



**Item: 15**

**General Meeting of the Council: 9 December 2025.**

**Procurement Annual Report.**

**Report by Chief Executive.**

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## **1. Overview**

- 1.1. The Council published its updated Procurement Strategy 2023-2028, as required by the Procurement Reform (Scotland) Act 2014 (the Act), in December 2023. In order to report compliance with its Procurement Strategy and the Act itself, the Council must publish an annual report.
- 1.2. Public Authorities have a statutory duty to report annually on progress made on meeting the objectives as identified in their published Procurement Strategy.
- 1.3. Guidance and a template have been issued by the Scottish Government to report on procurement performance from 2017/18 onwards. This guidance and template have been and continue to be followed for the Council's Annual Procurement Reports.
- 1.4. The following sections as described in the guidance issued by the Scottish Government are mandatory reporting requirements:
  - Section 1 – Summary of Regulated Procurements Completed for the Reporting Period.
  - Section 2 – Review of Regulated Procurement Compliance.
  - Section 3 – Community Benefit Summary.
  - Section 4 – Supported Businesses Summary.
  - Section 5 – Future Regulated Procurements Summary.

## **2. Recommendations**

- 2.1. It is recommended that members of the Committee:
  - i. Approve the Procurement Annual Report for 1 April 2024 to 31 March 2025, attached as Annex 1 to this report, for publication.

**For Further Information please contact:**

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## **Implications of Report**

- 1. Financial:** There are no financial implications for the Council contained in this report.
- 2. Legal:** In terms of Section 18 of the Procurement Reform (Scotland) Act 2014, the Council must prepare an annual procurement report on its regulated procurement activities as soon as reasonably practicable after the end of the financial year to which the report relates.  
In terms of Sections 2 and 3 of the Procurement Reform (Scotland) Act 2014, “regulated procurement” refers to any procurement above £50,000 for goods and services or £2,000,000 for works. “Works” includes building or civil engineering works taken as whole that are sufficient to fulfil an economic and technical function.
- 3. Corporate Governance:** Not applicable.
- 4. Human Resources:** Not applicable.
- 5. Equalities:** An Equality Impact Assessment is not required for performance monitoring.
- 6. Island Communities Impact:** An Island Communities Impact Assessment is not required for performance monitoring.
- 7. Links to Council Plan:** The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Council Plan strategic priorities:  
 Growing our economy.  
 Strengthening our Communities.  
 Developing our Infrastructure.  
 Transforming our Council.
- 8. Links to Local Outcomes Improvement Plan:** The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Local Outcomes Improvement Plan priorities:  
 Cost of Living.  
 Sustainable Development.  
 Local Equality.  
 Improving Population Health.
- 9. Environmental and Climate Risk:** Not applicable.
- 10. Risk:** Not applicable.
- 11. Procurement:** This report supports the Council’s Procurement Strategy.
- 12. Health and Safety:** Not applicable.
- 13. Property and Assets:** Not applicable.
- 14. Information Technology:** Not applicable.
- 15. Cost of Living:** Not applicable

## **List of Background Papers**

Procurement Strategy 2023-2028.

## **Annex**

Annex 1: Procurement Annual Report for 1 April 2024 to 31 March 2025.



# Procurement Annual Report

**1 April 2024 to 31 March 2025.**

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## Definition of Key Terms

Contract.	An agreement between the Council and any Contractor made by formal agreement or by issue of acceptance or an official order for Supplies, Services or Works.
Contractor(s).	Includes any sole trader, partnership or company (limited or unlimited) or any duly incorporated trade, professional or commercial body.
Delegated Authority.	Officers who have been given formal written authority by their Executive Director or Chief Officer to manage procurement exercises within a specified value range on behalf of the Council.
Threshold.	The threshold for determining the application of the Regulations. In the case of the Public Contracts (Scotland) Regulations 2015 the threshold is £214,904 (indicative value excluding 20% VAT £179,087) for Supplies and Services and £5,372,609 (indicative value excluding 20% VAT £4,477,174) for Works. In the case of the Utilities Contracts (Scotland) Regulations 2016 the threshold is £429,809 (indicative value excluding 20% VAT £358,174) for Supplies and Services and £5,372,609 (indicative value excluding 20% VAT £4,477,174) for Works.
Framework Agreement.	An overarching agreement with supplier(s) to establish terms governing individual contracts that may be awarded during the life of the agreement ('call-offs'), concluded in accordance with Section 34 of the Public Contracts (Scotland) Regulations 2015.
Health and Social Care Services.	A public contract or framework for social and other specific services listed in Schedule 3 of the Public Contracts (Scotland) Regulations 2015.
Life-Cycle Costing.	All consecutive or interlinked stages, including research and development to be carried out, production, trading and its conditions, transport, use and maintenance, throughout the existence of the product or the works or the provision of the service, from raw material acquisition or generation of resources to disposal, clearance and end of service or utilisation.
Procurement.	The process leading to the award of a public contract or framework agreement or establishment of a dynamic purchasing system for the acquisition of works, supplies or services from an economic operator.

Public Contracts Scotland (PCS) portal.	The Scottish Government's official national advertising <a href="#">portal</a> for public sector contract opportunities.
Quick Quote (QQ).	An online quotation facility which allows the Council to obtain competitive quotes electronically for: <ul style="list-style-type: none"> <li>• Low value requirements between £10,000 and £50,000; and</li> <li>• Unregulated Works Contracts, depending on complexity of contract (as defined in Clause 17 of the Council's Contract Standing Orders).</li> </ul>
Quotation.	A formal offer to supply or purchase supplies, execute works or provide services where the estimated value of the contract is below £50,000.
Regulated Procurement.	As defined by the Procurement Reform (Scotland) Act 2014 and referred to as the Reform Act 'slice' a regulated procurement for Goods or Services Contracts with a value of £50,000 or above and for Works Contracts over £2,000,000 and less than the relevant Thresholds.
Regulations.	The Public Contracts (Scotland) Regulations 2015, the Procurement Reform (Scotland) Act 2014, the Procurement (Scotland) Regulations 2016 and / or the Concession Contract (Scotland) Regulations 2016 as the context requires, but where the Council is acting as a Harbour Authority and chooses to do so, the Utilities Contracts (Scotland) Regulations 2016.
Supplies.	Goods or the hire of goods and for any siting or installation of those goods.
Tender.	A formal offer to supply or purchase supplies, execute works or provide services where the estimated value of the contract is £50,000 (excluding VAT) or more.
Unregulated Works Procurement.	A contract for Works with a value of between £50,000 and £2,000,000, being a procurement not covered by the Regulations and procured utilising the Council's database of pre-approved contractors.
Works.	Building construction, building maintenance or engineering works.

## Introduction

Orkney Islands Council ('the Council'), provides a range of facilities and services to a community with a population estimated as 22,020 in mid-2024 by the Office of National Statistics. The Council is also the Harbour Authority with a port estate of 29 piers and harbours, a Roads Authority for the islands and operates a network of inter-island air and ferry services.

The Council provides procurement and related services for a wide range of works, supplies and services with an annual spend, for the financial year **2024 to 2025**, of over £67 million.

The Council operates a devolved model of procurement across four directorates including Orkney Health and Care. The central Procurement Services Team is based within Corporate Governance and consists of 4.7 full-time equivalent staff: a Service Manager (Procurement), three Procurement Officers and an Assistant Procurement Officer post. The Service Manager's responsibilities include the development of a network of 16 trained and experienced officers across the Council who are assigned delegated responsibility for the procurement of supplies, services and works.

The Council published its updated Procurement Strategy 2023-2028, as required by the Procurement Reform (Scotland) Act 2014 ("the [Act](#)"), in December 2023. To report compliance with its Procurement Strategy and the Act itself, the Council must publish an annual report.

There are 11 key priorities identified in the Procurement Strategy as follows:

- Sustainability, Climate Change and Net Zero Targets.
- Working with local suppliers.
- Value for money.
- Collaboration and partnering.
- Governance.
- Contract management.
- Communication.
- E-Procurement.
- Monitoring and measurement.
- Guidance.
- Training.

There are six key priority areas where targets and indicators have been identified and are attributable for the Procurement Strategy reporting period ending 31 March 2024 and are as follows:

- Sustainability.
- Working with local suppliers.
- Value for money.
- Collaboration and partnering.
- Contract management.
- E-Procurement.

The guidance and template issued by the Scottish Government has been used for this eighth Procurement Annual Report. The reporting period for this eighth annual report is from 1 April 2024 to 31 March 2025.

In addition to the required information set out in the Act, this report includes performance against several strategic indicators as detailed in the Council's Procurement Strategy 2023 to 2028.

To evidence our progress against our strategic targets and the new duties introduced by the Act, the published Annual Report details the form of measurements taken. The statistics presented in this report provide the evidence which should, over time, show how the Council is progressing against both the national and local objectives. Targets were set in the Council's Procurement Strategy and progress towards these has been noted in this eighth Procurement Annual Report.

## **Section 1 – Summary of Regulated Procurements Completed**

Section 18(2) of the Act requires organisations to include ‘**a summary of the regulated procurements that have been completed during the year covered by the report**’.

As defined by the Act and referred to as the Reform Act ‘slice’ a regulated procurement is for Goods or Services Contracts with a value of £50,000 or above and for Works Contracts over £2,000,000 and less than the relevant Thresholds.

A Regulated Procurement is completed when the award notice is published or where the procurement process otherwise comes to an end. This includes contracts and framework agreements.

Appendix 1 provides the breakdown of the Regulated Procurements completed for the reporting period of 1 April 2024 to 31 March 2025.

## Section 2 – Review of Regulated Procurement Compliance

All procurement exercises carried out by the Council are required to be carried out in accordance with the Council's Contract Standing Orders (CSOs) and these are regularly updated to take account of changes in legislation and best practice in procurement. The CSOs were last reviewed and updated in February 2024.

Prior to the point of contract award, all recommendation reports are required to include a statement that the CSOs have been complied with, therefore full compliance is anticipated. Examples of internal and external review of the Council's processes and compliance with these processes are detailed in the audit / improvement capability outcomes as follows:

### Procurement and Commercial Improvement Programme (PCIP)

The Council first completed Scotland Excel's PCIP in July 2017. The PCIP is generally undertaken every two years, the most recent undertaken on 19 March 2024. Outcomes and recommendations from this exercise are incorporated into the Procurement Team Service Improvement Plan as a process of ongoing improvement.

The objective of the PCIP is to assist the Council to improve its structure, capability, processes and ultimately performance by attaining a level of procurement performance that is appropriate to the scale and complexity of its business. As part of the PCIP the Council is required to demonstrate a prudent and well-planned approach to defining its supply needs. Assessment of the Council's procurement improvement capability is carried out by Scotland's Centre of Expertise, Scotland Excel, and covers procurement activities carried out by the Council's Officers with Delegated Authority in the Procurement, Capital Projects, Facilities and Engineering Teams.

The PCIP identified the following Key Opportunities for further improvement, all of which have been incorporated into the Procurement Service Improvement Plan with work ongoing to complete these tasks.

Ref	Description
I1	The Council can benefit from expanding the content of procurement plans, namely collating a view of high value and high-risk procurement activities across the Council. This would allow the team to focus their resources on these key areas.
I2	The team recognised the need for a suite of documents and processes to cover a number of key procurement areas including Contract and Supplier Management.
I3	Although the team seek to utilise available learning and development opportunities, a more structured approach may benefit the organisation. Use of the competency framework within the team and with delegated procurement officers would be a positive step.
I4	The Council would benefit from including a risk status on each of its procurement contracts within the contract register. The majority of risks are about procurement and not the wider risk post-award. It would be ideal to include the risks of managing the supplier post-award. This would allow greater clarity and focus on key areas.

Ref	Description
I5	Although Procurement Influence achieved Developing, should the Council add evidence that the whole organisation has embedded corporate sourcing procedures which recognise sustainable and climate considerations, using the relevant tools throughout the procurement processes, then Improving Area or more could be achieved.
I6	The Council would benefit from undertaking a Conflict-of-Interest form annually. Consider that the DPOs do this too.

## Internal Audit

The following three internal audits were undertaken within the reporting period of 1 April 2024 to 31 March 2025.

### Works, Inspection, Repairs and Maintenance

An Internal Audit of Works, Inspection, Repairs and Maintenance was completed during the reporting period 2024/25. The findings of this report were presented to the Monitoring and Audit Committee on 26 September 2024 and provided adequate assurance around the framework of governance, risk management and control relating to Works, Inspection, Repairs and Maintenance. The Audit Report is available [here](#).

### Insurance Processes

An Internal Audit of Insurance Processes was completed during the reporting period 2024/25. The findings of this report were presented to the Monitoring and Audit Committee on 13 February 2025 and provided substantial assurance around the framework of governance, risk management and control relating to Insurance Processes. The Audit Report is available [here](#).

### Orkney Health and Care Payment Processes

An Internal Audit of Orkney Health and Care (OHAC) Payment Processes was completed during the reporting period 2024/25. The findings of this report were presented to the Monitoring and Audit Committee on 13 February 2025 and provided unsatisfactory assurance around the framework of governance, risk management and control relating to OHAC Payment Processes. The Audit Report was heard in private as there was exempt information contained within the report.

Chair of the Monitoring and Audit Committee Councillor Lindsay Hall said: “This was undoubtedly a report which gave Councillors significant concern. The issues raised were given a good going over by the members of the committee, with many difficult and uncomfortable questions asked of the staff team present.

“We were reassured that, in most cases, the issues it raised had been identified and taken forward for action before the report came before us – with some actions already completed.

“It was clear to elected members that this was not about any individual wrongdoing but a lack of clear processes and policies - and that significant steps are already underway to make improvements in this regard.”

A follow up report is due to come back to the Monitoring and Audit Committee in February 2026.

## **Contract Standing Orders**

The Council's Contract Standing Orders are regularly updated to take account of changes in legislation. The latest update of the Council's Contract Standing Orders was undertaken in February 2024 to take account of the Threshold changes which took effect in January 2024, and the requirement to undertake financial assessments for contracts put in place using the Non Competitive Action procedure, as a result of an internal audit recommendation.

All Contracts awarded by the Council, regardless of value, are subject to an obligation to seek best value and to demonstrate transparency, equal treatment, non-discrimination, and proportionality.

Contracts awarded by the Council must comply with the CSOs.

Officers are required to comply with the CSOs, the Scheme of Delegation to Officers, the Scheme of Administration, and the Financial Regulations.

## **Procurement Strategy**

The Council's Procurement Strategy was first published in December 2016.

The Strategy was updated in January 2019, again for the period 2021 to 2023 and a further revised Strategy approved in December 2023 for the period 2023-2028 following a public consultation undertaken in the Summer of 2023.

Appendix 2 attached to this report includes the revised Procurement Strategy targets set out in the latest Strategy for 2023 to 2028 and records the progress made over the last financial year.

## Section 3 – Community Benefit Summary

The Council has a Sustainable Procurement Policy. This Policy sets out the general principles that the Council will follow across all its procurement and commissioning activities to ensure that these are undertaken in a sustainable manner.

This Policy also sets out how the Council will plan and manage its procurement activities to meet the Council's corporate aims and objectives and comply with regulatory and legislative requirements. Finally, the Policy supports the Council's commitment to sustainable procurement which is set out in the Council's Corporate [Procurement Strategy 2023-2028](#).

The Procurement Strategy is intended for all of those who are involved in, or affected by, the Council's procurement activities throughout our community and beyond. The Council spends tens of millions of pounds each year on a diverse range of goods, services and works from third parties. It is important therefore that this spending power is used to support key Council objectives. The Sustainable Procurement Policy has been developed to help the Council to meet its legal duties and to deliver its key strategic objectives. The [Sustainable Procurement Policy](#) was updated and approved by Council in March 2022.

Due to the Council's fast developing policy to meet its Climate Change Duties and progress to Net Zero, the Sustainable Procurement Policy was further reviewed following a public consultation in 2024 to align with the Council Plan and Procurement Strategy.

Sustainable procurement supports the Council's values, as outlined in the [Council Plan 2023-2028](#) and the [Council Delivery Plan 2023-2028](#) which cover the reporting period of this Procurement Annual Report.

This Procurement Annual Report will report on the Procurement Strategy 2023 to 2028 which is aligned to the new [Council Plan 2023-2028](#), which has the following strategic priorities:

- Growing our Economy.
- Strengthening our Communities.
- Developing our Infrastructure.
- Transforming our Council.

It is a statutory requirement that Community Benefits must be considered for all procurement processes at or above £4 million in value to meet the Council's requirement to meet the sustainable procurement duty.

For each individual Regulated Procurement exercise, Officers with Delegated Procurement Authority must complete a 'Commodity Strategy for all Regulated Procurements' which includes a section on Community Benefits to be considered where applicable.

### Procurements that have included Community Benefits

There have been five procurements carried out by the Council, where Community Benefits for procurements with a contract value over the £4,000,000 threshold, have been included.

For procurement of Category C (local contract / framework including local collaborative framework agreements) Contracts which are undertaken by the Council, Community Benefits are included without exception as part of the award criteria where the value of the

Action Plan is over £4 million. These are recorded in the Procurement Strategy Targets/Indicators, attached at Appendix 2.

These contracts are as follows, and have either been completed or have ongoing spend within the reporting period for this annual report:

<b>Date of Award.</b>	<b>Subject Matter.</b>	<b>Estimated Value (£).</b>	<b>Start Date.</b>	<b>End Date.</b>
09/08/2010	Hard Facilities Management Schools Investment Programme	7,600,000	08/09/2010	09/07/2030
05/01/2021	Inter-island Air Services	4,880,363	01/04/2021	31/03/2025
09/04/2021	School and Public Bus Contracts	4,672,014	16/08/2021	15/08/2031
15/03/2022	New Kirkwall Care Facility	12,641,675	25/05/2022	23/08/2024
06/03/2025	Scapa Deep Water Quay PCSA Stage	5,997,945	06/03/2025	TBC

Where the Council can access Category A (national collaborative) contracts or Category B (sectoral collaborative) contracts via Framework Agreements the overall anticipated value of the Framework is inevitably of a high value and likely to be over the £4 million threshold for the inclusion of community benefits.

Contracts awarded under Framework Agreements are required to achieve Community Benefits as mandatory. However, for contracts awarded via a Framework Agreement it is more difficult to identify Community Benefits which will be realised locally, except where the local supply chain is involved in the delivery of the Contract.

Monitoring of Community Benefits for exercises before this year have continued as planned.

There has been an increase of one contract over the value of £4 Million with Community Benefit Clauses over the past financial year. However, the inclusion of Community Benefit Clauses is now routinely considered where appropriate for all procurements.

<b>Community Benefit Analysis.</b>	<b>1 April 2024 to 31 March 2025.</b>
Total Number of Contracts where Community Benefit Clauses have been included.	5.
Number of Applicable Contracts with Community Benefit Clause.	5.
Percentage of total Applicable Contracts with Community Benefit Clauses.	100%.

## Other considerations

The following factors are routinely taken into consideration in relevant procurements, especially in construction or social care procurement. However, these may not always be specifically labelled as Community Benefit Award Criteria:

- Climate change (carbon and energy consumption, carbon in production, adaption, carbon in vehicle emissions).
- Materials (scarcity, security).
- Waste (production, reuse / recondition / remanufacture).
- Hazardous materials / emissions.
- Biodiversity (protection and enhancement).
- Heritage (protection and enhancement).
- Water (consumption and production).
- Employment (skills and training, SMEs / social enterprises / supported businesses).
- Communities.
- Fair and ethical trading (working conditions, conflict materials).
- Equality (protected characteristics).

Following the legislative changes, and as recorded for the financial years covered by this report on the Council's On-Contract Spend Register, Fair Work Practices are routinely included in the award criteria for all contracts. In addition, a Sustainable Procurement award criterion has been developed which can be adapted to use where relevant and proportionate for the procurement exercise undertaken. This is now included in contracts where there is an activity identified that would impact on climate change impact. There have been a total of **84** procurements undertaken including live ongoing contracts to the end of the March 2025 reporting period where Community Benefits / Sustainability Clauses have been part of the award criteria regardless of value.

The most notable significant procurement exercises which were undertaken during the current reporting period include one large infrastructure project and smaller contracts, for example, transport and haulage services or food supply where a direct impact is made on greenhouse gas emissions, consultancy services where maximum use is made of online meetings and services where delivery is part of the contract, for example.

In the main, responses to the sustainable procurement and community benefits sections for these contracts have been positive and ranged from a strong awareness of the principles of Fair Work Practice and a focus on offering work placements, employment opportunities for individuals experiencing long term unemployment, apprenticeships etc to supporting community events by providing free transport.

In accordance with the Council's Sustainable Procurement Policy, the inclusion of sustainable procurement clauses in award criteria is considered for all contracts where this is appropriate.

All Category A, B and C1 contracts awarded under a framework, either at national or UK wide level, all now include both Community and/or Sustainable Procurement clauses in accordance with legislation.

A summary of the Community Benefits and Sustainable Procurement clauses as part of the award criteria for the procurements included within the reporting period are as follows:

- Employment (skills and training, small or medium-sized enterprises (SMEs) / social enterprises / supported businesses).
- Fair Work Practices.
- Transport and emissions.
- Employment opportunities for people who experience barriers to employment.

Included in the Sustainable Procurement Policy, a Sustainable Procurement Impact Assessment (SPiA) tool has been developed and is now in use. This approach assists Senior Officers and Officers with Delegated Procurement Authority to assess where a specific procurement exercise should consider these factors at the planning stage of the procurement as recorded in the procurement plan. For the 2024-25 reporting period, SPiAs have been undertaken at the planning stage of predominantly major capital projects and procurement exercises where the project or service operation is likely to have an impact, totals four. This process is now embedded, and numbers will increase once procurement exercises which are live or in the planning stage have reached the award stage of the procurement process.

## Section 4 – Supported Businesses Summary

The Procurement Reform (Scotland) Act 2014 (“the [Act](#)”) includes a classification for supported business and defines a supported business as ‘an economic operator whose main aim is the social and professional integration of disabled or disadvantaged persons and where at least 30% of the employees of the economic operator are disabled or disadvantaged’.

Public organisations can restrict the right to participate in procurement for the award of a public contract / framework to supported businesses only.

This change expanded the potential for more businesses to be included in this category. The Council’s contract activity for the reporting year includes the Community Interest Company, Scottish Supported Business and Social Enterprise Company, Hey Girls period products, available in Council facilities and online through the Council’s online ordering process.

## **Section 5 – Future Regulated Procurements Summary**

The Procurement team has worked with Directors across the Council to develop a forward procurement plan for their service areas. These plans identify the Council's anticipated procurement activity for the coming year for Category C and C1 procurement (excluding Category A and B activity).

The Act has extended this timeframe to two years, and Appendix 3 includes information regarding anticipated Regulated Procurements for that period. As referenced in the introduction above, this report includes information on all procurement activity and this is included in the Forward Plan, i.e. it also covers 'nonregulated' procurement.

## Section 6 – Other Information

### Supplier Development

In the past an annual Meet the Buyer event was held annually for the years 2018 to 2020.

Since the Covid-19 pandemic and with the increase in online events, there have been no overarching Meet the Buyer events organised. However, contract specific market engagement events are considered in consultation with the service area in a format compatible with the market at the time where required and on a case-by-case basis and include in person events now. These events are organised by the service area and in conjunction with the Council's Procurement Team. A feature of all Meet the Buyer events is to signpost the support available via the Business Gateway Orkney Service and the Supplier Development Programme which both continue to be active in providing support to contractors and are actively involved in helping local firms do business better with the Council.

Meet the Buyer events, following the format of focused upcoming contract opportunities, will continue to be undertaken where this is deemed a suitable route for contract/sector specific market engagement for future procurement exercises.

### Collaboration and Partnering Opportunities

In accordance with the Council's Procurement Strategy there is a Council commitment regarding collaboration and partnering. It is recognised that greater efficiencies can be achieved by improved collaboration between different organisations within the public sector with similar requirements, whether within the local government sector or in other areas of the public sector, such as the Scottish Government, the Crown Commercial Service, Non-Departmental Public Bodies and the National Health Service (NHS). Collaboration with Shetland Islands Council is to be actively explored to see if there are opportunities to work more closely together to identified potential economies of scale etc

Collaboration maximises the value of procurement whether it be through aggregation of demand or through the sharing of resources to reduce administration. Framework Agreements are noted as either a Category A Contract or a Category B Contract or Category C1 for local collaborative contracts in place. The Council's use of these is shown in the tables below.

The Council's internal contract register lists all purchases for works, services and supplies known to have a contract in place. This register does not include ad hoc purchases for values typically under the £10,000 minimum threshold as noted in the Council's CSOs. There are exceptions to this rule where the nature or complexity of the contract warrants having a contract in place regardless of being of low value (under £10k, for example, IT licensing agreements, cleaning contracts etc).

In total there are **464** live contracts listed in the Council's contract register for the year 1 April 2024 to 31 March 2025.

Tables 1 to 5 below summarise all live contracts as recorded on the Council's Contract Register by category for the previous five complete financial years and a corresponding split between Services, Supplies and Works.

**Table 1 – 1 April 2020 to 31 March 2021**

<b>Contract Category Analysis.</b>	<b>Number.</b>	<b>Percentage of Total Value.</b>	<b>Estimated Contract Value (£).</b>
Category A (national).	25.	7.69%.	£2,828,299.00.
Category B (sectoral).	29.	7.24%.	£2,662,194.74.
Category C (local single supplier).	212.	58.82%.	£21,618,832.83.
Category C1 (local contract / framework including local collaboration). (Examples for Category C1, are as for 2016 / 2017, the provision of contracts for food, specialist legal services working collaboratively and e-learning working collaboratively with other Public Authorities with the addition of the provision of tax advisory services).	13.	1.02%.	£373,967.50.
Category O (other).	149.	25.23%.	£9,540,039.67.
<b>Total.</b>	<b>428.</b>	<b>100.00%.</b>	<b>£37,023,333.74.</b>

<b>Type of Contract</b>	<b>Number of Contracts</b>	<b>% of Total Contracts</b>	<b>Value of Contracts</b>	<b>% of Total Value</b>
Service	275.	64.25%.	£19,064,537.13.	51.49%.
Supply	57.	13.32%.	£10,829,453.22.	29.25%.
Works	96.	22.43%.	£7,129,343.39.	19.26%.
<b>Total.</b>	<b>428.</b>	<b>100%.</b>	<b>£37,023,333.74.</b>	<b>100%.</b>

**Table 2 – 1 April 2021 to 31 March 2022**

<b>Contract Category Analysis.</b>	<b>Number.</b>	<b>Percentage of Total Value.</b>	<b>Estimated Contract Value (£).</b>
Category A (national).	54	2.39%	£1,002,229.10
Category B (sectoral).	58	10.21%	£4,282,885.39
Category C (local single supplier).	222	63.22%	£26,531,161.52
Category C1 (local contract / framework including local collaboration). (Examples for Category C1, are as for 2016 / 2017, the provision of contracts for food, specialist legal services working collaboratively and e-learning working collaboratively with other Public Authorities with the addition of the provision of tax advisory services).	10	1.20%	£503,333.29
Category O (other).	159	22.98%	£9,643,541.36
<b>Total.</b>	<b>503</b>	<b>100.00%</b>	<b>£41,963,150.67</b>

Type of Contract	Number of Contracts	% of Total Contracts	Value of Contracts	% of Total Value
Service	323	64.21%	£22,203,979.34	52.91%
Supply	109	21.67%	£4,544,836.92	10.83%
Works	71	14.12%	£15,214,334.41	36.26%
<b>Total.</b>	<b>503</b>	<b>100%</b>	<b>£41,963,150.67</b>	<b>100%</b>

**Table 3 – 1 April 2022 to 31 March 2023**

Contract Category Analysis.	Number.	Percentage of Total Value.	Estimated Contract Value (£).
Category A (national).	65	9.70%	£5,477,199.06
Category B (sectoral).	50	7.86%	£4,438,800.93
Category C (local single supplier).	212	54.81%	£36,577,955.46
Category C1 (local contract / framework including local collaboration). (Examples for Category C1, are as for 2016 / 2017, the provision of contracts for food, specialist legal services working collaboratively and e-learning working collaboratively with other Public Authorities with the addition of the provision of tax advisory services).	10	1.51%	£850,084.39
Category O (other).	135	16.11%	£9,094,367.60
<b>Total.</b>	<b>472</b>	<b>100.00%</b>	<b>£56,438,407.43</b>

Type of Contract	Number of Contracts	% of Total Contracts	Value of Contracts	% of Total Value
Service	310	65.82%	£25,980,242.68	46.03%
Supply	115	24.36%	£16,015,275.65	27.38%
Works	47	9.96%	£14,442,889.10	25.59%
<b>Total.</b>	<b>472</b>	<b>100%</b>	<b>£56,438,407.43</b>	<b>100%</b>

**Table 4 – 1 April 2023 to 31 March 2024**

<b>Contract Category Analysis.</b>	<b>Number.</b>	<b>Percentage of Total Value.</b>	<b>Estimated Contract Value (£).</b>
Category A (national).	69	15.33%	£7,466,414.32
Category B (sectoral).	54	12.00%	£6,556,422.98
Category C (local single supplier).	209	46.44%	£28,591,864.28
Category C1 (local contract / framework including local collaboration). (Examples for Category C1, are as for 2016 / 2017, the provision of contracts for food, specialist legal services working collaboratively and e-learning working collaboratively with other Public Authorities with the addition of the provision of tax advisory services).	21	4.67%	£1,563,626.49
Category O (other).	97	21.56%	£8,991,766.46
<b>Total.</b>	<b>450</b>	<b>100.00%</b>	<b>£53,170,094.52</b>

<b>Type of Contract</b>	<b>Number of Contracts</b>	<b>% of Total Contracts</b>	<b>Value of Contracts</b>	<b>% of Total Value</b>
Service	305	67.78%	£28,455,583.61	53.52%
Supply	100	22.22%	£11,214,984.10	21.09%
Works	45	10.00%	£13,499,526.81	25.39%
<b>Total.</b>	<b>450</b>	<b>100%</b>	<b>£53,170,094.52</b>	<b>100%</b>

**Table 5 – 1 April 2024 to 31 March 2025**

<b>Contract Category Analysis.</b>	<b>Number.</b>	<b>Percentage of Total Value.</b>	<b>Estimated Contract Value (£).</b>
Category A (national).	68	17.89%	£9,767,947.21
Category B (sectoral).	87	13.90%	£7,591,087.75
Category C (local single supplier).	173	40.64%	£22,213,557.62
Category C1 (local contract / framework including local collaboration). (Examples for Category C1, are as for 2016 / 2017, the provision of contracts for food, specialist legal services working collaboratively and e-learning working collaboratively with other Public Authorities with the addition of the provision of tax advisory services).	15	3.58%	£1,952,565.98
Category O (other).	120	23.99%	£13,094,704.64
<b>Total</b>	<b>464</b>	<b>100.00%</b>	<b>£54,619,863.20</b>

<b>Type of Contract</b>	<b>Number of Contracts</b>	<b>% of Total Contracts</b>	<b>Value of Contracts</b>	<b>% of Total Value</b>
Service.	331	71.34%	£37,918,771.69	69.42%
Supply.	96	20.69%	£5,825,143.50	10.66%
Works.	37	7.97%	£10,875,948.00	19.91%
<b>Total.</b>	<b>464</b>	<b>100%</b>	<b>£54,619,863.20</b>	<b>100%</b>

## **Procurement Annual Spend Data**

The Council is required by the Scottish Government to input its annual spend data to the Procurement Hub which records all purchasing transactions made by the Council for each financial year. The information is processed and released back to the Council for the purposes of analysis and forward planning.

The following table provides a summary of key data for the Council spend data for the past five financial years.

**Table 6**

Financial Year.	2020 / 2021.	2021 / 2022.	2022 / 2023.	2023 / 2024.	2024 / 2025
Total Spend (£).	£40,405,786.00	£53,235,315.00	£69,968,064	£65,829,641	£70,753,354
Core Trade Spend (£)	£37,412,755.00	£50,458,363.00	£66,663,75	£61,867,089	£67,749,468
Input suppliers.	1,802.00	2,205.00	2,168	2,211	2,187
De-duplicated Suppliers.	1,764.00	1,998.00	2,136	2,176	2,161
Duplicate Suppliers.	38	27	32	35	26
SME Suppliers.	670	971	794	951	946
Local Suppliers.	217	294	269	282	336
Transactions.	29,226	34,999	36,472	37,963	38,991
Average Spend per supplier (£).	£22,906	£26,644	£32,757	£30,253	£32,741
Percentage of SME Spend.	61%	62%	59%	61.10%	60.63%
Percentage of Local Spend.	38%	41%.	41%	40.51%	39.54%
Amount of Local Spend (£)	£17,583,994.00	£23,715,430.61	£31,331,966.00	£25,365,506.49	£26,788,140
Percentage of Core Trade Spend of Total	92.59%	94.50%	95.28%	93.98%	95.75%

**Key to categories in Procurement Annual Spend table:**

- Total Spend – total amount of spend for the financial year.
- Input Suppliers – number of suppliers, before de-duplication.
- De-duplicated Total Suppliers – number of unique suppliers.
- Duplicate Suppliers – number of suppliers which are duplicates of another supplier.
- Transactions – total number of transactions.
- Avg. spend per supplier – average spend per unique supplier.
- Core Trade – sub-set of supply base that includes all Trade Suppliers and Social Care Provider with spend of £1,000 or more in the financial year.
- SME Supplier – Small and Medium sized businesses where the supplier has less than 249 employees or where the annual revenue is less than £22.8m.
- SME Spend – Spend with SME as a percentage of Core Trade Spend.
- Local Suppliers – Spend with suppliers within the same local authority area as the organisation (based on postcodes).
- Local Spend – Spend with local suppliers as a percentage of Core Trade Spend.

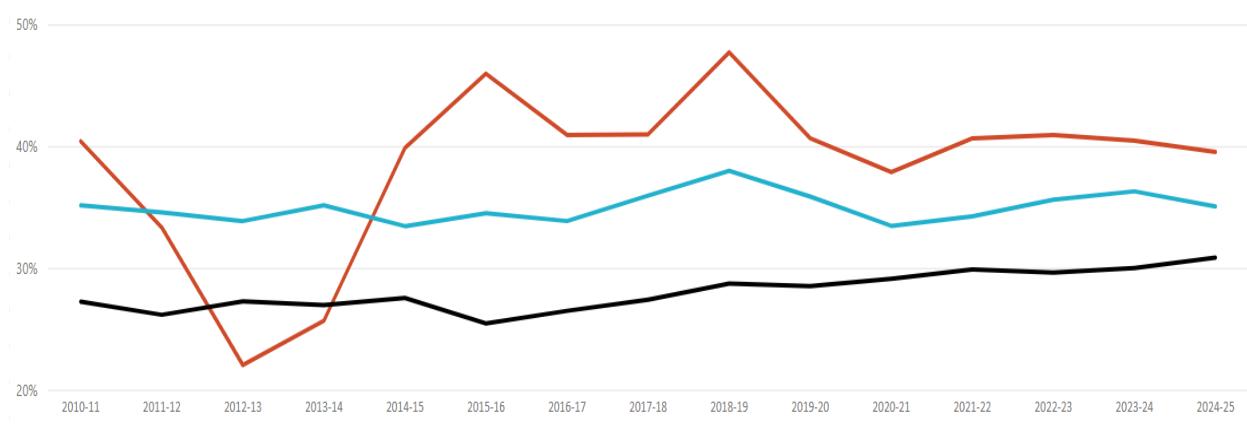
## Procurement Spend – National Context

The proportion of the Council's spend on local enterprises was 39.5% for the reporting period 2024– 2025 (figures accessed in November 2025). In comparison, the proportion of procurement spend on local enterprises across Scotland for the same period was 30.8% and, for similar\* councils (family group), there was an overall average of 35% spend on local enterprises.

\*Orkney is part of the Local Government Benchmarking Framework Group 1 which is grouped for the above indicator with similar Councils (East Renfrewshire, East Dunbartonshire, Aberdeenshire, Edinburgh City, Perth & Kinross, Aberdeen City and Shetland Islands).

Graph 1

### ECON04 – Proportion of Procurement Spent on Local Enterprises



Key: 2024-25

Red - Orkney Islands Council 39.5%

Blue - Family Group 35%

Black - All Scotland 30.8%

Ref: Local Government Benchmarking Framework

Orkney's procurement spend on local SMEs is 8.7% above the 'all Scotland' national average of 30.8% for the 2024 to 2025 period.

Please note that the figures referred to in this section are the percentages of the Council's spend on local Enterprises which is a different data set to the figures recorded for percentage of Enterprises Spend and percentage of Local Spend in Table 6. This information is sourced from the Local Government Benchmarking data sets and are the 2024 to 2025 figures. These are the most up to date statistics available to illustrate the national context.

## Climate Change Duties

The Climate Change (Scotland) Act 2009 places duties on public bodies relating to climate change.

These duties require that the Council must, in exercising its functions, act to:

- Contribute to the delivery of emission reduction targets (mitigation).
- Help deliver any statutory climate change adaptation programme (adaptation).
- Do this in a way that it considers most sustainable (acting sustainably).

The Council is statutorily required to provide evidence of the above in annual reports from reporting year 2021/22 onwards, as part of The Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Order 2020.

The Council's annual Climate Change Duties (CCD) report for 2024/25 will be considered by Council in November 2025. Copies of previous CCD reports may be accessed [here](#).

## **Biodiversity Duty**

Section 8.21 of the Sustainable Procurement Policy states that the Council will meet the duty to further the conservation of biodiversity arising from the Nature Conservation (Scotland) Act 2004. This will be done, where appropriate, by specifying through the procurement processes requirements that protect and enhance green spaces, habitats, species, sustainable farming practices and biodiversity both locally and globally.

## **Scotland's Public Procurement Reporting Requirements for 2024-25**

The Scottish Government produced a policy note [SPPN 2/2025](#) on 12 June 2025 regarding future reporting requirement for the 2024/25 reporting periods.

To date there has been no change to the reporting requirements requested by the Scottish Government.

## Appendix 1 – Summary of Regulated Procurements 1 April 2024 to 31 March 2025

Date of Award	Contractor	Subject Matter	Estimated/Actual Total Value (including any contract extensions)	Start Date	End Date	End date including period of extension	Directorate	Governance
08/04/2024	Number10 interim	OHAC Temporary Finance Staff	£64,000.00	08/04/2024	20/12/2024	NA	E&SR	Service Budget
01/04/2024	British Telecommunications PLC	SWAN2	£1,215,000.00	01/04/2024	31/03/2035	NA	NS&I	Service Budget
01/04/2024	Various	Social Care Agency Staff	£4,610,487.76	01/04/2024	31/03/2025	Ongoing	OHAC	Service Budget
01/04/2024	Various	Various IT Peripherals - Purchasing Platform	£121,029.39	01/04/2024	31/03/2025	Ongoing	I&OD	Service Budget
01/04/2024	EDF Energy Ltd	Electricity 2024	£5,604,981.90	01/04/2024	31/03/2025	Ongoing	I&OD	Service Budget
01/04/2024	Scottish Fuels	Liquid Fuel - Scotland North (2024)	£1,175,220.48	01/04/2024	31/03/2025	Ongoing	I&OD	Service Budget
01/04/2024	Business Stream	Water and Waste Water Services (2024)	£534,121.22	01/04/2024	31/03/2025	Ongoing	I&OD	Service Budget
08/04/2024	Age Scotland Orkney	Provision of Independent Living Support Service	£94,819.00	01/04/2024	31/03/2025	Ongoing	OHAC	Service Budget
15/04/2024	Start Point Media	Social Media Management	£359,728.00	01/05/2024	31/04/2025	31/03/2028	E&SR	Service Budget
23/04/2024	David Flanagan Media	PR Media Management	£182,800.00	01/05/2024	31/04/2025	31/03/2028	E&SR	Service Budget
08/05/2024	Brodies LLP	Specialist Legal Services for Orkney Wind Farms	£104,250.00	08/05/2024	06/05/2026	06/05/2026	E&SR	Capital Project

Date of Award	Contractor	Subject Matter	Estimated/Actual Total Value (including any contract extensions)	Start Date	End Date	End date including period of extension	Directorate	Governance
21/05/2024	Vodafone	Renewal of Mobile Phone contract	£120,135.60	01/06/2024	31/05/2027	31/05/2027	NS&I	Service Budget
07/06/2024	Dennis Eagle Ltd	26t Refuse Truck	£225,937.00	07/06/2024	Supply	NA	NS&I	Capital Replacement Programme
10/06/2024	HRI Munro Architecture	Architectural Services 24-29	£326,535.00	07/06/2024	06/06/2028	06/06/2030	NS&I	Service Budget
12/06/2024	Econ Engineering Ltd	Econ Quick Change Hotbox and Tipper Bodies	£75,870.00	12/06/2024	Supply	NA	NS&I	Capital Replacement Programme
13/06/2024	Norscot Truck and Van Ltd	18T Chassis and Quick Change Body - Tipper/Gritter/Hotbox	£134,838.00	13/06/2024	Supply	NA	NS&I	Capital Replacement Programme
17/05/2024	Aether Limited	Climate Change Consultancy	£58,050	18/06/2024	30/02/2025	NA	NS&I	External Funding
18/06/2024	Specialist Cars Renault	3 X New Electric Cars ( Vehicles)	£67,721.85	18/06/2024	Supply	NA	NS&I	Capital Replacement Programme
21/06/2024	Markon Limited	Reinstatement of Carriageway white lines following surface dressing (by Markon Ltd)	£90,510.00	21/06/2024	20/09/2024	NA	NS&I	Service Budget
01/07/2024	Orkney Transport (Prev J&V)	School Transport	£171,677.00	01/08/2024	30/06/2029	30/06/2031	EC&H	Service Budget
17/07/2024	Aebi Schmidt UK Ltd	Purchase of 3.5t road sweeper for waste services	£95,690.00	17/07/2024	Supply	NA	NS&I	Capital Replacement Programme
23/07/2024	Simpson & Brown	Conservation Surveying	£163,462.00	01/08/2024	31/07/2029	NA	NS&I	Service Budget

Date of Award	Contractor	Subject Matter	Estimated/Actual Total Value (including any contract extensions)	Start Date	End Date	End date including period of extension	Directorate	Governance
23/07/2024	Nynas	Supply of Emulsion for road maintenance	£171,000.00	23/07/2024	28/02/2025	NA	NS&I	Service Budget
23/07/2024	Nynas	Supply of Bitumen for road maintenance	£300,000.00	23/07/2024	28/02/2025	NA	NS&I	Service Budget
28/07/2024	Lyngaa Marine ApS	Replacement and upgrade of obsolete Engine Controls for Earl Sigurd & Earl Thorfinn	£177,205.00	01/01/2025	31/03/2025	NA	E&SR	Annual Refit/ Repairs Programme
01/08/2024	Softcat Plc	Wireless LAN Controller	£52,061.64	01/08/2024	Supply	NA	NS&I	Service Budget
02/08/2024	Scot JCB Ltd	360 tracked excavator	£211,500.00	02/08/2024	Supply	NA	NS&I	Capital Replacement Programme
05/08/2024	Rocketbox	Vikings Exhibition	£264,000.00	05/08/2024	01/03/2025	NA	NS&I	External Funding
05/08/2024	NB Communication	Orkney Marketing Programme - Web Services	£214,500.00	01/08/2024	31/07/2027	31/07/2029	E&SR	Service Budget
13/08/2024	Hub North - Independent intelligence	Schools investment Programme Contract Options Appraisal Hub North	£59,670.03	13/08/2024	01/09/2025	01/09/2025	NS&I	Service Budget
15/08/2024	Mellor Bus Ltd	2 x 16 Seater Disabled Access Minibus	£266,430.00	15/08/2024	Supply	NA	NS&I	Capital Replacement Programme
27/08/2024	Skip Units Limited	Purchase of Various Skips and frames	£81,500.00	27/08/2024	Supply	NA	NS&I	Capital Replacement Programme
05/09/2024	MLM Engineering	Purchase of Tractor and Trailer	£130,000.00	05/09/2024	Supply	NA	NS&I	Capital Replacement Programme

Date of Award	Contractor	Subject Matter	Estimated/Actual Total Value (including any contract extensions)	Start Date	End Date	End date including period of extension	Directorate	Governance
05/09/2024	Bill Mackie Engineering Ltd	MV Thorsvoe Refit 2024	£262,019.00	16/09/2024	03/10/2024	NA	E&SR	Annual Refit/ Repairs Programme
12/09/2024	A M Phillip Trucktech Ltd	2 x 7t Tipping Pickups with Tail Lifts ( Vehicles)	£120,415.00	12/09/2024	Supply	NA	NS&I	Capital Replacement Programme
17/09/2024	NCC Group Security Services Limited	Annual IT Health Check	£123,000.00	13/09/2024	12/09/2027	12/09/2028	NS&I	Service Budget
18/09/2024	Softcat Plc	Kirkwall Care Home IT Networking	£51,656.78	18/09/2024	Supply	NA	NS&I	Capital Programme
20/09/2024	indigo House	Hub North Strategic Support Housing Phase 3	£91,250.00	20/09/2024	30/09/2025	NA	NS&I	Capital Programme
25/09/2024	Specialist Cars Renault	Supply and Delivery of 3 New EV Vans	£67,796.85	25/09/2024	Supply	NA	NS&I	Capital Replacement Programme
30/09/2024	Kongberg Maritime Finland	Harald Gear Couplings	£53,456.48	27/09/2024	Supply	NA	E&SR	Annual Refit/ Repairs Programme
30/09/2024	NTM-GB Ltd	16T Split Back Recycler for Waste Services	£176,665.00	30/09/2024	Supply	NA	NS&I	Capital Replacement
15/10/2024	VAO	Supported Volunteering Project with VAO	£50,000.00	01/10/2024	30/09/2026	NA	EL&H	External Grant Funding
28/10/2024	QA Fish Ltd	Fresh Fish Catering Contract	£132,275.00	04/11/2024	03/11/2027	01/11/2029	EL&H	Service Budget
29/10/2024	Norscot Truck and Van Ltd	32t Tipper truck for roads Services	£157,200.00	29/10/2024	Supply	NA	NS&I	Capital Replacement Programme

Date of Award	Contractor	Subject Matter	Estimated/Actual Total Value (including any contract extensions)	Start Date	End Date	End date including period of extension	Directorate	Governance
29/10/2024	Dennis Eagle Ltd	18t Refuse Collection Vehicle for Waste Services	£217,709.00	29/10/2024	Supply	NA	NS&I	Capital Replacement Programme
31/10/2024	Norscot Truck and Van Ltd	New 15T Road Sweeper	£185,974.00	31/10/2024	Supply	NA	NS&I	Capital Replacement Programme
07/11/2024	G A Barnie Group Ltd	Electrical Installation Checks New Contract 2024 - Non Housing	£559,128.55	07/11/2024	06/11/2027	NA	NS&I	Service Budget
07/11/2024	Enviroclean	Paper Products - Hatston	£80,000.00	11/11/2024	28/03/2027	NA	NS&I	Service Budget
19/11/2024	Brodies LLP	Legal Due Diligence	£62,000.00	20/11/2024	19/11/2026	NA	E&R	Capital Project
28/11/2024	The Salt Sales Co	Supply of Salt for winter maintenance of roads & pathways	£500,000.00	28/11/2024	31/10/2026	NA	NS&I	Service Budget
02/12/2024	McAdie & Reeve	Provision of Isles Haulage 2024	£400,000.00	22/11/2024	21/11/2027	20/11/2029	NS&I	Service Budget
09/12/2024	CRC Advisory Ltd	Entrepreneurial Islands Project	£65,350.00	01/04/2024	31/03/2025	NA	E&SR	Service Budget
13/12/2024	Environmental Technical Services	3 yrs 3 Years Ventilation Cleaning , Servicing and Recording of as Built Information Ventilation Ductwork / Cleaning Contract 2024	£112,580.00	13/12/2024	12/12/2027	NA	NS&I	Service Budget
18/12/2024	Knud E Hansen	ONI Vessel Design	£250,000.00	06/01/2025	31/05/2025	NA	E&SR	Capital Project
23/12/2024	Bill Mackie Engineering Ltd	MV Sigurd Re -Fit 2025	£361,454.00	06/01/2025	25/01/2025	NA	E&SR	Annual Refit/ Repairs Programme

Date of Award	Contractor	Subject Matter	Estimated/Actual Total Value (including any contract extensions)	Start Date	End Date	End date including period of extension	Directorate	Governance
13/01/2025	Leask Marine	Sharon Rose Wreck Removal	£174,909.25	13/01/2025	23/02/2025	NA	E&SR	Service Budget
21/01/2025	Bill Mackie Engineering Ltd	Refit for Thorfinn 2025	£195,068.00	27/01/2025	07/02/2025	NA	E&SR	Annual Refit/Repairs Programme
21/01/2025	Bill Mackie Engineering Ltd	Refit for Varagen 2025	£307,156.00	17/02/2025	03/03/2025	NA	E&SR	Annual Refit/Repairs Programme
22/01/2025	Orkney Transport Ltd	Cruise Liner Shuttle Bus Service	£500,000.00	01/02/2025	31/01/2028	31/01/2030	E&SR	Service Budget
24/01/2025	Environmental Technical Services	Water Safety & TMV Inspection, Testing and Servicing Contract 2024	£225,222.00	24/01/2025	23/01/2028	NA	NS&I	Service Budget
07/02/2025	Employability Orkney	Employer Engagement Service	£50,000.00	01/04/2025	31/03/2027	NA	EL&H	External Grant Funding
11/02/2025	Tritonia Scientific Ltd	Seabed Survey in the East Scapa Flow.	£70,000.00	11/02/2025	11/08/2025	NA	E&SR	Service Budget
24/02/2025	Orcades Marine Management Consultants Ltd	Provision of Ballast Water Sampling	£313,091.00	01/04/2024	31/03/2027	31/03/2029	E&SR	Service Budget
06/03/2025	Acciona Construction SA and Jones Bros Ruthin (Civil Engineering) Co Ltd	Scapa Deep Water Quay (PCSA only)	£5,997,945.03	06/03/2025	07/08/2025	03/10/2025	E&SR	Capital Project
13/03/2025	Bill Mackie Engineering Ltd	Refit - Hoy head	£250,000.00	17/03/2025	02/04/2025	NA	E&SR	Annual Refit/Repairs Programme

Date of Award	Contractor	Subject Matter	Estimated/Actual Total Value (including any contract extensions)	Start Date	End Date	End date including period of extension	Directorate	Governance
14/03/2025	Bill Mackie Engineering Ltd	Refit - Eynhallow 2025	£90,000.00	07/04/2025	21/04/2025	NA	E&SR	Annual Refit/ Repairs Programme
20/03/2025	Systra Limited	Services associated with introduction of 20 mph speed limits on urban roads across Orkney	£82,900.00	01/04/2025	22/07/2025	NA	NS&I	External Funding
21/03/2025	Insight Direct (UK) Ltd	Fleet Management System	£60,000.00	21/03/2025	20/03/2028	NA	NS&I	Service Budget
31/03/2025	Bill Mackie Engineering Ltd	Refit - MV Harald 2025	£96,189.30	19/05/2025	23/05/2025	NA	E&SR	Annual Refit/ Repairs Programme
31/03/2025	Bill Mackie Engineering Ltd	Refit - MV Graemsay 2025	£52,522.15	07/04/2025	22/04/2025	NA	E&SR	Annual Refit/ Repairs Programme

## Appendix 2 – Procurement Strategy Targets/Indicators 2023 to 2028

What will success look like?

The measures below are designed to stretch us as we strive to achieve our ambitions. Despite these uncertain times, we must be bold in what we aim to achieve and not just settle for simply maintaining the current position.

### 21.1. Sustainability, Climate Change and Net Zero Targets

Target/Indicator 2023 to 2028	Target	Actual 2023 / 2024	Actual 2024 / 2025
Number of Procurements where Community Benefit Clauses have been included in the award criteria. (To include contracts under £4,000,000 for reporting period 2024 / 2025 and beyond)	70	3 (Contracts with a value of over £4m)	4 (All Contracts regardless of value)
Number of Procurements for higher value contracts where climate change selection criteria have been included in the initial selection process for contracts identified as likely to impact climate change.	30	0	4
Percentage of procurements where a sustainability award criteria clause has been included. (Excluding frameworks – Cat C and Cat C1 only)	50%	21%	44%
Percentage of procurement spend on local enterprises – Council Plan target.	45%	41%	40%
Percentage of overall spend with the Third Sector and supported businesses.	10%	7.3%	6%

## 21.2. Working with local suppliers

Target/Indicator 2023 to 2028	Target	Actual 2023 / 2024	Actual 2024 / 2025
Number of local suppliers registered with the Supplier Development Programme.	80	67	69
Number of local supply bases registered on the Public Contracts Scotland Portal Advertising Portal.	100	80	79
Percentage of Council spend attributable to SMEs	45%	41%	40%
To review contract award procedures to ensure that they place the minimum possible burden on suppliers.	2024	Ongoing	Ongoing

## 21.3. Value for Money

Target/Indicator 2023 to 2028	Target	Actual 2023 / 2024	Actual 2024 / 2025
Actual annual spend of contracts awarded expressed as a percentage compared to expenditure over the value of £1,000 as recorded by SG Procurement Hub.	90%	86%	81%

## 21.4. Collaboration and partnering

Target/Indicator 2023 to 2028	Target	Actual 2023 / 2024	Actual 2024 / 2025
Percentage of contract spend utilising Collaborative Contracts.	30%	2.94%	3.24%

## 21.6. Contract Management

Target/Indicator 2023 to 2028	Target	Actual 2023 / 2024	Actual 2024 / 2025
Contract Management Materials Toolkit (to include small contracts where applicable) for services to be developed.	2026	To be completed by July 2025	Complete
All contracts classified as high value and/or high risk to have an appropriate contract management plan in place.	2026	To be completed by April 2026	To be completed by April 2026
Exit plans in place for all appropriate contracts.	2027	To be completed by Dec 2026	To be completed by Dec 2026

## 21.7. Communication

Target/Indicator 2023 to 2028	Target	Actual 2023 / 2024	Actual 2024 / 2025
To seek customer satisfaction/feedback from bidders.	2026	To be determined	Under development
To advertise contract opportunities on the Council website.	2024	Ongoing	Ongoing

## 21.8. e-Procurement

Target/Indicator 2023 to 2028	Target	Actual 2023 / 2024	Actual 2024 / 2025
Review of internal processes carried out to identify opportunities to integrate with other Council electronic systems.	2028	To be determined	Options Appraisal planned

## 21.11. Training

Target/Indicator 2023 to 2028	Target	Actual 2023 / 2024	Actual 2024 / 2025
Sustainable Procurement and Procurement Climate Change Training to be undertaken by all Officers and Managers with Delegated Procurement Authority.	2024	Dec 2025	Dec 2025
Induction for all new employees to include procurement awareness.	2025	To be determined	In progress

## Appendix 3 - Forward Plan for Regulated and Unregulated Procurements April 2025 to March 2027

Subject Matter of Contract	New / Extended / Re-let	Expected Contract Notice / Publication Date	Expected Award Date	Expected Start Date	Estimated Value of the Contract (£)	Regulated / Unregulated
Various IT Contracts	New and Re- let	Various 2025 Ongoing	TBC	TBC	TBC	Regulated / Unregulated
Various Agency Workers Contracts	New and Re- let	Various 2025 ongoing	TBC	TBC	TBC	Regulated
Cleaning Services (Waiting Rooms and Public Conveniences various mainland and island locations.	Re-let	Various 2025 to 2027	Various throughout 2025 to 2027	Various throughout 2025 to 2027	TBC	Unregulated
Vehicles and Plant replacement programme	New	Various throughout 2025, 2026 and 2027	TBC	TBC	£1,400,000	Regulated / Unregulated
Vessel Re-fits 2025-27 individual contracts	Re-let	Various throughout 2025 2026 and 2027	TBC	TBC	TBC	Regulated / Unregulated
Vessel Refit Framework 2026 - 30	New	Various throughout 2026 to 2030	TBC	TBC	TBC	Regulated
Construction of Balance of Plant Orkney Community Wind Farm	New	Jul-2025	Feb-2026	Mar-2026	£18,000,000	Regulated
Provision of Outdoor Education Instructors	Re-Let	Sep-2025	Nov-2025	Apr-2026	£171,000	Regulated
Supply of One Second Hand 24m Landing Craft	New	Sep-2025	Nov-2025	Dec-2025	£1,400,000	Regulated
Repairs to Balfour Pier Steps	New	Oct-2025	Nov-2025	Nov-2025	£30,000	Unregulated
School Teacher Transport and School Pupil Transport (Eday)	Re-Let	Nov-2025	Jan-2026	Jan-2026	£101,115	Regulated

<b>Subject Matter of Contract</b>	<b>New / Extended / Re-let</b>	<b>Expected Contract Notice / Publication Date</b>	<b>Expected Award Date</b>	<b>Expected Start Date</b>	<b>Estimated Value of the Contract (£)</b>	<b>Regulated / Unregulated</b>
HEEPS:ABS Management Services 2026-3031	Re-Let	Nov-2025	Jan-2026	Apr-2026	£975,000 (5 year Contract)	Regulated
Supply of One Preowned Aircraft	New	Nov-2025	Jan-2026	Feb-2026	£400,000 (5 year contract)	Regulated
Container Shipment of Waste to Shetland	Re-let	Nov-2025	Feb-2026	Apr-2026	£1,951,572 (5 year contract)	Regulated
NI Linkspans Control Systems upgrades	New	Nov-2025	Jan-2026	Jan-2026	£1,200,000	Unregulated
A965 Finstown Drainage	New	Nov-2025	Jan-2026	Mar-2026	£250,000	Unregulated
Restoration of St Magnus Cathedral Organ	New	Nov-2025	Jan-2026	Sep-2026	£500,000	Regulated
Birsay Campsite building and site upgrade	New	Nov-2025	Jan-2026	Feb-2026	TBC	Unregulated
Outer North Isles Design and Build Ferry Replacement (3 Vessels with an option for a 1 x further option)	New	Nov-2025	May-2026	Jun-2026	£70-100M	Regulated
Orphir and Papdale Primary Schools Lighting Upgrades	New	Nov-2025	Dec-2025	Apr-2026	£300,000	Unregulated
Orkney Community Wind Farm Post Consent Commercial Advisory Services	Re-Let	Nov-2025	Jan-2026	Jan-2025	£355,000	Regulated
Emotional Well-Being Services	Re-Let	Dec-2025	Feb-2026	Apr-2026	TBC	Regulated
Accommodation Based Step Down Services	Re- Let	Dec-2025	Jan-2026	Apr-2026	£45,000	Unregulated
Storage Infrastructure and Disaster Recovery	Re-let	Dec-2025	Mar-26	Apr-2026	£350,000	Regulated
Moar Drive Multi Tenancy Shared House	New	Dec-2025	Feb-2026	Apr-2026	£800,000	Regulated

<b>Subject Matter of Contract</b>	<b>New / Extended / Re-let</b>	<b>Expected Contract Notice / Publication Date</b>	<b>Expected Award Date</b>	<b>Expected Start Date</b>	<b>Estimated Value of the Contract (£)</b>	<b>Regulated / Unregulated</b>
Library Management System	Re-Let	Jan-2026	Feb-2026	Mar-2026	£154,153	Regulated
Kirkwall Pier Lighting	New	Jan-2025	Mar-2026	Apr-2026	£250,000	Unregulated
Annual Fire Fighting Equipment Inspections	Re-let	Jan-2026	Feb-2026	Mar-2026	TBC	Regulated
Pest Control Services	Re-Let	Jan-2026	May-2026	Jun-2026	£86,500	Unregulated
Radon Testing	New	Feb-2026	Mar-2026	Apr-2026	£350,000 (3 year contract)	Regulated
Banking Services.	Re-let.	Mar-2026	May-2026	Aug-2026	£22,980 (4 year contract)	Unregulated
Home Care Staff Management System	Re- Let	Apr-2026	Jul-2026	Aug-2026	£160,000 (4 year contract)	Regulated
Inspection and Testing of Vehicles for use as Taxi and Private Hire Cars	Re-let.	Apr-2027	Jul-2027	Jul-2027	£20,000 (5 year contract)	Unregulated.
Inspection, Testing and Maintenance of Fixed and Moveable Gymnasium and Fitness Room Equipment	Re-Let	Spring 2026	Summer 2026	Summer 2026	£35,000	Regulated
Independent Mobility Assessor	Re-Let	May-26	Jul-2026	Oct-2026	£5,000	Unregulated
Security Service for Orkney Harbour Authority	Re-Let	May-2026	Oct-2026	Dec-2026	£221,368	Regulated
Islands Haulage - Sanday	Re-Let	May-2026	Jul-2026	Sep-2026	£22,500	Unregulated
Student Accommodation Letting	Re-let	May-2026	Jul-2026	Aug-2026	£23,920	Unregulated
Port Marine Safety Code – Designated Person	Re-let	May-2026	Jul-2026	Oct-2026	£67,590 (5 year contract)	Regulated
Orkney Museum Promotional Material	Re-let	May-2026	Jul-2026	Oct-2026	TBC	Regulated

<b>Subject Matter of Contract</b>	<b>New / Extended / Re-let</b>	<b>Expected Contract Notice / Publication Date</b>	<b>Expected Award Date</b>	<b>Expected Start Date</b>	<b>Estimated Value of the Contract (£)</b>	<b>Regulated / Unregulated</b>
Lift Servicing and Maintenance 2026-2031	Re-let	Jun-2026	Aug-2026	Dec-2026	£112,516 (5 year contract)	Regulated
Kerbside Collections (Island/Island Groups)	Re-let	Aug-2026	Oct-2026	Dec-2026/Jan-2027	Various	Regulated
Employee Assistance Programme and Employee Benefits	Re-Let	Autumn 2026	Winter 2026	Winter 2026	£11,228	Unregulated
Supply and Services of Hygiene Units	Re-Let	Oct/Nov 2026	Jan / Feb 2027	Apr-2027	£227,096	Regulated
Heat Pump & Mechanical Ventilation & Heat Recovery System Servicing - Various OIC Properties	Re-Let	Winter 2026	Spring 2027	Spring 2027	£501,000	Unregulated
Ground Maintenance Services 2022 - 2026	Re-Let Subject to Council Approval	Dec-2026	Feb-2027	Apr-2027	£377,725	Regulated
Grounds Maintenance Services 2022 - 2026: Football Pitches	Re-Let Subject to Council Approval	Dec-2026	Feb-2027	Apr-2027	£117,141	Regulated
Young Persons Supported Accommodation Services	Re-Let	Dec-2026	Apr-2027	May-2027	£1,145,700	Regulated
Servicing & Maintenance of Automatic Doors	Re-Let	Jan-2027	Spring 2027	May-2027	£100,000	Unregulated
Environmental Consultancy services (Planning)	Re-Let	Spring 2027	Summer 2027	Aug-2027	£300,000	Regulated

<b>Subject Matter of Contract</b>	<b>New / Extended / Re-let</b>	<b>Expected Contract Notice / Publication Date</b>	<b>Expected Award Date</b>	<b>Expected Start Date</b>	<b>Estimated Value of the Contract (£)</b>	<b>Regulated / Unregulated</b>
3 Years Ventilation Cleaning , Servicing and Recording of as Built Information Ventilation Ductwork / Cleaning Contract 2027	Re-Let	Jul-2027	Nov-2027	Dec-2027	£11,258	Regulated
Islands Haulage – Various isles	Re-Let	Jul-2029	Aug-2029	Oct-2029	£400,000 (5 year contract)	Unregulated
Houton - Council Owned Land Servicing of Site Proposal (SSEN)	New	TBC	TBC	TBC	TBC	Unregulated
Roads Maintenance 2026-27: Various	New	TBC	TBC	TBC	TBC	Unregulated
Roads Maintenance 2026-27: Misc Bridge Repairs.	New	TBC	TBC	TBC	TBC	Unregulated
Roads Maintenance 2026-27: Footways.	New	TBC	TBC	TBC	TBC	Unregulated
Timber Floor Replacement at Various OIC Properties	Re-Let	TBC	TBC	TBC	£86,000	Unregulated
Kirkwall Pier - Waiting Room conversion to Offices	New	TBC	TBC	TBC	TBC	Unregulated
West Pier Lighthouse Conservation work	New	TBC	TBC	TBC	TBC	Unregulated
Kirkwall Town Hall – External Stone Works	New	TBC	TBC	TBC	£450,000	Unregulated
Houton Ferry Terminal Car Park and Marshalling	New	TBC	TBC	TBC	TBC	Unregulated
Orphir School External Wall Insulation and Boiler Replacement	New.	TBC	TBC	TBC	TBC	Unregulated
Tankerness House external fabric repairs	New	TBC	TBC	TBC	TBC	Unregulated
Eday Pier Refurbishment	New	TBC	TBC	TBC	£300,000	Unregulated

<b>Subject Matter of Contract</b>	<b>New / Extended / Re-let</b>	<b>Expected Contract Notice / Publication Date</b>	<b>Expected Award Date</b>	<b>Expected Start Date</b>	<b>Estimated Value of the Contract (£)</b>	<b>Regulated / Unregulated</b>
Chinglebraes Retaining Wall	New	TBC	TBC	TBC	£500,000	Unregulated.
North Isles Cycling, Walking and Safer Routes	New	TBC	TBC	TBC	TBC	Unregulated
Kirkwall to Scapa Active Travel Route	New	TBC	TBC	TBC	TBC	Unregulated
Miscellaneous Culvert Platforms	New	TBC	TBC	TBC	TBC	Unregulated
Miscellaneous Piers and Harbours Maintenance Programme	New	TBC	TBC	TBC	£2,500,000	Unregulated
Stromness Swimming Pool Air Source Heat Pump	New	TBC	TBC	TBC	TBC	Unregulated
White Street Housing re-roofing	New	TBC	TBC	TBC	TBC	Unregulated
Houton Sea Wall Repairs	New	TBC	TBC	TBC	£35,000	Unregulated

## Future Capital Projects

Subject Matter of Contract	New / Extended / Re-let	Expected Contract Notice / Publication Date	Expected Award Date	Expected Start Date	Estimated Value of the Contract (£)	Regulated / Unregulated
Haston Reclamation Phase 1	New	TBC	TBC	TBC	TBC	Regulated
Additional Support Needs Facility	New	Subject to Council approval to proceed	TBC	TBC	TBC	TBC
Orkney Logistics Base Hatston Phase 2 and 3	New	Subject to Council approval to proceed.	TBC	TBC	TBC	Regulated
Orkney Harbours Master Plan – Lyness Base	New	Subject to Council approval to proceed	TBC	TBC	TBC	Regulated
Royal Oak Memorial	New	Subject to external funding being secured	TBC	TBC	TBC	Unregulated
Ferry Replacement New Vessels Phase 2	New	Subject to external funding being secured.	TBC	TBC	TBC	Regulated
World Heritage Site	New	Subject to Council approval to proceed	TBC	TBC	TBC	Regulated / Unregulated
25 House Development at Coplands Road, Stromness	New	Subject to Council approval to proceed	TBC	TBC	£5,226,000	Regulated
Demolition of Papdale of Residence	New	Subject to Council approval to proceed	TBC	TBC	TBC	Unregulated
Bruising Shed Kirkwall Pier - Demolition of existing and creation of waiting room	New	Subject to Council approval to proceed	TBC	TBC	TBC	Unregulated