Develop Strategy

This part of the Procurement Journey helps you to create a Route 2 Commodity/Service strategy.

A Commodity/Service strategy should not be confused with a **Procurement Strategy**. Further information on Procurement Strategy requirements can be found in the **Additional Resources** section.

Develop Strategy Templates

To aid creating your Commodity/Service strategy, templates are provided at the bottom of this page:

- The Business Case template provides headings (with accompanying descriptions) to include when seeking approval for your project.
- The Commodity - Service strategy is a checklist of the areas which you may include in your strategy.
- A Develop Strategy template is provided for your use. You do not need to use all of the elements contained in this template for your strategy: use the areas which are relevant to your specific procurement exercise.

You will find additional Commodity/Service Strategy guidance and templates in **Route 3** which you may find useful when looking at higher risk or value Route 2 procurement exercises. However you only need to follow Route 3 where the contract's estimated value is at or above the threshold values. More information is available on threshold values including how to calculate your contract's estimated value to determine if it meets the **thresholds.**

If you are unable to estimate the value of a contract that contract will be explicitly made subject to the procurement rules.

Any economic, social and environmental opportunities should be included in your strategy when they are relevant and proportionate. You can use the **Sustainable Procurement Tools** to help develop your strategy.

Contracts Register

When developing your commodity/service strategy, you should access the contracts register for your organisation. This will assist in evaluating existing contract arrangements, including contract value.

The Contracts Register module in **Public Contracts Scotland (PCS)** provides the facility for buying organisations to operate a register of all contracts they have in place. A public register of contracts meets the obligations of **Section 35 of the Procurement Reform Act (Scotland) 2014**.

Quickfire Guide

Quickfire Guide

Contracts Register Hints & Tips

The PCS contracts register will pull through the contract value from the contract award notice. You should always be open and transparent when completing the contract value field. This field can be manually amended but all relevant amendments need to be manually duplicated in the Scottish Procurement Information Hub: there is no integration between the two systems.

An organisation may withhold information from the publication of the contract award or the conclusion of the framework agreement. This is when the release of the information:

(a) would impede law enforcement or be contrary to the public interest;

(b) would prejudice the commercial interests of any person;

(c) might prejudice fair competition between economic operators.

So, if relying on (b) above, you would need to be able to demonstrate that the commercial interests of the person concerned would definitely be prejudiced by the release of this information.

PLEASE NOTE: if you do not use PCS for producing a contract register, you must produce a publicly available one.

When a Commodity/Service Strategy is prepared it should be proportionate to:

- risk
- value and
- the strategic importance of the commodity/service to your organisation.

Quickfire Guide

Quickfire Guide

Sign Off Points

There are natural break points within the Procurement Journey that can be used as review points for sign off and approval to proceed to the next stage of the process.

Suggested review and sign off points are:

- At project initiation
- After initial opportunity assessment
- For approval of the strategy including budget
- For approval of Contract Notice, Selection Stage and/or ITT
- At Contract Award stage
- At implementation stage

Throughout the Journey you will see reference to these sign off points at the relevant sections, as well as documents/templates for your use.

Consideration must also be given to **Planning**, **Sustainable Procurement** and **Risk Management** throughout this stage of the Journey.

Once you have completed your Commodity/Service strategy, you should continue your Journey.

Sustainable Procurement

Open or close

Sustainable Procurement

The **Sustainable Procurement Duty**, outlined in the **Procurement Reform (Scotland) Act 2014**, requires you to think about how you can:

- improve the social, environmental and economic wellbeing in the areas in which you operate, whether nationally or more locally. Particular focus should be on reducing inequality
- facilitate the involvement of small and medium enterprises, third sector bodies and supported businesses in the procurement process
- promote innovation

You can create a positive environmental impact through every procurement exercise you undertake, regardless of its value or scope. This should be a key part of commodity/service profiling and strategy development rather than an optional area of interest. You must fully explore the possibilities with your User Intelligence Group and other stakeholders for your procurement.

Full Sustainable Procurement guidance can be found the **Sustainable Procurement Station** in Route 3.

What if You Don’t Use PCS to Publish Your Contract Register?

Open or close

PLEASE NOTE: if you do not use PCS for producing a contract register, you must still produce a publicly available one.

When a Commodity/Service Strategy is prepared it should be proportionate to:

- risk,
- value and
- the strategic importance of the commodity/service to your organisation.

What if You Use PCS-Tender?

Open or close

If using **PCS-Tender**, the buyer should upload the appropriate slides to the appropriate task within PCS-Tender.

Data Protection

Open or close

Organisations should determine if data processing activities are relevant to the procurement exercise.

Your contracts may be subject to **Data Protection legislation**.

Organisations must ensure:

- current and future procurement exercises are compliant with Data Protection. This includes contracts that began before the legislation came into force
- All relevant procurement documents make reference to the current legislation.

More detailed information can be found in the Data Protection station within **Additional Resources**.

Freedom of Information

Open or close

Please note that if you withhold the contract value from a contract award notice this information may still be requested from your organisation via the **Freedom Of Information (Scotland) Act 2002 (FOISA)**.

The FOISA equivalent test is set much higher than the Contracts Register i.e:

- publication would have to, or be likely to cause substantial prejudice
- the impact to public interest in withholding the information would have to outweigh the public interest in releasing it.

Detailed contracts register user guidance can be found in **PCS**.

Care and Support Services

Open or close

For Care and Support Services procurements, the buyer must use **Route 3 Develop Strategy** stations and sub-stations to develop their service strategy and plan their approach to the procurement. You should then progress Route 2 from the **Develop Documents** station.

Cyber Security

Open or close

Cyber Risks

If the contract will involve, support or rely on the digital processing of information, organisations should ensure that appropriate consideration is given to potential cyber risks and their management.

Further information on how to assess and manage cyber risks as part of the procurement process can be found in the Scottish public sector **Guidance Note on Supplier Cyber Security** Buyers should assess cyber risks and develop appropriate cyber security requirements as part of award criteria.

Any documents you need are listed below

Business Case

(file type: docx)

Commodity - Service Strategy

(file type: docx)

Develop Strategy Document

(file type: doc)