



# **Procurement Annual Report: Financial year 2023–24**

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# 1 Introduction

The Scottish Qualifications Authority (SQA) is an executive non-departmental public body (NDPB) sponsored by the Scottish Government's Learning Directorate and is the national accreditation and awarding body in Scotland. SQA helps people to realise their potential and to achieve their ambitions by providing a wide range of high quality, internationally recognised qualifications, and associated services.

We work with schools, colleges, universities and training organisations to develop and deliver our qualifications and assessments.

# 2 Summary

The SQA Procurement Annual Report for 2023–24 sets out the work and the contribution made by the Procurement Team over the financial year. This meets our obligations under the Procurement Reform (Scotland) Act 2014 Part 2 section 18 to publish an annual procurement report in a transparent and proportionate manner.

This annual report demonstrates that the Procurement Team contributed to approximately £1.630m in savings / efficiencies and cost avoidance across all directorates. This is equivalent to almost four times the cost to SQA of the procurement function. This figure includes all collaborative savings made by SQA by utilising public sector frameworks in accordance with best practice.

Savings were achieved by working closely with all areas of SQA and suppliers to understand whole-life cost of the products or services, innovations, and process improvements.

The Procurement Team provides a vital professional service to ensure that SQA achieves the best value for goods and / or services delivered through third-party contracts.

The team works closely with colleagues and stakeholders across all directorates, Procurement Scotland, and Crown Commercial Services to ensure contract delivery, value for money and innovation, while ensuring legal and commercial governance have been adhered to.

The Procurement Team ensures that social value commitments and fair work practices are embedded in the tendering process and contract awarding and works with the business to drive improvements throughout the life of the contracts to maintain the integrity of SQA and uphold its interests.

### 3 Background

During 2023–24 the Procurement Team worked closely with SQA colleagues to service their requirements. The tender pipeline was developed and shared with each business area to allow for better visibility of the tenders and process to ensure effective planning, and the availability of appropriate resources to meet operational requirements. This approach has improved the engagement between Procurement and each business area and removed risks of missing key dates.

In 2023–24, SQA spent £23,820,967.71 on goods and services, with 369 suppliers.

Directorate spend is detailed in table 1.

Table 1: Spend by directorate in 2023–24

Directorate	% Figure	Spend
Business Systems	48.80	£11,624,484.94
Operations	18.70	£4,454,241.54
People	17.36	£4,136,062.66
Finance & Corporate Services	1.97	£469,054.30
Communications	3.86	£920,449.89
Policy, Analysis & Standards	1.04	£247,111.57
Corporate Strategy & Business Development	3.56	£849,638.71
Qualifications Development	4.54	£1,080,394.44
Corporate Office	0.16	£38,592.16
Accreditation	0.003	£939.51
		£23,820,067.71

Appendix 1 provides a breakdown of spend by supplier where the total spend is more than £50,000.

## 4 Objectives

The key objectives identified and measured for this period included:

- ◆ publication and update of the list of current contracts on SQA's website
- ◆ delivery of procurement savings
- ◆ promotion of delivery of SQA's and Scottish Government's fair work practice
- ◆ support for SQA's income generation opportunities
- ◆ a programme of tendering to support SQA delivery
- ◆ implementing structured stakeholder engagement meetings

All these objectives have been completed or implemented.

## 5 Achieving the best value for money

### 5.1 Collaboration

SQA actively collaborates with Scottish Procurement and Crown Commercial Services to ensure best value for SQA and to maximise economies of scale. Some 70% of discretionary spend is accounted for by collaborative contracts. The Procurement Team is actively involved with user intelligence groups and steering groups which help shape the future of procurement within Scotland.

Examples of using Scottish Government and Crown Commercial Services frameworks are:

- 1) SQA continuing use of the Scottish Government framework for Mobile Voice and Data Services, driving down prices by a further £10k per annum. This means cumulative savings of £180k over a three-year period.
- 2) Using the G Cloud framework to again engage directly with Microsoft for Unified Microsoft support and maximise SQA's Education discount. This has allowed us to maintain pricing at the discounted rate of £33k instead of paying full market pricing.

### 5.2 Contract Management

SQA recognises the importance of contract management and prioritises individual contracts according to their strategic importance. The end-users manage the day-to-day oversight and operation of the contracts, with Procurement being involved with contracts that are identified as being of high strategic importance.

Dedicated vendor managers are embedded in the Business Systems Directorate and work closely with the purchasing manager in the Procurement Team responsible for the business area, which enhances the engagement between Business Systems and Procurement. The Procurement Team highlights any supplier issues and there is discussion of upcoming contracts and the performance of current contracts. SQA is therefore able to 'work as one' when dealing with supplier and contractual issues, including any disputes. This approach also supports engagement with technical

colleagues in Business Systems as the Business Systems vendor managers can often act as a bridge between Procurement and those technical resources.

A contracts manager sits within the Procurement Team and is responsible for the management of corporate contracts. The contract manager has a close relationship with all directorates regarding travel and accommodation requirements.

### **5.3 Savings**

The reported savings for this period are approx. £1,630,135.20, which includes SQA's contributed savings and Procurement Scotland's reported savings.

This equates to 6.84% savings against the procurement-related expenditure for 2023–24.

### **5.4 Skills and training**

The Procurement Team includes two fully qualified and one-part qualified members of the Chartered Institute of Purchasing and Supply (MCIPS). One member of staff is currently working on their CIPS qualification, and two members of staff have completed their SVQ in Procurement.

In March of 2024, SQA undertook an assessment by the Scottish Government's Procurement and Commercial Improvement Programme (PCIP) team. SQA had previously been assessed as a top-level banding (M1) status. The assessment this year was changed and SQA's was scored against set questions. The details and outcomes are set out below.

## Section 1: Leadership & Governance

Question	Outcome
Procurement Influence	Good Practice Area
Procurement Strategy	Developing Area
Learning & Skills: Capability	Improving Area
Risk Management	Improving Area
Commercial Awareness & Acumen	Improving Area
Continuous Improvement of Procurement Activity	Developing Area
Climate Change	Developing Area

## Section 2: Development and Tender

Question	Outcome
Implementation & Exit Strategies, Life Cycle Planning	Developing Area

## Section 3: Contract

Question	Outcome
Contract & Supplier Management	Developing Area
Contractual Obligations & Additional Benefits	Improving Area
Lessons Learned	Good Practice Area

An action plan has been submitted to the PCIP team on how SQA plan to progress on those questions which they were scored as developing or improving.

## 6 Responsible business

SQA is committed to working with supported businesses and SMEs and promotes engagement with SMEs and local suppliers. The policy allows SQA to request quick quotes from nominated suppliers up to the value of £50k, and to develop strategies to support local companies.

During the period 2023–24, SQA continued to support the two contracts awarded to supported businesses.

Supported Business	Contract	Spend
Scottish Braille Press	Printing of Braille papers	£5433.25
Tes-Am	Recycling of IT Equipment	£0

## 7 Contract activity

### 7.1 Contracts awarded by procedure

During 2023–24, 23 contracts were tendered or awarded.

Procedure	No. of contracts	Estimated contract value
Regulated contracts	10	£2,450,227.00
Unregulated contracts	13	£854,587.00

The Procurement Reform (Scotland) Act 2014 requires an annual procurement report to include a summary of the regulated procurements that have been completed during the period covered by the report. All regulated contracts include Fair Work First criteria.

During the period 1st April 2023 to 31st March 2024, SQA awarded ten regulated contracts all of which complied with the SQA Procurement Strategy.

Details of the contracts are provided in table 2:



Table 2: contracts awarded 2023–24

Date of Award	Title	Start Date	End Date	Contractor	Amount	Extensions Available
27.03.2024	Award of Certification Printing	01.01.24	31.12.27	Adare SEC Limited	238992	1 year
27.03.2024	Award of Pre-Printed Envelopes	27.10.23	26.10.27	C P P Trading Group Ltd	248848	1 year
27.03.2024	Award of Catering Services	01.4.24	31.3.27	Baxterstorey	924330	1 year
20.03.2024	SQA2462 - Managed SOC Service	01.03.24	28.2.27	Silver Cloud Smarter Technology Ltd	128000	1 year
19.03.2024	SQA2433 - Digital Transformation	19.02.24	18.2.30	BJSS Limited	600000	No
11.03.2024	Award of SQA2467 - Legacy Support	07.03.24	31.12.26	Version 1	160727	2 years
28.06.2023	Award of External Affairs Social Media Monitoring	29.6.23	28.6.25	Hootsuite	50239.2	1 year
12.06.2023	Award of SQA2446 - Project Manager	19.6.23	31.3.24	Venesky Brown	57416.24	Yes
05.05.2023	Award of SQA2379 - SQA Apps Support & Maintenance - Retender	11.5.23	10.5.24	Tactuum	7200	1 year
11.04.2023	Award of SQA2432 - Interim Head of Data and Analytics	06.04.23	18.08.23	Harvey Nash	34470	No

## **8 Compliance**

During 2023–24, 100% of the regulated contracts awarded for SQA core activities were compliant with regulations, and no challenges were raised against the awarding of contracts.

The Procurement will continue to work with Directorates to ensure that tender activity is compliant and in line with the Procurement Policy. Regular meetings will take place with Directorate staff to plan future contract activity. The intranet will be used to inform staff of new corporate contracts and any future procurement activity.

### **8.1 Fraud**

There was no fraudulent activity linked to the procurement function during the period 1 April 2023 to 31 March 2024.

## Appendix 1: Spend by Supplier over £50k

Supplier Name	Paid Amount
R M EDUCATION PLC	£1,883,226.00
PERTEMPS LTD	£1,514,744.86
EXECSPACE LTD	£1,427,532.81
CTM LTD	£1,390,233.68
HARVEY NASH PLC	£1,334,437.06
RESILLION	£1,059,096.44
COMPUTACENTRE UK LTD	£1,044,823.02
MAPP PROPERTY MANAGEMENT	£865,054.00
LORIEN RESOURCING LIMITED	£843,045.68
UNIT4 BUSINESS SOFTWARE LIMITED	£777,054.00
QUORUM NETWORK RESOURCES LTD	£709,107.65
SOFTCAT PLC	£682,149.75
PAGE BROS	£605,073.29
ROYAL MAIL	£477,503.89
CAPITA BUSINESS SERVICES LTD	£431,983.19
IVANTI UK LIMITED	£414,762.24
SURPASS ASSESSMENT	£414,250.00
ALBACORE	£404,733.57
PARCELFORCE	£402,114.78
VENESKY-BROWN RECRUITMENT LTD	£349,939.01
APAM LTD	£307,584.23
VERSION 1 LIMITED	£255,903.60
BT PLC (SWAN SERVICES)	£234,689.63
BRODIES LLP FAO RAMSAY HALL	£213,916.18
ASHBROOK RESEARCH & CONSULTANCY	£211,988.79
HP INC UK LIMITED	£203,656.71
CLYDE PAPER AND PRINT	£200,719.18
HOBBS THE PRINTERS LTD	£189,105.88
THE UNION ADVERTISING AGENCY LTD	£188,294.00
EMTEC FACILITIES SERVICES	£182,219.65
EDF ENERGY LIMITED	£172,079.45

<b>Supplier Name</b>	<b>Paid Amount</b>
MITIE SECURITY LTD	£167,800.83
AGILISYS LIMITED	£150,629.28
EXCHANGE COMMUNICATIONS INSTALLATIONS LTD	£148,586.07
REPUBLIC OF MEDIA LTD	£138,336.97
XEROX(UK) LTD	£114,324.35
GARTNER UK LIMITED	£109,900.00
ID BUREAU SERVICES	£103,379.76
DISCLOSURE SCOTLAND	£103,081.67
GRANT THORNTON UK LLP	£90,937.00
SPEAKEASY PRODUCTIONS LTD	£90,654.18
J THOMSON COLOUR PRINTERS LTD	£90,341.28
CIVIC COMPUTING	£89,440.00
MARITIME & COASTGUARD AGENCY	£74,750.00
PORTICO CONSULTING LIMITED	£72,486.44
SAS SOFTWARE LTD	£72,176.00
NCC GROUP	£70,950.00
INITIAL PACKAGING LTD	£69,616.21
SENATOR INTERNATIONAL LTD	£67,916.20
COGENT SKILLS LIMITED	£66,666.67
CITY SPRINT	£64,625.87
BJSS LTD	£63,010.00
ROCKPOOL SOLUTIONS LIMITED	£57,637.71
ENTERPRISE RENT A CAR	£55,484.13
CLOUD SOFTWARE (IRELAND) LIMITED	£55,403.17
AUDIT SCOTLAND	£55,273.33
CHINA-BRITAIN BUSINESS COUNCIL	£54,037.57
All figures exclude VAT	

## Appendix 2: Future regulated procurements summary

This table provides a summary of the regulated procurement anticipated in the next two financial years.

Financial year	Contract	New or retender	Estimated value
24–25	ISO Certification	Retender	£50,000
24–25	Legal Services	Retender	£700,000
24–25	Examination Packaging	Retender	£180,000
24–25	Specialist Paper Products	Retender	£430,000
24–25	Print Production Equipment	Retender	£720,000
24–25	MFD Printers	Retender	£500,000
24–25	E-marking Service	Retender	£8,000,000
25–26	Permanent & Fixed Term Recruitment	Retender	£400,000
25–26	Secure Base Stock	Retender	£500,000
25–26	M & E Maintenance	Retender	£440,000
25–26	Hosted Sap Reference Site	Retender	£150,000
25–26	Website Maintenance	Retender	£380,000
25–26	Internal Audit Service	Retender	£400,000
25–26	Courier Services	Retender	£3,000,000
		Total	£15,800,000.00