

## **BETA testing of sustainable procurement tools**

In light of the passing of the Procurement Reform (Scotland) Act and the new EU Procurement Directives, we are aware that many organisations may be uncertain about what concrete actions they should take with respect to sustainable procurement, in particular, the Sustainable Procurement Duty ([Annex A](#)).

Before implementation of the enabling measures in the legislation we can continue to build upon the substantial effort the wider public sector has already contributed to since the Scottish public sector first embarked on adoption of the Marrakech Approach to sustainable procurement in 2011.

We are grateful to everyone who has contributed by undertaking sustainable procurement training and more recently in development of tools that we expect will contribute to compliance with Sustainable Procurement Duty. As we move on to the Beta-testing phase we are seeking your continued support and collaboration to create tools that will help the Scottish public sector to comply with the duties of our new procurement legislation.

As procurement practitioners the tools we are asking you to test will allow us all to gain further traction in our efforts to embed sustainable methodologies into everyday procuring and the procurement planning process.

Your continued meaningful contributions to these tools and their process will ensure that they are of a standard that works for Scottish public procurement.

### **What we are aiming to achieve.**

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The Procurement Reform (Scotland) Act, which was recently passed by the Scottish Parliament, has a key aim: to embed sustainability across the Scottish public sector's procurement activity.

Following on from a round of training in the UNEP Marrakech Task Force Approach to Sustainable Procurement for the wider public sector during 2011/13, it emerged that the tools used in this process, with some adaptation, could form the basis of statutory guidance on the Sustainable Procurement Duty. This approach was agreed, earlier this year, by the delivery arm of the Public Procurement Reform Programme, the Procurement Reform Delivery Group.

As the Act was developed, working groups from across the sector were asked to contribute to the development of these tools. Testing was carried out by working groups formed of members from local authorities, higher education, NHS Scotland, the Scottish Government, Scotland Excel and other centres of procurement expertise representing buyers, policy makers and contract managers.

The elevation of the tools to inclusion in statutory guidance means it is particularly important that through continued cross sector co-operation we achieve a workable solution that provides consistency of output, and demonstrates public procurement's contribution to delivery of the Government's purpose through the National Performance Framework.

The tools will enable organisations to develop tailored action plans, aiding compliance with the Act’s requirements and beyond; ensure that resources are focused where they need to be, help embed relevant and proportionate requirements into contracts and encourage good practice.

## What are the Tools?

The suite of tools comprises:

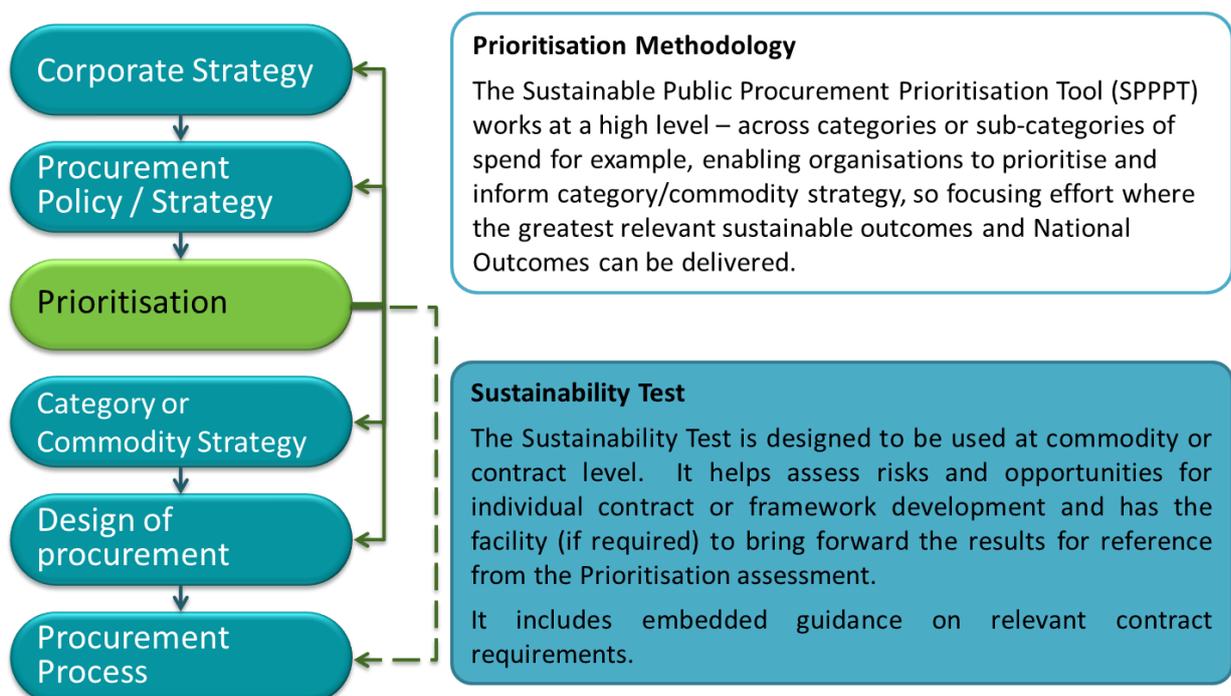
### 1. The Prioritisation Methodology,

This is an excel-based tool which is linked to the 16 National Outcomes in the [National Performance Framework](#) and provides a systematic approach to achieving sustainable procurement. Using spend data and risk and opportunity analysis, it will help you focus resources in areas with the greatest potential to deliver sustainable outcomes and the areas where you have scope to deliver change. This alignment to the National Performance Framework is a sensible approach as the Framework underpins each public body’s Outcome Agreements.

### 2. The Sustainability Test

This is also an excel-based tool which may be used as a subset of the Prioritisation Methodology, to cross-check the results of the high level assessment under this Methodology, when developing frameworks and contracts. Alternatively, it may also be used as a standalone tool. As the guidance in support of the Act is developed, there may be criteria that oblige use of this Test for lower spends.

## Prioritisation Methodology and Sustainability Test



### 3. The Flexible Framework.

Many organisations will already be familiar with earlier versions of the Flexible Framework. Feedback on existing experiences has enabled us to make a number of changes to the tool already, but we wish to ensure that it now meets its aims of providing a route map for embedding sustainable procurement across your organisation, in line with the aims of the Act. We would like to align this new version with the legislation, with direct read-across to current systems where possible.

Your organisation's progress through each level of the Framework enhances your ability to deliver sustainable outcomes through public procurement. This approach facilitates change and encourages cross-sector collaboration, providing an opportunity for public bodies, whatever their nature or size, to become world class.

This tool will also help you report and show progress in your annual procurement strategy. The ambition is to embed the tools and techniques of sustainable practice into the decision-making process. This tool has a number of levels across interlocking business areas. It aims to be scalable and 'flexible', in proportion to the needs of each individual organisation.

Key to the process is a self-generated Action Plan, which can bring sustainability into day-to-day decision making organisation wide.

## Purpose of your involvement

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### 1. Prioritisation Methodology:

- This is a systems test to look at the end-user functionality of the Prioritisation Methodology tool. It will verify that the functions are working correctly; delivering the desired output from your data input and fits within your business functions.
- Your own experience and insight of using the system is important to us. This is a collaborative piece of work for the public sector. Any feedback you can give to the functions and outcomes of the tool will make it better for everyone. We share a common goal – to deliver the National Performance Framework and the National Outcomes – your observations and involvement will help improve and enhance the usability of the tool.
- **Format:** The tool has a set format; the data that you put in to the tool is entirely up to you. This can be current data, historical data or fictional data. Guidance is provided within the tool on required information and users. This will form part of the system features test. The internal logic of the application and its integrity has already been verified. Your role is to help us ensure the coding and subsystems are performing correctly and delivering accurate output.
- Outputs from the Prioritisation Methodology can be carried over to the Sustainability Test. We are interested in outputs from the cross-referencing process. We understand that there will be limited cross-referencing in the initial phase.
- Additionally, this testing provides you with an opportunity to feedback directly on the individual functions and overall process. The tools are there to help

integrate sustainability practices into corporate strategy, your insight and expertise is a key enabler in this.

## 2. Sustainability Test:

- **Format:** The tool has a set format. Results from the Prioritisation Methodology can be exported manually to the Sustainability Test, for reference – as indicated above we are interested in this cross-referencing process. We are also interested in the use of the tool, and the embedded guidance, whether as a standalone tool or by reference to the Methodology results.
- The internal logic of the application and its integrity has already been verified. Your role is to help us ensure the coding and subsystems are performing correctly and delivering accurate output.
- This testing provides you with an opportunity to feedback directly on the individual functions and overall process, and its use when developing frameworks and contracts.

## 3. Flexible Framework:

- This is a systems test to look at the functionality of the Flexible Framework. It is your opportunity to influence how this tool guides the sector, sets the standard and encourages cross-sector collaboration. It will verify that the functions are working correctly and provide a platform for change.
- The expectation of this testing is to look across each of the levels, sense checking the progress across them and how they match the indicators for each target. The tool will be used at many levels and each level should stimulate growth and momentum to achieve a coherent approach to sustainable procurement. We would like to hear from all levels of seniority so that the findings provide a complete picture of ideas across the sector and teams.
- **Format:** The tool is not a direct 'input/output' model. It is evidence based and requires embedding procedures that encourage the uptake of ideas and training to develop the desired organisational change. It will redefine current behaviours to meet the sustainable procurement duty, and making it intrinsic to your business operation.

## To whom feedback should be sent, when and how?

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### **Prioritisation Methodology and Sustainability Test:**

Feedback will be completed via a simple scoring matrix. This is focussed on input/output of the data. This is a generic tool and all steps are required to be completed to the end, to allow for consistent testing and information gathering.

### **Flexible Framework:**

Written feedback across each section level will be helpful. As well as comments on the usability and relevance of the questions and guidance, any further suggestions, case studies or other suitable guidance you feel would help support other organisations would also be appreciated.

There may be intuitive links that the system doesn't make but may be pertinent to the system operation, please feel free to annotate. Any evaluation on the performance of individual functions is welcomed.

Feedback should be sent as soon as possible based on your experience of using the Tool(s).

Please send all feedback to: [Sustainable procurement tools - feedback](#)

## **Who will make the changes and when?**

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As suggested changes are fed back, these will be discussed and aggregated and then adapted for use in the tools, ensuring that language and outputs align. The changes will be made by the team who are carrying out the testing on behalf of the Scottish Government.

## **What is the timetable for launch of final versions?**

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Spring 2015 but the expectation is that they be used informally between now and then to allow for adaptation, input and alignment as the legislation is formalised and embedded. This testing phase provides an opportunity for your knowledge and expertise to influence the methodology and language of the tools.

## Annex A

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### **Sustainable Procurement Duty**

(1) For the purposes of this Act, the sustainable procurement duty is the duty of a contracting authority -

(a) before carrying out a regulated procurement, to consider how in conducting the procurement process it can

- (i). improve the economic, social, and environmental wellbeing of the authority's area,
- (ii). facilitate the involvement of small and medium enterprises, third sector bodies and supported businesses in the process, and
- (iii). promote innovation, and

(b) in carrying out the procurement, to act with a view to securing such improvements identified as a result of paragraph (a)(i).

(2) The contracting authority must consider under subsection (1) only matters that are relevant to what is proposed to be procured and, in doing so, consider the extent to which it is proportionate in all the circumstances to take those matters into account.

(3) In this section -

“small and medium enterprises” means businesses with not more than 250 employees,

“third sector bodies” means organisations (other than bodies established under an enactment) that exist wholly or mainly to provide benefits for society or the environment.

(4) In this section, references to the wellbeing of the authority's area include, in particular, reducing inequality in the area.