Route 3 - Develop Strategy

This part of the Procurement Journey is to help you develop commodity/service strategies.

A commodity/service strategy is always required for Route 3 procurement exercises.

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

The commodity/service strategy should be proportionate to the risk, value and strategic importance of the commodity/service to the Organisation. Consideration must also be given to **Planning**, **Sustainable Procurement considerations** and **Risk Management**.

A commodity/service strategy is different from a Procurement Strategy. The Procurement Strategy is a mandatory legislative requirement under **The Procurement Reform (Scotland) Act 2014** for an Organisation which estimate the value of its regulated procurement will be equal to or greater than £5,000,000 (excluding VAT) in one year.

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 Strategy including budget
- For approval of **Contract Notice**, **Selection Stage** and/or **ITT**
- At **Contract Award** stage
- At **Implementation** stage

Throughout the Procurement Journey, you will see reference to these sign off points at the relevant sections, as well as documents/templates for your use. Any review and agreement to the project plan should be in line with your organisation's governance arrangements.

The individual stations under Develop Commodity/Service Strategy provide guidance to assist you in completing the Develop Strategy template at the bottom of this page.

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. To save this template in a version that you can edit yourself, click on the template hyperlink below, right mouse click over the "Open File" link and select the option "Save Target As".

Further information on Procurement Strategy requirements is available in **Additional Resources**.

What If You Don't Use PCS to Publish Your Contract Register?

Open or close

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.

If you do not use PCS for producing a contract register, you still must produce a publicly available one.

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 Regulation (DPR)

Open or close

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

Contracts that are currently subject to the Data Protection Act 1998 are also likely to be subject to DPR.

Organisations must ensure:

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

More detailed information on DPR can be found in **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, and
- 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, Buyers must use **Route 3 Develop Strategy** stations and sub-stations to develop their service strategy and plan their approach to the procurement.

Any documents you need are listed below

Develop Strategy Document

(file type: doc)

Project Plan

(file type: xls)