts
- ensure that our procurement activity promotes Fair Work First, including the use of the Living Wage and the Modern Slavery Act and the procurement of fair and ethically traded goods and services

Priority 5 – Climate emergency (including carbon reduction and a circular economy)

Transport Scotland will support the Scottish Government in its climate ambitions through its procurement practices

Delivery sub-actions:

- work across our organisation to ensure consideration of the climate emergency is integral to procurement decisions
- collaborate with internal and external stakeholders, as appropriate, to facilitate sharing of best practice in carbon management
- gather data and monitor information to support and develop procurement opportunities to address climate emergency priorities

Priority 6 – Achieving professional excellence (against national policy and standards)

Transport Scotland will maintain a high standard of procurement capability implement best practice, recognise talent and implement continuous improvement

Delivery sub-actions:

- ensure that our staff have access to consistent procurement advice and information and ensure that all such activity is compliant with current legislation
- deliver a programme of targeted procurement training to our staff to ensure that procurement activity remains compliant with current procurement legislation and policy
- work collaboratively across the organisation and wider public sector to share knowledge and best practice
- review procurement lessons learned feedback and ensure that procurement best practice is updated and disseminated

Priority 7 – Develop our use of systems to exploit sustainable outcomes and support reporting

Transport Scotland will develop and implement its procurement systems to improve sustainable outcomes

Delivery sub-actions:

- engage with Scottish Government and wider public sector to consider implementation of appropriate systems within Transport Scotland
- review and update the procurement page of our website to improve visibility for internal and external stakeholders
- review and update our best practice tools and procedures to take account of any legislative changes, internal policy changes and ensure consistency
- maintain our procurement IT systems to monitor and ensure compliance with procurement processes

Review, monitor and reporting

Compliance checks will be undertaken at key stages of Transport Scotland's regulated procurements to identify issues regarding adherence to policy and legislation requirements. We will continue to review our existing procurement compliance check process for our regulated procurements and enact improvements where necessary.

Data gathering relating to regulated procurements will be carried out to identify community benefits resulting from procurement activity, the volume, value and nature of contracts and sub-contracts with SMEs, contracts placed with supported businesses and the third sector. This data will be used to identify trends and any areas of policy requiring intervention and will be included in our Annual Procurement Report.

Annual reporting

The Procurement Reform (Scotland) Act 2014 requires Transport Scotland to prepare an annual procurement report on our regulated procurement activity. Our last report was published in June 2023

In accordance with Section 18(2) of the Act, the Annual Procurement Report includes:

- a summary of the regulated procurements that have been completed during the year covered by the report
- a review of whether those procurements complied with our Corporate Procurement Strategy
- the extent to which any regulated procurements did not comply, and a statement detailing how we will ensure that future regulated procurements do comply
- a summary of any community benefit requirements imposed as part of a regulated procurement that were fulfilled during the year covered by the report
- a summary of any steps taken to facilitate the involvement of supported businesses in regulated procurements during the report period
- a summary of regulated procurements expected to commence in the next two financial years
- reporting on other matters contained in this procurement strategy



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