The Scottish National Investment Bank

Annual Procurement Report

1 April 2024-31 March 2025

Introduction

The Procurement Reform Act (Scotland) Act 2014 requires all Scottish contracting authorities with an annual regulated procurement spend of £5 million and above to publish a procurement strategy, and subsequent procurement report. The Bank does not meet this threshold as the spend for the bank for FY24/25 was £4,641,934 but is publishing this Procurement Report on a voluntary basis.

This report covers the period of 1 April 2024 to 31 March 2025 and addresses performance and achievements in delivering the Bank's procurement strategy.

Our Procurement Strategy is currently reviewed annually and updated as required. The Strategy sets out our procurement objectives and an action plan. It is designed to ensure that wider requirements of the public procurement reform agenda are adhered to. We have developed our strategy in line with local and national priorities to support our corporate aims and objectives, including the Bank missions.

This report has been produced by Yvonne Dalgarno, Head of Procurement

Report Approved – 15 September 2025

By Al Denholm

Signed A. Denholm.

Position: Chief Executive Officer

This report comprises five sections

Section 1: **Summary of Regulated Procurements completed**

Section 2**: Review of Regulated Procurement Compliance**

Section 3**: Community Benefit Summary**

Section 4**: Supported Business Summary**

Section 5**: Future Regulated Procurements Summary**

Section 1- Summary of Regulated Procurements Completed

This Annual Procurement Report includes information on regulated procurements where contracts were awarded between 1 April 2024 and 31 March 2025. Regulated procurement activity is any contract we award for goods and services with a value over £50k.

All regulated procurements are advertised on Public Contracts Scotland "PCS" and where possible, for procurements below the regulatory threshold, the bank uses Quick Quotes. The bank is keen to ensure that procurement opportunities are open to as many SMEs as possible.

TITLE	START DATE	END DATE	CONTRACT VALUE	SUPPLIER NAME	SPEND VIA GOVT FRAMEWORK
Provision of laptops	30/06/2024	29/06/2027	£175,000.00	Vodafone Corp	YES
Salesforce licence Renewal	28/07/2024	29/07/2025	£74,077	Softcat	YES
Forecasting software	16/09/2024	15/09/2027	£114,000.00	Workday Limited	YES
D&O Insurance	19/10/2024	18/10/2027	£150,000.00	Howden Insurance Brokers Limited	YES
Credit Analytics	31/12/2024	30/12/2025	£83,070.00	S&P Global Market Intelligence LLC	NO

Section 2- Review of Regulated Procurement Compliance

Our regulated procurement activity in 2024/25 has contributed to our organisational missions and complies with our Procurement Strategy. Our Procurement Strategy includes the key procurement goals below, which complement our missions and approach to procurement activity:

Procurement Goal	Actions to deliver Goal	Confirmation of delivery
Deliver Value for Money	• Ensuring contracts are awarded on a combination of factors including both quality and cost • Facilitating an efficient and effective service for all contractual spend • Identifying commercial opportunities and appropriate delivery models – including out-sourcing, partnership working, in-house and hybrid solutions • Identifying and delivering aggregation and collaboration opportunities • Looking for opportunities to reduce internal cost and demand • Regularly reviewing our spend data to identify commercial opportunities to	• Our tendered regulated procurements awarded during this period have been awarded on a combination of quality and cost factors to deliver value for money. • We have engaged other similar organisations to look for potential future collaborative opportunities such as

	do things differently that deliver savings and non-financial benefits • Seeking opportunities to collaborate and benefit from economies of scale and buying power • Reviewing and considering appropriate price: quality ratios within our evaluation methodology which achieve the relevant balance between helping to reduce costs and not reducing the required quality of services and goods.	the National Wealth Fund where a new DPS has been created for subscriptions which will benefit the Bank. • We have amended our contract award criteria for each process we have run to reflect the importance of differing aspects of delivery to ensure we meet the business needs in the most economical and effective manner • We have used various collaborative framework agreements including Crown Commercial services, Scottish government which offers compliant route to market which can reduce timescales and the cost of running a tender process and subsequent contract award.
Sustainable Procurement	• Considering sustainability for all our regulated procurement activities through use of the 'Sustainability Test' and embed the results of this in a proportionate manner. This includes Community Benefits, Fair Work First, Living wage and Equality Diversity and Inclusion (EDI) considerations. We also seek to award contracts adhering to the Sustainable Procurement Duty • Where appropriate using Prior Information Notices (PINs) for procurements to raise earlier awareness of future tender opportunities • Identifying and progressing pre-market engagement opportunities	• For all Regulated activity we have completed a Sustainability test • We have engaged other public bodies to review specific contracts such as Information subscription services to help us refine how the Bank approaches these moving forward • We have asked all bidders (both regulated and non-regulated) for

	• Continuing to monitor contractor provision of Fair Work Practices • Commitment to minimising the risk of slavery and human trafficking in relation to its procurement activities and associated supply chains. • Continuing to learn from best practice and other organisations for example the Local Procurement Cluster group. • Considering how to incorporate more Fair Work First principles into call-offs from collaborative framework agreements that we utilise. • Contributing to Net Zero Scotland goals through our procurements and supply chain where relevant to the contract through use of the Sustainability test for Regulated processes. We will do this by looking for opportunities to set evaluation criteria which consider their approach to this during delivery of the contract • Reviewing and identifying (where appropriate) alternative products from existing contracts/framework agreements • Continuing to identify and embed best practice to maximise the inclusion and delivery of community benefits from our procurement activities	confirmation they adhere to Fair Work first principles including payment of the living wage. • Within our 'Regulated' tenders we have asked all bidders to declare that they have no criminal convictions in relation to human trafficking within the qualification stage of the SPD. (The SPD is a standard questionnaire that allows buyers to identify suitably qualified and experienced bidders. It contains questions on both exclusion and selection criteria). • We have asked and assessed Community Benefit questions and Fair work questions in our 'Regulated' tenders where we have run an open tender process • We have embedded EDI elements to evaluation criteria for example to demonstrate how bidders embed EDI in delivery of the contract deliverables
Leadership and Governance	• Ensuring compliance with all relevant legislation and that our procurement activity is aligned to our priorities. • Allocating the management of all procurement policy, process and facilitation of contracts valued over £10,000 to our specialist Procurement function • Reviewing and updating our internal procurement guidance documentation	• We have run our Regulated tenders in compliance with Regulations, advertising on Public Contracts Scotland • We continue to review and publish updates to our Procurement strategy

	for example our strategy and policies at least annually. • continuing to review our approach to procurement, seeking improvements in how we deliver contracts and framework agreements and our contract and supplier management processes and procedures • Engaging effectively with stakeholders to provide guidance and advice on all aspects of the procurement, contract and supplier management processes [and encouraging strategic partnering] • Increasing the profile of procurement by promoting and clarifying the benefits of procurement internally to teams and externally to our potential supplier base to ensure we can demonstrate our processes are open, fair and transparent • Regularly reporting on procurement activity and secured outcomes • Increasing the strategic involvement of procurement early in the planning process for new contract requirements or contract re-tendering • Reviewing our processes to ensure commercial and procurement considerations are included as early as possible • Identifying and accessing procurement and commercial training and skills development across the procurement team • Creating and embedding a procurement-related ‘lessons learned’ document • Reviewing our internal procurement guidance and contract strategy templates regularly to keep these up to date with new policy, case law and developments in procurement	and internal procurement guidance. • We have met suppliers to discuss our processes and procedures • We have attended internal team meetings, the National procurement conference, Head of Procurement Scotland meeting and engaged with other public bodies regularly whilst also attending Procurement cluster meetings. • We produce monthly Procurement MI for review and discussion by our Executive team and Audit Committee. • We have a lessons learned debrief based on contracts and situations which have occurred during the year to continually improve processes • We have created and continue to enhance templates for procurement processes.

SUSTAINABLE PROCUREMENT

We have run our tender processes in an open, fair, and transparent manner; treated all relevant economic operators equally and without discrimination; acted in a transparent and proportionate manner. Our advertised tender opportunities via the Public Contracts Scotland portal allow free unrestricted access to the tender documentation which ensures they are accessible by all suppliers, ensuring all bidders, regardless of size or location, have equal access to our contracts.

FAIR WORK PRACTICES

We requested confirmation from bidders that they adhere to Fair Work First principles in our open tender opportunities. We encouraged suppliers tendering for regulated procurements to pay the real Living Wage to individuals delivering our contracts and where it has been proportionate and relevant and does not discriminate amongst potential bidders we have mandated this.

SPEND/FINANCE AND PROCUREMENT PERFORMANCE OUTCOMES

Our procurement related spend in 2024-2025 was £4,641,934 (includes regulated and non-regulated spend and excludes VAT).

As per our strategy please see performance outcomes outlined within the table below which relates to contracts awarded during the financial year 24/25. These figures will be tracked year on year to identify progress against these specific target areas.

PROCUREMENT PERFORMANCE OUTCOMES

Performance Outcome	2024-2025
Target 1 – BT1A Cash savings for financial year BT2 Price versus Market Savings	£485K* £46K
Target 2 -Collaborative percentage of contract spend (spend via established frameworks or contracts awarded in conjunction with other public bodies)	15%
Target 3 – Total percentage spend with SME's	52%
Target 4 – Number of contracts awarded with a Community Benefit scored/Non scored question	33%

*The savings above within Target 1 within table above are reported in line with the Scottish Government's Procurement Benefits Reporting Guidance document. The BT1A savings include both savings achieved from using frameworks and local savings generated from local tenders carried out.

Section 3: Community Benefit Summary

The Bank defines 'Community Benefits' as initiatives which set out to improve economic, social or environmental wellbeing to a named community. Such initiatives may include, but are not limited to:

i. improving employability through the delivery of new jobs, apprenticeships or other recruitment opportunities;
ii. providing work experience placements/programmes, educational or vocational training opportunities;
iii. enhancing and improving community and environmental projects; tackling inequalities observed within under-represented groups; supporting charitable initiatives

Within our Regulated tender processes completed this year we have been offered various community benefits from suppliers including:

Training Opportunities

- school work placements for secondary school pupils and support for events to promote and encourage entrepreneurship.
- Supporting local schools career events to promote training opportunities

Apprenticeships

- A commitment to continue to recruit local school leavers for Association of Accounting Technicians (AAT), Association of Taxation Technicians (ATT), Modern Apprentices and the Institute of Chartered Accountants of Scotland direct entry route towards the CA qualification.

CSR Efforts

- commitments to reduce carbon footprint to improve environmental credentials.
- Charity Donations and commitments to provide charity/volunteering efforts

Equality Diversity and Inclusion

- Commitment to work directly with high-potential female directors to remove barriers to progress
- Commitments to training people managers in unconscious bias and managing for difference with empathy
- Commitments to offer Bank training on Neurodiversity

A blog was published on Linkedin earlier this year providing some of these best practice EDI examples from suppliers.

Section 4: Supported Business Summary

A primary aim of a Supported Business is the social and professional integration of disabled or disadvantaged persons. At least 30 per cent of the employees of those businesses should be disabled or disadvantaged. We raise awareness of Supported Businesses within our tender documents and we are continuing to work to identify possible Supported Businesses for potential tender opportunities.

Our tender documents contain information about Supported Businesses to encourage tenderers to consider sub-contract opportunities and where actioned report this back to us on an annual basis. In this reporting period we have not spent any money with Supported Businesses, and we will continue to look for opportunities to improve this in the future and explore supplier development opportunities.

Section 5: Future Regulated Procurements Summary

The Bank is keen to encourage competition by promoting optimal participation in its procurement process and achieve better value for money in its procurements. One method of achieving this is to give notice to suppliers of tendering opportunities that are expected to commence over the next two financial years after the period covered by this report.

In preparing this forward projection of anticipated regulated procurements, it is difficult to be precise about providing details of actual requirements. Over a forecast period of two years it is very probable that circumstances and priorities will change so the list of projected individual regulated procurement exercises outlined below should be viewed with this caveat in mind.

List of Regulated Procurements planned to commence in next two F/Ys 25/26 & 26/27

Procurement Title	**Anticipated Procurement award date**	**Estimated Value over Term of Contract £ Exc. VAT**
Resourcing Partner	Sep-25	£300k
Corporate Legal Services	Nov-25	£200k
Finance system	Nov-25	£400k
Data Subscription services	Dec-25	£200k

Procurement Title	**Anticipated Procurement award date**	**Estimated Value over Term of Contract £ Exc. VAT**
Website Services	Mar-26	£180k
HR system	Mar-26	£65k
Market AI System	Apr-26	£160k
Tax Services	Apr-26	£TBC
Investment Management System Portfolio Management (Extension)	Sep-26	£85k
Investment Management System Fund Administration (Extension)	Oct-26	£90k
Legal Document Management Solution	Nov-26	£90k
Managed IT Services (Extension)	Mar-27	£270k

CONCLUSION

The Procurement function continues to develop and strives to provide excellent support to the Bank, delivering value for money, added value, improving efficiencies and contributing to achievement of the Bank missions.