



**TRANSPORT  
SCOTLAND**  
CÒMHDHAIL ALBA

# Corporate Procurement Strategy

**2024-25**

**Contents**

<b>Foreword</b> .....	<b>3</b>
<b>Executive Summary</b> .....	<b>4</b>
<b>Transport Scotland’s Corporate Commitments</b> .....	<b>6</b>
Transport Scotland’s Corporate Procurement Strategy in Context .....	6
Transport Scotland’s Corporate Delivery Commitments .....	7
Transport Scotland’s Procurement Spend .....	8
Stakeholder Engagement .....	9
<b>Procurement Governance</b> .....	<b>11</b>
Transport Scotland’s Procurement Governance .....	11
Transport Scotland’s Procurement Team .....	11
<b>Procurement Enablers and Training</b> .....	<b>13</b>
Procurement Enablers .....	13
Procurement Capability .....	13
Supplier Development .....	13
Engagement.....	14
Collaboration .....	14
Procurement Training .....	14
<b>Transport Scotland’s Procurement Policy and Procedures</b> .....	<b>16</b>
Introduction .....	16
National Policies .....	16
Local Policies and Procedures .....	17
Compliance with Requirements of Section 15(5) of the Procurement Reform (Scotland) Act 2014 and Statutory Guidance.....	17
<b>Transport Scotland’s Procurement Objectives</b> .....	<b>18</b>
Corporate Procurement Objectives.....	18
Objective 1 - Good for Businesses and Their Employees .....	18
Objective 2 - Good for Places and Communities.....	19
Objective 3 – Good for Society.....	20
Objective 4 - Open and Connected .....	20
<b>Review, Monitor and Reporting</b> .....	<b>21</b>
<b>Annual Reporting</b> .....	<b>22</b>
<b>Annex A - Compliance with Legislation</b> .....	<b>23</b>

## 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, and Transport Scotland continues to leverage our influence as a procuring authority to deliver outcomes that are good for the people of Scotland. Our procurement activities support the four priorities outlined by the First Minister, John Swinney MSP, in his [statement to Parliament](#) on 22 May 2024. These priorities aim to provide the most immediate benefits for the people of Scotland and are eradicating child poverty, growing the economy, tackling the climate emergency and improving public services.

Transport Scotland's Procurement Strategy is reviewed annually in line with requirements of sections 15, 17 and 19 of the [Procurement Reform \(Scotland\) Act 2014](#). Our Procurement Strategy 2024-2025 is underpinned by the recognition of the wider impact that procurement policy and practice have 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. Transport Scotland will continue to improve its performance by procuring in a sustainable manner, encouraging innovation to achieve the maximum benefit from the Scottish Government's investment in transport, while contributing to the delivery of the Scottish Government's aspirations for a [just transition](#). Independent assessment through the Scottish Government's Procurement and Commercial Improvement Programme (PCIP) has verified that Transport Scotland has a high level of procurement capability and we look forward to undertaking our next PCIP assessment in June 2024.

We support transport operators and suppliers through its procurement activity, which in turn helps to develop our supply chain, provide opportunities for Fair Work, and drive the Scottish Government's net zero agenda in line with the [National Strategy for Economic Transformation](#).

### **Alison Irvine**

Interim Chief Executive  
Transport Scotland

## Executive Summary

Procurement and commercial capability are key to the successful delivery of Transport Scotland's business. Transport Scotland's 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). Transport Scotland uses its financial resources 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.

Following the decommissioning of the [Public Procurement Priorities](#), the Scottish Government released the [first Public Procurement Strategy for Scotland](#) in April 2023. The Public Procurement Strategy for Scotland builds on the foundations established by the Public Procurement Priorities, establishing clear strategic objectives that all public bodies can align with and implement effectively.

Transport Scotland's Corporate Procurement Strategy supports the Scottish Government's goals for procurement and has been updated to align with the four key objectives which are:

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

This Corporate Procurement Strategy sets out the strategic direction of Transport Scotland's procurement activity for 2024-2025. It takes account of legal obligations and ensures the best use of public money, whilst protecting the climate and improving lives, all in the context of the Scottish Government's Net Zero emissions commitments.

The Scottish Government launched a new Dynamic Purchasing System for supported businesses in September 2023. This helps public bodies to procure goods and services from businesses employing disabled or disadvantaged individuals, which is an initiative that Transport Scotland intends to support in the coming year.

Annex A of this document outlines the initiatives Transport Scotland will undertake in 2024-2025 to ensure its compliance with legislative requirements. Our processes, along with the practical actions we commit to, will ensure that Transport Scotland remains at the forefront of best procurement practice. This Corporate Procurement Strategy is aligned with the Scottish Government's updated [Fair Work First](#)

[implementation](#), which is designed to support the public bodies to implement Fair Work First in line with the [Sustainable Procurement Tools](#).

Transport Scotland publishes an [Annual Procurement Report](#) on the performance of its regulated procurements, with the most recent published in February 2024.

# Transport Scotland's Corporate Commitments

## Transport Scotland's Corporate Procurement Strategy in Context

Transport Scotland's Corporate Procurement Strategy identifies the key policies and processes for undertaking its procurement activity. This Corporate Procurement Strategy sets out Transport Scotland's 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 Transport Scotland's procurement activity for 2024-2025.

Following the decommissioning of the [Public Procurement Priorities](#), the Scottish Government published the first [Public Procurement Strategy](#) for Scotland on 27 April 2023. While the previous Public Procurement Priorities provided a practical framework for procurement professionals to address challenges arise from COVID, Brexit and the resulting supply chain disruptions, the Public Procurement Strategy aims to align all public sector bodies with a common vision for sustainable procurement for the future. This marks a significant milestone, demonstrating the Scottish Government's determination to foster collaboration and position Scotland as a global leader in sustainable procurement practices.

The document presents an overarching vision of positioning public procurement as the cornerstone of a sustainable economy to maximise value for the people of Scotland. It emphasises leveraging procurement to drive inclusive economic growth, promote fair work, and support the transition to a net-zero economy. The document outlines ambitious plans to use public spending power effectively to achieve these goals. It sets out how procurement enablers can be used to support the delivery of the following four key objectives through procurement activity:

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

These four key objectives and their enablers are reflected in this Transport Scotland Corporate Procurement Strategy. Our Strategy sets out the framework in which Transport Scotland will ensure that procurement delivers value for money and sustainability, whilst maintaining high professional standards and compliance with relevant legal requirements.

The Scottish Government has also updated its Sustainable Procurement Tools over the past year, as well as procuring a new Dynamic Purchasing System for supported businesses that was launched in September 2023. This assists public bodies to procure goods and services from businesses employing disabled or disadvantaged individuals and is an initiative that Transport Scotland intend to support in the coming year.

## 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 strategic infrastructure of Scotland. The agency is responsible for funding the development, operation and improvement of the motorway and 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.

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. Transport Scotland seek to deliver a sustainable, inclusive, safe, and accessible transport system for the benefit of the people of Scotland.

The [National Strategy for Economic Transformation](#) that was published in March 2022 detailed the strategy for putting people and opportunities at the centre of Scotland's economy as it develops over the next 10 years. The [Corporate Plan 2021-24](#) supports 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."



Figure 1

The NTS2 vision is underpinned by four priorities, each with three associated outcomes as shown in Figure 1. The vision, priorities and outcomes will be the basis upon which decisions are taken and evaluate the success of Scotland's transport policies going forward. Procurement activity will be key in delivering the vision. The [National Transport Strategy Third Delivery Plan](#) sets out the practical actions which will deliver the vision, providing a coordinated overview to the 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 over a 20-year period (2022-2042). These reports 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.

## Transport Scotland's Procurement Spend

Transport Scotland undertakes a wide range of procurement activities to enable the agency to deliver its responsibilities. The spend on contracts represent a substantial proportion of Transport Scotland's budget with most of the remainder being



expended as grant funding and other forms of support to public and private sector organisations.

On average Transport Scotland has 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 the 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](#).

## Stakeholder Engagement

Effective engagement with Transport Scotland's 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
- 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

Transport Scotland advertise regulated procurement opportunities, as well as lower value procurements, through the [Public Contracts Scotland Portal](#) and those valued at over the UK procurement thresholds are also advertised through the UK [Find a Tender service](#). Transport Scotland 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. Transport Scotland 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. Competitive Dialogue procedures are also utilised by Transport Scotland for works contracts to encourage innovative solutions and achieve best value for money.

## Procurement Governance

### Transport Scotland's Procurement Governance

Procurement is an integral part of the project and service 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. Purchasing authority is delegated to officials by accountable officers as considered appropriate.

In Transport Scotland, the 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. Transport Scotland 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.

### 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 NTS2 and its ambitious vision for the transport system up to 2042, including taking forward procurement actions to support the Scottish Government's [Climate Change Plan](#) and [Transport Scotland's Carbon Management Plan](#)
- supporting delivery of the infrastructure programmes and the procurement aspects of other activities and targets set out in the agency's Corporate Plan
- providing advice and support to DPA 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 DPA holders and those actively involved in procurement activities to ensure their knowledge and skills are fit for purpose

# Procurement Enablers and Training

## Procurement Enablers

Transport Scotland recognises that the achievement of successful strategic objectives is dependent upon the effective implementation of key enablers. Aligned with the principles outlined in the Scottish Government's first [Public Procurement Strategy](#), the following enablers have been identified to support Transport Scotland's procurement objectives:

### Procurement Capability

Cultivating and nurturing staff in the procurement profession is a key consideration in Transport Scotland. 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. Transport Scotland is therefore well positioned to achieve the highest standards of innovation, professionalism, and teamwork across all areas of the business.

The Scottish Government's PCIP was most recently undertaken in 2019, with the next assessment cycle taking place in June 2024. This programme is designed to evaluate the performance of public sector organisations' procurement activity and the previous assessment confirmed that Transport Scotland's procurement capability was in the highest performance band, with a score of 92%.

### Supplier Development

The vitality of its supply chains is integral to the prosperity of Transport Scotland. By offering support and fostering growth opportunities for suppliers, Transport Scotland aim to empower them to prosper. This not only enhances operational success, but also translates into positive outcomes for communities, society at large, and the overarching goals of their organisations. Transport Scotland engage with its suppliers to inform them of opportunities and listen to their concerns.

Transport Scotland is an active participant of the Supplier Development Programme's Meet the Buyer Events which are designed to help suppliers and SMEs understand what buyers are looking for.

## Engagement

Transport Scotland engages with external stakeholders, such as statutory bodies and the public to inform its procurements. Transport Scotland advertise procurement opportunities on the Public Contracts Scotland portal and share information on its website and through press releases.

Transport Scotland shares procurement advice on its intranet to assist procurement staff and project managers throughout the procurement process. Regular procurement training sessions are provided by Transport Scotland and staff are also encouraged to use the Scottish Government's [Procurement Journey](#) as a reference tool to enhance their understanding of procurement procedures. Additionally, supplier performance feedback mechanisms are implemented to safeguard the quality of the projects and supplier satisfaction.

## Collaboration

Fostering collaboration is integral to realising shared objectives and securing success within communities and across organisations. The enhancement of collaboration and engagement within the framework of the Corporate Procurement Strategy is paramount. Transport Scotland's collaboration involves regular meetings with both internal and external stakeholders. These include the Scottish Government's Scottish Procurement Policy Directorate, the Procurement Collaborative Group, the Procurement Cluster Group, the Construction Leadership Forum, the Association for Consultancy and Engineering Scotland, as well as the Civil Engineering Contractors Association.

By undertaking meaningful collaboration about its procurement processes, Transport Scotland aim to establish uniform approaches where feasible and encourage the continual development and exchange best practice. This commitment to strengthened collaboration is the key to its strategy, ensuring efficiency, consistency, and the cultivation of a culture that encourages innovation and excellence in procurement practices.

## Procurement Training

Procurement training is crucial to ensuring that staff have the knowledge, skills, and behaviours to achieve the desired outcomes. It is essential that Transport Scotland's 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. It also operates a graduate recruitment

and training programme, as well as offering opportunities for modern apprenticeships.

Transport Scotland's procurement training strategy plays a key role in supporting the 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 are encouraged to complete the [Scotland's National Procurement Competency Framework](#) and include procurement training in their Personal Learning Plan, to ensure that Transport Scotland retains a high level of procurement competence.

# Transport Scotland's Procurement Policy and Procedures

## 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.

## 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 and the associated Statutory Guidance
- 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
- Scottish Government's [Public Procurement Strategy](#)
- 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

## 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
- Scottish Government's Risk Management Guidance

## 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. Transport Scotland's compliance with these requirements is shown in Annex A.

# Transport Scotland's Procurement Objectives

## Corporate Procurement Objectives

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 the economy, efficiency, effectiveness, openness, sustainability and transparency and legal obligations. Transport Scotland 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.

The corporate procurement objectives support Transport Scotland's overall delivery commitments, which aligns with the Scottish Government's [Public Procurement Strategy](#). The objectives also 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 objectives are listed below:

### Objective 1 - Good for Businesses and Their Employees

**Transport Scotland will maximise the impact of sustainable procurement that includes boosting of a green, inclusive and wellbeing economy, promoting and enabling innovation in procurement.**

Sub-objectives:

- Promote early supplier engagement to foster innovative and entrepreneurial responses to Public Sector needs and requirements
- Collaborate with organisations to deliver positive, green, inclusive social impacts within public contracts and adopt a holistic approach with key suppliers
- Encourage a sustainable supply base that can support the work of the Public Sector to provide resilient and robust supply chains
- Develop appropriate relationships and putting forward looking plans in place to support the development of the supply markets, improving security of supply and reducing risk

- Consider how procurements are conducted and contracts are developed, to reduce barriers and enable participation for SMEs, Third Sector organisations, and Supported Business, in Public Sector Procurement
- Carry out ongoing proportional contract management to ensure the right outcomes are delivered and the performance of contracts is maximised

## Objective 2 - Good for Places and Communities

**Transport Scotland will use the procurement programme for strong community engagement and development to deliver social and economic outcomes to drive wellbeing by creating quality employment and skills.**

### Sub-objectives:

- Maximise economic and social benefits through procurement and commissioning, applying fair work practices, developing good enterprises, and secure supply chains
- Maximise opportunities in procurement to develop, enhance and maintain a sustainable built environment
- Utilise frameworks and contracts to deliver a range of construction activity across the public sector which considers the economic impact and the sustainability of the construction industry and the requirement for inclusive growth and climate change targets. Ensure construction projects reflect and help deliver all pertinent Scottish Government obligations including Fair Work First and Net Zero. Actively consider issues including but not limited to Fair Work First and Net Zero early in procurements and commissioning activity
- Promote sustainable procurement through routine consideration of whole life costing to ensure value for money in procurement, minimise environmental damage and maximise socio-economic benefits
- Engage with communities to understand local needs and requirements to help shape procurement policies, initiatives and contracts
- Make informed decisions through early engagement with suppliers to create innovative solutions to positively respond to the climate crisis
- Eliminate waste throughout the supply chain where possible
- Act in a way that will secure net zero emissions through a Just Transition and promote a circular economy

## Objective 3 – Good for Society

Transport Scotland will ensure that it is efficient, effective, and forward thinking through continuous improvement to help achieve a fairer and more equal society.

Sub-objectives:

- Make conscious and considered decisions that achieve best value and aim to establish practices and contracts that support the people and organisations of Scotland
- Procurement has been critical in responding to previous emergencies and humanitarian situations. Strive to provide innovative, effective, and efficient responses to future emergency situations
- Ensure high standards of animal welfare and sustainable production and waste reductions through the procurement process to improve community health, wellbeing, and education

## Objective 4 - Open and Connected

Transport Scotland will maintain a high standard of procurement process that is open, transparent, and connected at local, national, and international levels.

Sub-objectives:

- Remain connected to support development of best practice
- Strive to ensure that Transport Scotland can easily do business with its suppliers
- Take advantage of opportunities to develop and improve data, management information and systems, while leveraging automation and future technologies
- Promote consistent use of tools, platforms and systems, processes, guidance, and templates

## 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. Transport Scotland will continue to review the existing procurement compliance check process for its 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, and 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 Transport Scotland's Annual Procurement Report.

## Annual Reporting

The Procurement Reform (Scotland) Act 2014 requires Transport Scotland to prepare an annual procurement report on its regulated procurement activity. The last report was published in [February 2024](#).

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 the Corporate Procurement Strategy
- 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 the Corporate Procurement Strategy

## Annex A - Compliance with Legislation

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).

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:

- 1) The regulated procurements will contribute to the carrying out the functions and achievement of our purposes (section 15(5)(a)(1) of the Act)
- 2) The regulated procurements will deliver value for money (section 15(5)(a)(2) of the Act)
- 3) The regulated procurements will be carried out in compliance with the duty to treat relevant economic operators equally and without discrimination (section 15(5)(a)(3) of the Act)
- 4) The regulated procurements will be carried out in compliance with the duty to act in a transparent and proportionate manner (section 15(5)(a)(3) of the Act)
- 5) The regulated procurements will be carried out in compliance with the sustainable procurement duty (section 15(5)(a)(3) of the Act)
- 6) 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)

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

- 1) Regulated procurements will contribute to carrying out Transport Scotland's functions and achieving the purposes:
  - Transport Scotland's Corporate Procurement Strategy and the commitments set out the strategic direction of its procurement activity for 2024-2025 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
- 2) 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
  - The 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
- 3) Regulated procurements will be carried out in compliance with its duty to treat relevant economic operators equally and without discrimination:
- A project 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 frameworks
  - Transport Scotland's Contracts Register is published on [Public Contracts Scotland](#)
  - Suitable feedback is provided to unsuccessful tenderers



- Proportionate requirements are specified for insurance and financial requirements at tender stage
- 4) 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
- 5) 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 Transport Scotland 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 will engage with stakeholders to advance its scientific and engineering knowledge and, where practical, enhance the natural and physical environment
  - Transport Scotland provide sustainable procurement training to staff throughout the organisation
- 6) 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
  - Prompt payment clauses requiring a 30-day payment term are embedded within contracts and these are required to be replicated throughout the supply chain

- Project Bank Accounts will be in place for all works contracts of value equal to or greater than £5 million in accordance with the Scottish Government requirements

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:

1. The use of community benefit requirements (section 15(5)(b)(1) of the Act)
2. Consulting and engaging with those affected by its procurements (section 15(5)(b)(2) of the Act)
3. The payment of a living wage to persons involved in producing, providing, or constructing the subject matter of regulated procurements (section 15(5)(b)(3) of the Act)
4. 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)(4) of the Act)
5. The procurement of fairly and ethically traded goods and services (section 15(5)(b)(5) of the Act)
6. How Transport Scotland intend to approach its 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)

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

1. General policy on the use of community benefit requirements:

- Transport Scotland require 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's 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

2. General policy on consulting and engaging with those affected by Transport Scotland's procurements:

- Consultation and engagement with key stakeholders affected by procurement activity is embedded in the 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 advertise 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

3. 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 a supplier's 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 its procurement activities in line with updates to the [Procurement Reform \(Scotland\) Act 2014: Statutory Guidance](#) and encourages a proactive approach from its contractors and sub-contractors by utilising scored and non-scored fair work practice award criteria within the 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 [SPPN 6/2021](#), the Scottish Government's [Fair Work First Guidance](#) which was published in March 2023 and their supplementary guidance on [Fair Work Practices](#) published in February 2024
- 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 the procurement strategy stage. Transport Scotland include a pass/fail question for suppliers in its procurements asking them commit to paying the Real Living Wage, where it is relevant and proportionate to do so

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
4. 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
5. 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
  - 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
6. General policy on how Transport Scotland intend to approach its 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 there are no requirements to purchase food using regulated procurements.



**TRANSPORT  
SCOTLAND**

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Published by Transport Scotland, May 2024

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