

**SCOTTISH CANALS**  
**ANNUAL PROCUREMENT REPORT**  
**2018 / 2019**

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## Introduction

Scottish Canals, the operating name of the British Waterways Board, became a standalone public body in Scotland in July 2012. The British Waterways Board was established by the Transport Act 1962 and is responsible to Scottish Ministers. It is sponsored through Transport Scotland, an agency of the Scottish Government, and receives Grant-In-Aid funding from the Scottish Government in order to make a valuable contribution to the delivery of Scottish Government's strategic objectives as set out in the National Performance Framework.

Scottish Canals has a clear vision of 'Safeguarding our heritage, building our future'. This is supported by the strategic themes – increasing financial sustainability, growing public value and empowering and motivating people - within its Corporate Plan and fundamentally underpins its aims and objectives which are articulated in its annual business plans. This includes the key aim of generating income that can be reinvested back into the canal network to protect the important industrial heritage entrusted to its care.

Scottish Canals operates and manages the five canals in Scotland: the Forth & Clyde, Union and Monkland Canals in the Lowlands, the Crinan Canal in Argyll, and the Caledonian Canal in the Highlands. Certain stretches and elements of the canals are classed as Scheduled Ancient Monuments. The Caledonian and Crinan Canals are classified as commercial waterways and the Forth & Clyde and Union Canals are classified as cruising waterways. The Monkland canal is a remainder canal. Scottish Canals stimulates economic regeneration and drives tourism activity in key locations across the canal network of Scotland to deliver public value and build its financial sustainability, through working with a range of partners across the public, private and third sectors, collectively raising awareness of the contribution that the inland waterways make to Scotland's economic, social and environmental prosperity.

The [Scottish Canals Procurement Strategy](#), as required by the Procurement Reform (Scotland) Act 2014 (the Act), was published in September 2016 and promotes the use of the Procurement Journey as well as best practice, including collaborative procurement opportunities and the use of electronic purchase to pay methods. This Annual Report reports compliance with this Strategy and the Act.

## Summary of Regulated Procurement

The Procurement Reform (Scotland) Act 2014 (the Act) introduced an additional level of spend called Regulated Procurement. Regulated Procurement is defined by the Act as Supplies and Services where the total contract value is greater than fifty thousand pounds (£50,000), and a construction works project greater than two million pounds (£2,000,000).

Public Contracts Scotland (PCS) is the Scottish Government portal where Contract Notices for Regulated Procurement activity is published. When a Contract Award Notice is published on PCS, an entry is automatically created on the [Scottish Canals Contract Register](#).

Scottish Canals has let 12 regulated contracts during the period covered by the report.

As well as the 12 regulated contracts let in the report period, four National Collaborative contracts have been accessed, and there are 52 pre-existing contracts in place from previous years including 23 that were bespoke contracts tendered by Scottish Canals.

The bespoke Regulated contracts let in this period are shown below.

Table 1: Regulated Procurement Activity from 01/04/2018 > 31/03/2019

Contract Description	Start Date	Estimated Total Spend	Suppliers	Commodity	Procurement Route
Pontoon Decking Material	06/04/18	£160,000	John Bell Pipeline Equipment Ltd	Goods	Tender
Food and Beverages	01/05/18	£2,000,000	Bidfood Food Service, Total Produce Ltd	Goods	Tender
Sighthill Enterprise Wharf	13/09/18	£146,780	Oliver Chapman Architects Ltd	Services	Tender
Publishing, Print, Design and associated services(PPDAS)	01/10/18	£80,000	APS Group	Services	SG Contract
Ardrishaig Egg Shed Interpretation	26/10/18	£100,000	Four-by-Two Consultants Ltd	Services	Tender
Banking Services	01/12/18	£120,000	RBS	Services	SG Contract
Parking Management	18/01/19	£47,443	Parkare	Goods	ESPO Contract
TFW Road Access	18/01/19	£285,372	idverde Limited	Works	Tender
Crinan Canal Telemetry	07/02/19	£75,000	Hydro-logic	Services	Tender
Fort Augustus Masterplan	08/02/19	£45,000	HarrisonStevens Limited	Services	Tender
Crinan Canal Crane Purchase	01/03/19	£125,000	GGR Group	Goods	Tender
Traffic Barriers and Controls	01/03/19	£170,490	Newgate (Newark) Limited	Goods	Tender

## **Review of Regulated Procurement**

The contracts shown in Table 1 were compliant with the Scottish Canals Procurement Strategy. In particular, the Pontoon Decking Material and Crinan Canal Crane contracts delivered both cost and efficiency savings for the organisation. These savings were delivered through keen prices and a better-defined scope of requirements to delivering improvements in contract delivery.

Additional changes have been made to the specification creation and evaluation methodology to help deliver more changes in upcoming tender activity.

## **Summary of Community Benefits and Supported Businesses**

### Community Benefits

As per the Procurement Reform (Scotland) Act, if the estimated value of this contract is equal to or greater than £4M the contracting authority must consider whether to impose community benefit requirements as part of the procurement.

While the majority of Scottish Canals regulated procurement activity falls below the value mentioned above, Community Benefits are considered as part of the contract strategy process and included where appropriate.

Community Benefits have been delivered through a number of existing contracts. The benefits have included resource and materials for volunteers to use in litter picking, graffiti removal, and presentation of the canal network. Construction works being carried out in Fort Augustus have provided an opportunity for community engagement with local schools through community events and site visits.

### Supported Business

The Scottish Government are committed to promoting the use of Supported Businesses where possible through spend in the Public Sector. More information including the definition of a Supported Business can be found on the Scottish Government website link shown below. <http://www.gov.scot/Topics/Government/Procurement/buyer-information/SuppBus>

Through the Scottish Government Supported Business Framework Contract, Scottish Canals has procured a number of items needed for projects on the canal network.

In the period covered by this report, Scottish Canals spent £21,244 through the supported Business Framework.

The spend consisted of furniture purchases from Dovetail for use in a number of Commercial Buildings owned and operated by Scottish Canals.

## Summary of Regulated Procurement Expected

In the period to 31<sup>st</sup> March 2021, it is anticipated that Scottish Canals will carry out a number of additional regulated procurement exercises.

Table 2 shows the details of this procurement activity. The nature of the procurement route to market will be driven by the key elements of the contract scope, the available procurement resource, as well as the existence of suitable collaborative procurement opportunities.

Table 2: Anticipated Regulated Procurement

Contract Description	Current Procurement Route
Gas Supplies	Scottish Government Contract
Electricity Supplies	Scottish Government Contract
Construction Works Contract	Scottish Canals Tender
Vegetation Management	Scottish Canals Tender
Banking Services	Scottish Government Contract
Cleaning Services	Scottish Canals Tender
Security Provision	Scottish Canals Tender
Architect & Design Services	Scottish Canals Tender
General Stationery and Office Paper Framework	Scottish Government Contract
Legal Services Framework	Scottish Government Contract
Volunteer Provision and Management	Scottish Canals Tender
Building Surveying and Valuation	National Contract Call-off
WAN Services	National Contract Call-off
Insurance Policies	Scottish Canals Tender