



Care Inspectorate and Scottish Social Services Council Procurement Strategy April 2020 – March 2023

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Care Inspectorate and Scottish Social Services Council Procurement Strategy April 2020 – March 2023

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VERSION CONTROL

VERSION NO.	REVISED BY	DESCRIPTION OF CHANGES	DATE
1.0	Accounting & Procurement Manager	First Issued Version	01/04/2020
2.0	Accounting & Procurement Manager	<ul style="list-style-type: none"> • Strategy Sponsors updated to reflect amended organisational structures and postholder changes. • Lead Manager title amendment. • Influencing factors updated to include: <ul style="list-style-type: none"> ○ Procurement Commercial Improvement Programme (PCIP) ○ Equalities Act 2000, ○ Equality & Diversity Policy, and ○ Corporate Health & Safety Policy, ○ Climate Change legislation. • Para 3.2 updated to reference we will take account of climate circular economy considerations in public procurement (SPPN 1/2021) and will complete the sustainability test for all procurements greater than £50,000, incorporating any opportunities to secure sustainability benefits into the ITT or ITQ as appropriate • Para 3.2.2 includes the additional reference to Statutory Guidance for addressing Fair Work Practices, including the Living Wage, in procurement • Para 3.2.4 amended from 'we will use' to 'we will consider using the Scottish Government's Commodities Reserved for Supported Businesses Framework where there is a requirement to purchase goods and services covered by this framework. • Para 3.3 amended to remove outdated reference to staff survey, include statement that all staff with delegated authority will receive counter fraud training and include the frequency of Procurement Development Group meetings. • Para 3.6 updated to include reference to the launch of a Contract Management 	12/03/2021

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		<p>Handbook to support staff to manage suppliers and contracts effectively.</p> <ul style="list-style-type: none"> • Our contribution to supporting achievement of best value has been clarified in para 3.7. • Equality and Diversity para 4.0 reworded and expanded to include reference to Trade Union and Labour Relations (Consolidation) Act 1992 and Data Protection Laws. • Reporting requirements in para 8.3 updated to reflect what is reported in the Annual Procurement Report. 	
3.0		<ul style="list-style-type: none"> • Para 3.2.2 amended to show the 7 elements of Fair Work First. 	March 2022
		<ul style="list-style-type: none"> • Para 2.1 amended to include Health and Safety at work legislation as an external factor influencing the Procurement Strategy. 	March 2022

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1.0 INTRODUCTION

The Care Inspectorate and Scottish Social Services Council (SSSC) Procurement Strategy April 2020 – March 2023 has been informed by the Public Contracts (Scotland) Regulations 2015, the Procurement Reform (Scotland) Act 2014 and the Procurement (Scotland) Regulations 2016. The Strategy is designed to take a responsible and sustainable approach to procurement.

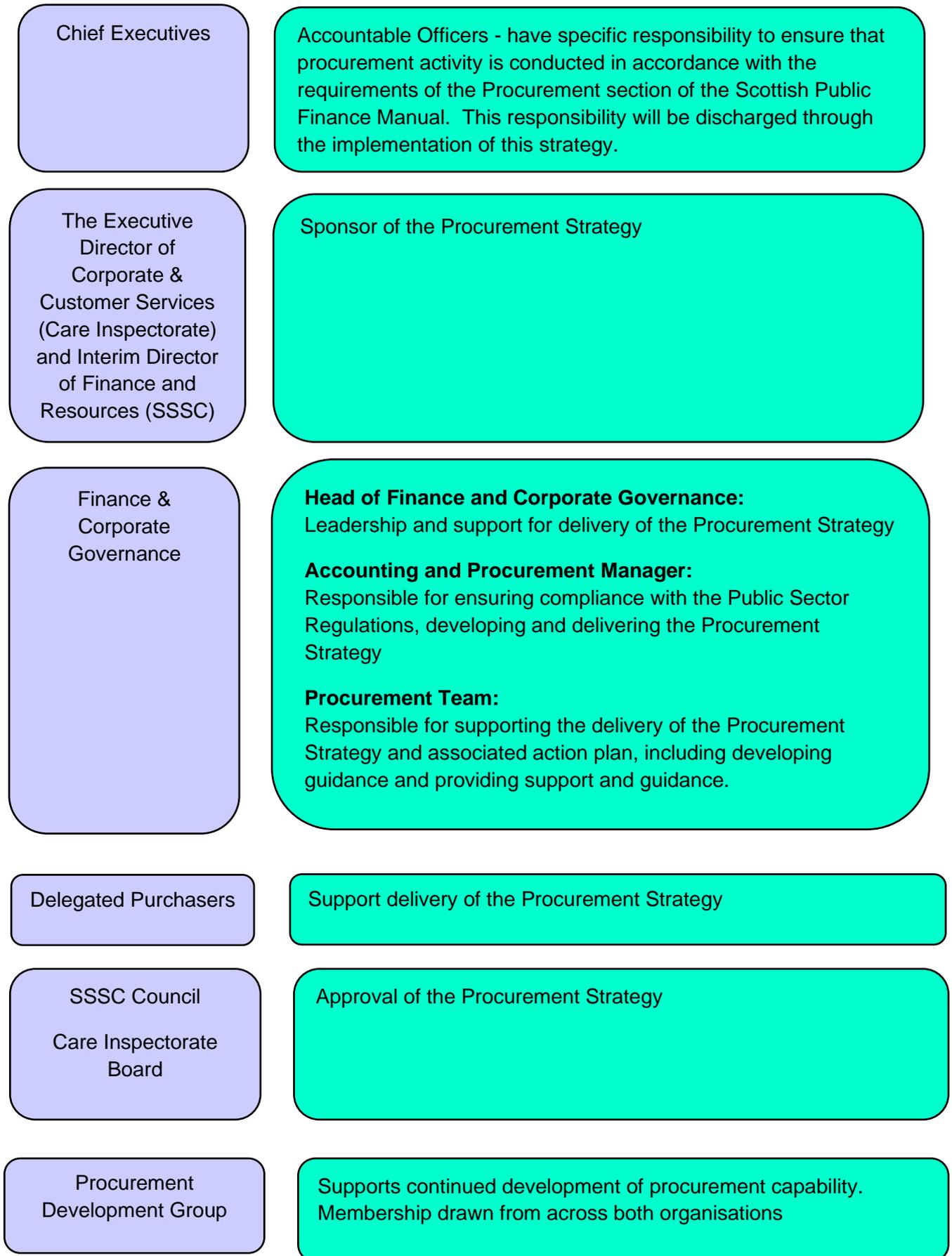
The purpose of this strategy is to set out how the Care Inspectorate and the SSSC will plan and manage their procurement processes to meet their corporate aims and objectives and comply with regulatory and legislative requirements. The Procurement Strategy applies to all procurement conducted by the Care Inspectorate and the SSSC.

The aim of procurement is to deliver transparent and effective procurement which delivers best value, is legally compliant and follows best practice. This is especially important in a challenging financial climate. Good procurement can generate savings and efficiencies that can be used to re-invest in other activities to support corporate objectives.

Procurement is a devolved responsibility within the SSSC and the Care Inspectorate. Specific authority is required for staff to procure goods, services or works. The procurement must be undertaken within agreed policy and procedural parameters.

This document sets out the Care Inspectorate and SSSC's Procurement Strategy for the period to 1 April 2020 to 31 March 2023 and is supported by an annual Procurement Action Plan.

2.0 ACCOUNTABILITY



2.1 Influencing Factors

The following external factors influence the development of this strategy:

- Public Contracts (Scotland) Regulations 2015
- Procurement Reform (Scotland) Act 2014
- Procurement (Scotland) Regulations 2016
- Procurement Commercial Improvement Programme (PCIP)
- Freedom of Information and Data Protection Acts
- Equalities Act 2010
- Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012
- Employment Relations Act 1999 (Blacklists) Regulations 2010
- Scottish Public Finance Manual
- Scottish Procurement Policy Notes
- Climate Change (Scotland) Act 2009
- Climate Change (Emissions Reduction Targets) (Scotland) Act 2019
- Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Order 2015
- The Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Amendment Order 2020
- Health & Safety at Work Act (1974)
- Management of Health & Safety at Work Regulations working Regulations 1999

Internal factors influencing the development of this strategy include:

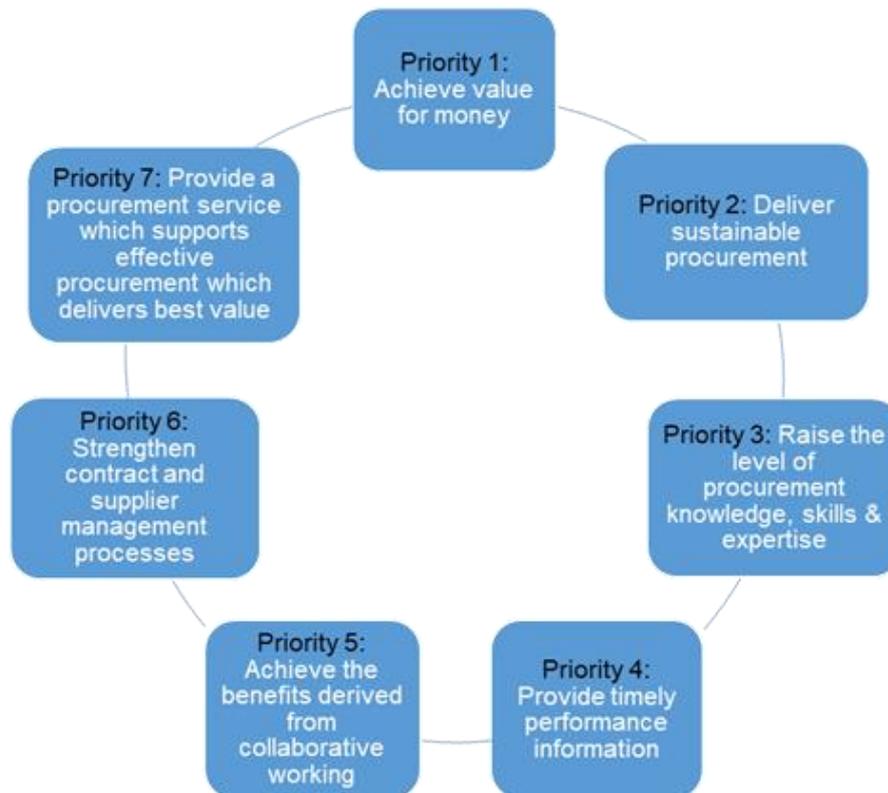
- Care Inspectorate Corporate Plan
- SSSC Strategic Plan
- SSSC and Care Inspectorate Guidance Note
- Equality and Diversity Policy
- Corporate Health and Safety Policy

3.0 OUR PROCUREMENT PRIORITIES

Our procurement strategy:

- sets out our priorities and proposals for procurement over the planning period;
- identifies those factors that will influence the way in which we manage the procurement process and
- describes the arrangements for monitoring and evaluating the strategy.

Our strategy has seven key priorities as follows:



3.1 Priority one: achieve value for money

We aim to achieve value for money when procuring goods, services and works. This is based on the optimum combination of whole life cost and quality (or fitness for purpose) to meet the user's requirement. Competition promotes efficiency and effectiveness in public expenditure therefore goods, services and works should be acquired by effective competition, including adequate publication of the contract unless there are convincing and justifiable reasons to the contrary. Our policy, where possible, is to advertise tender opportunities above £10k, excluding VAT, on the Public Contracts Scotland advertising portal. We will award contracts based on the most economically advantageous tender (MEAT) which balances value for money and the required quality of the service, goods or works being procured.

Procurement activity contributes to the overall efficiency targets for the SSSC and the Care Inspectorate, with efficiencies realised reported in the annual Procurement Performance Report.

3.2 Priority two: deliver sustainable procurement

Sustainable procurement is "a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment" (Department for Environment, Food and Rural Affairs, 2006).

Sustainable procurement to the Care Inspectorate and the SSSC means routinely considering the environmental, social (including equality) and economic opportunities and impacts of purchasing decisions.

We will comply with the sustainable procurement duty as detailed in the Procurement Reform (Scotland) Act 2014 and will take account of climate circular economy considerations in public procurement (SPPN 1/2021).

We will complete the sustainability test for all procurements greater than £50,000, incorporating any opportunities to secure sustainability benefits into the ITT or ITQ as appropriate.

3.2.1 Prompt payment to suppliers and their sub-contractors

We are committed to paying our suppliers promptly and include a clause in our standard terms and conditions stating that we will pay valid invoices within 30 days from receipt. To ensure this flows through the supply chain, we have a further clause stating, where there are sub-contracting arrangements in place, that suppliers must make payment within the same terms to their sub-contractors.

The Care Inspectorate and SSSC work towards making payments to suppliers within 10 working days of receipt date. In the year to 31 March 2021, the Care Inspectorate and SSSC paid 97.37% and 99.14% respectively of suppliers' invoices within 10 working days. We will continue to work towards paying all valid invoices within this 10-day period.

3.2.2 Addressing Fair Work Practices, including paying the living wage through our regulated procurement

For all procurement of £10,000 or greater, the SSSC and Care Inspectorate consider Fair Work First. These practices ask businesses bidding for our contracts to commit to adopting the following:

- appropriate channels for effective voice, such as trade union recognition
- investment in workforce development
- no inappropriate use of zero hours contracts
- action to tackle the gender pay gap and create a more diverse and inclusive workplace
- providing fair pay for workers (for example, [payment of the real Living Wage](#))
- offer flexible and family friendly working practices for all workers from day one of employment
- oppose the use of fire and rehire practice

In accordance with the Statutory Guidance for Addressing Fair Work First in procurement, we will continue to incorporate evaluation of workforce matters into tenders for regulated procurements where the use of labour is a key deliverable and for lower value tenders where it is proportionate to do so.

Where suppliers have staff working on our premises, these employees are being paid the Real Living Wage.

3.2.3 Community benefits

The Procurement Reform (Scotland) Act 2014 includes a sustainable procurement duty on public sector bodies requiring them to conduct their procurement in a way that will secure economic, social and environmental wellbeing and a requirement that public bodies consider the use of community benefits in major contracts.

We will promote the use of community benefits within procurement exercises where relevant and proportionate to the contract.

3.2.4 SME's, local businesses, supported businesses and the third sector

We will continue to review and update our procurement policies and procedures to ensure that we contribute to improving social, economic and environmental wellbeing where relevant in delivering our contracts. This ongoing review will ensure that we remain an inclusive organisation and encourage a diverse range of suppliers including SMEs, the third sector and supported businesses.

A 'supported business' means an economic operator whose main aim is the social and professional integration of disabled or disadvantaged persons and where at least 30% of the employees of the economic operator are disabled or disadvantaged persons.

We will consider using the Scottish Government's Commodities Reserved for Supported Businesses Framework where there is a requirement to purchase goods and services covered by this framework.

We fully support the Scottish Business Pledge, sharing the Scottish Government's ambition of boosting productivity, competitiveness, sustainable employment, and workforce engagement and development.

3.2.5 Fair & ethical trading

We will procure fairly and ethically traded goods and services in accordance with current legislation.

3.2.6 Climate Change

We will use the sustainability tools to identify opportunities to contribute to an overall reduction in our carbon emissions.

3.3 Priority three: raise level of procurement knowledge, skills and expertise

Procurement will be part of the induction that new staff undertake when they join the SSSC and Care Inspectorate. Further detailed procurement training is provided to staff depending on the post and procurement responsibility. On-going training needs will be recorded in individual training and development plans as part of the performance and development process. The Procurement Team will also continue to maintain a central register of all procurement training undertaken by staff.

We will continue to work with, and support staff who have a procurement responsibility to ensure staff are equipped with the necessary tools to increase their level of procurement knowledge, skills and expertise.

The Care Inspectorate and SSSC have in place a Counter Fraud and Corruption Framework which outlines where fraud and corruption may occur, who is responsible for reporting fraudulent activity and who to report it to. Appropriate preventative and detective controls, such as 'separation of duties' and robust systems of control, have been put in place to minimise the risk of fraud. We continue to participate in the National Fraud Initiative (NFI), which is an exercise that matches electronic data within and between public and private sector bodies to prevent and detect fraud. All staff with delegated authority or a role in Procurement will receive Counter Fraud training.

Both the SSSC and Care Inspectorate also have comprehensive guidance on whistleblowing which encourages employees to raise concerns about possible improprieties in the conduct of our business, whether in matters of financial reporting or other malpractices, at the earliest opportunity and in an appropriate way.

Our Procurement Development Group meet at least twice annually.

3.4 Priority four: provide timely performance information

We will provide annual procurement performance reports to the Procurement Development Group, Care Inspectorate's Strategic Leadership Team and SSSC's Executive Management Team, the Care Inspectorate Board and SSSC Council that show analysis of expenditure, transactions and suppliers. We will also measure benefits and savings realised from our procurement activity.

3.5 Priority five: achieve the benefits derived from collaborative working

The SSSC and Care Inspectorate will continue to use collaborative frameworks led by Scottish Procurement and other national bodies where appropriate.

We continue to explore opportunities for further collaboration through our partnership with Central Government Procurement Shared Services (CGPSS) and membership of the Procurement Cluster Group 3 led by Scottish Enterprise. These relationships facilitate the sharing of knowledge and encourage partnership working to ensure we deliver value for money and pool resources and expertise.

3.6 Priority six: strengthen contract and supplier management processes

Effective contract management is essential in the delivery of goods, services and works.

However, we recognise this is an area where further work will strengthen our processes in this area. There is a training plan in place to ensure that staff receive relevant training on an ongoing basis. This training provides staff with the tools and techniques required to better manage our contracts and suppliers. We have

developed and launched a Contract Management Handbook to support staff in managing contracts and suppliers for all levels of spend.

3.7 Priority seven: provide a procurement service which supports effective procurement which delivers best value.

We will continue to review our business processes at least annually to ensure that delegated authority is appropriate, that there is appropriate separation of duties when procuring goods and services, all valid invoices are paid on time and all purchasing and procurement procedures are followed.

We have prepared guidance for consideration of cyber resilience in our procurement processes.

We will work closely with users of the goods, works and supplies procured to understand and help them articulate their requirements, and to secure savings from better procurement and contract management which allows resources to be directed to value added activities. Savings delivered from procurement will be reported in the annual procurement report.

4.0 EQUALITY AND DIVERSITY

In line with the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012, we have a duty to consider award criteria and conditions in relation to public procurement. This means when we carry out a public procurement exercise, we have due regard to whether its award criteria should include equality considerations into our tender processes which will help us to perform the general equality duty. Suppliers must not unlawfully discriminate against any person within the meaning of the Equality Act 2010 in its activities relating to contracting with the Care Inspectorate and SSSC. This is included in our standard terms and conditions.

Also included in our tender documentation and our standard terms and conditions is a requirement that suppliers comply with the Employment Relations Act 1999 (Blacklists) Regulations 2010 which address blacklisting activities, and section 137 of the Trade Union and Labour Relations (Consolidation) Act 1992 and must not commit any breach of the Data Protection Laws by unlawfully processing personal data in connection.

5.0 HEALTH & SAFETY

The Care Inspectorate and the SSSC have Health & Safety Policies and associated guidance and procedures. Health and safety policies and associated information are requested where relevant from suppliers as part of the procurement process.

6.0 CONTINUING IMPROVEMENT AND ENSURING COMPLIANCE

Scottish Government introduced a new assessment regime, the Procurement and Commercial Improvement Programme (PCIP) in 2016/17, for which the Care

Inspectorate & SSSC are assessed jointly. The most recent assessment was in November 2019 and we scored “green” across all of the assessed areas.

The procurement function is also subject to periodic review through the delivery of the Care Inspectorate and the SSSC’s internal audit plans, where any recommendations for improvement will be considered for implementation by the Strategic Leadership Team (Care Inspectorate) and Executive Management Team (SSSC) as appropriate.

In addition to the above, a monthly review of spend activity is undertaken by the Procurement Team, culminating in an annual report to the Strategic Leadership Team (Care Inspectorate), Executive Management Team (SSSC) and Board and Committee as appropriate. Any non-compliance identified through this review is addressed directly with the relevant officer(s).

We will regularly seek ideas and feedback from internal procurement users, suppliers and the wider procurement community to continually improve our performance.

7.0 CARE INSPECTORATE AND SSSC SHARED SERVICE

This strategy supports the shared service arrangement between the SSSC and the Care Inspectorate, which includes the procurement and payment functions.

8.0 DELIVERY OF STRATEGY

8.1 Communication

The Care Inspectorate and SSSC have procurement related sections on their external websites where we outline our procurement processes, our standard terms and conditions, our procurement strategy, our commitment to the Scottish Business Pledge and useful links for supplier guidance and support. We also publish a forward plan of regulated procurement for the next two financial years.

To ensure that stakeholders have the opportunity to engage and contribute to the development of the strategy, a consultation on the strategy has been undertaken as follows:

- Consideration by the internal Procurement Development Group
- Consideration by the Care Inspectorate Senior Leadership Team and SSSC Executive Team
- We will involve all staff, all carer and user groups, all suppliers, SMEs, local businesses, supported businesses, the third sector and other interested stakeholders in relevant Equality Impact Assessments (EQIAs) and will publish EQIAs on our website.
- Consideration and approval by the SSSC’s Audit and Assurance Committee and the Care Inspectorate’s Board.

All of our regulated contracts are publicly available on a contract register hosted by Public Contracts Scotland.

The approved strategy will be communicated to all staff through the intranet and to all other stakeholders by publishing on the Care Inspectorate and SSSC websites.

8.2 Management and monitoring

The strategy will be implemented on a day-to-day basis by the Procurement Team, working with colleagues within the Care Inspectorate and the SSSC with procurement responsibilities.

The priorities contained in the strategy will be translated into specific tasks each year using existing operational and financial planning processes. We will also use the corporate and business planning process to identify new procurement projects which are likely to require additional support from the Procurement Team.

We will review the strategy and our action plan annually. The outcome of the annual review will be a new programme of work and identified tasks that will feed into the operational and financial planning processes for the following year.

8.3 Reporting

As soon as practicable after the end of the financial year, an annual procurement report will be published to include

- A summary of regulated procurements completed during the year covered by the report.
- A review of whether those procurements complied with the procurement strategy.
- Non-compliant regulated procurements and a statement of the intention to ensure future procurements do comply.
- Summary of community benefits as part of regulated procurements in the report period.
- Summary of steps taken to facilitate involvement of SMEs, supported businesses and the third sector in regulated procurements during the report period.
- Summary of regulated procurements expected to commence in the next 2 financial years.
- Any other information as required by Scottish Ministers.

An annual procurement performance report will be submitted to the Care Inspectorate's Board and the SSSC's Audit and Assurance Committee, reporting procurement performance and progress towards achieving the priorities in this strategy. This will be published on the SSSC and Care Inspectorate's websites.

9.0 SUPPORTING POLICIES

Our strategy for procurement is supported by other Care Inspectorate policies and procedures on:

- purchasing of goods and services.
- procurement procedures.
- data protection and records management.
- prevention and detection of fraud and bribery.
- whistleblowing.
- carbon management plan.
- health and safety; and
- equality & diversity.

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