9 May 2014

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Dear Ms Watt

## Scottish Water evidence session on 30 April 2014

As promised by Alan Scott during the Scottish Water evidence session on 30<sup>th</sup> April, I am writing with further information about our procurement strategy and how we are engaging with stakeholders and businesses to let them know about work upcoming during the next investment period.

Scottish Water takes seriously its obligations within the area of best practice procurement and advertises via the Public Contracts Scotland website. We do not currently state any limits or restrictions in relation to supplier turnover and use a standard pre-qualification questionnaire. In addition, for the next investment period 2015-2021, Scottish Water has set up a rural procurement framework for work in rural areas and we recently procured a specific framework for Orkney, Shetland, the Western Isles, Argyll and the North of Scotland. This type of rural/regional supply chain design has proven beneficial to service levels, value for money and to local contractors and it is our intention to roll this strategy out further to the Borders and North East.

We are engaging with local companies to outline Scottish Water's procurement process for rural contractors who can help deliver our investment programme. Our procurement and supply chain team have been holding a series of "market day conferences" across Scotland. Events have been held in Aberdeen, Inverness, Orkney, Shetland, Western Isles, Kelso, Pitlochry and Dumfries to raise awareness of the opportunity for local and rural contractors to become part of Scottish Water's framework. The target audience was contractors and specialist suppliers or service providers who can provide rural, in-house delivery capabilities to support the delivery of Scottish Water's Infrastructure and Non-infrastructure capital programme. The OJEU value range per annum for this framework is between £15 and £20 million.

To raise awareness of these events, we contacted firms directly who have previously registered an interest with our procurement team. The procurement team also notified CECA (Civil Engineering Contractors Association) about the market day conferences as well as to let them know that the advert has been posted on the Public Contracts Scotland website. In addition, details were released to the media and via Twitter, Facebook and LindkedIn. We also made local councillors, MSPs and MPs in those areas aware of the events by email and asked for their support in raising awareness locally. In the event that interested businesses were not able to attend a market day event, direct contact details for the procurement team were provided and the team welcomes any queries from firms directly.

To date, over 100 notes of interest have been received.

I hope this reassures you of our activity and commitment to engage with local businesses across the country. If I can provide any more information, please do not hesitate to contact our Public Affairs team on (