



MORAY COUNCIL
ANNUAL PROCUREMENT REPORT
2024/25

Contents

1	Introduction	2
2	Summary of regulated procurements	3
3	Review of procurement compliance	3
4	Community benefits and the real living wage	6
5	Payment performance	7
6	Supported businesses summary	7
7	Spend and savings summary	7
8	Future regulated procurements	9
9	Appendices	9
	Appendix A – Procurement Targets	10
	Appendix B – Strategic Action Plan Review of 2024/25	11
	Appendix C – Strategic Action Plan for 2025/27	13
	Appendix D – Planned Procurement Activity for 2025-2026	14

Introduction

As a public sector authority with an annual spend greater than £5 million, Moray Council is required to produce an annual procurement report according to Section 18 of the Procurement Reform (Scotland) Act 2014 (Act). This annual procurement report covers the period from 1 April 2024 to 31 March 2025.

This report details how the council has complied with its obligations under the Act, and provides a summary of the council's procurement activities within the reporting period, detailing how these have aligned with the Council's [procurement strategy for 2023-2026](#). The Council's procurement activities are conducted according to the Act, which establishes the statutory and legislative framework for sustainable public procurement that supports Scotland's economic growth.

The Council uses its spending power through goods, works and services to make Moray a great place to work and do business. The Council's procurement strategy details six objectives for procurement:

1. Savings
2. Contracts
3. Compliance
4. Accessibility
5. Community benefits
6. Sustainability

The procurement strategy aligns with the [corporate plan](#) that sets the vision and priorities of the council. This vision is of a Moray where people prosper, free from poverty and inequality; young people grow up safe, well-educated and reach their full potential; people lead healthy lives and have access to quality care when they need it; businesses and communities prosper; and the natural environment thrives for the betterment of all.

The Council continues to face significant operational challenges due to increased demand for services alongside reduced budgets. To secure the best outcomes for the Council and therefore Moray citizens, the procurement team works closely with departments to plan and streamline processes in order to secure savings. The procurement team is dedicated to improving good outcomes for Moray and acknowledges the broader role of procurement in supporting service delivery and realising Council priorities.

Summary of regulated procurement completed

The table below provides a summary of the number and value of live contracts in 2024/25 by contract category. This is comprised of awards under local and national frameworks which includes new requirements, extensions and re-tenders and/or collaborations with other public bodies.

Table 1 – Summary of regulated procurement completed

Contract Type	Quantity	Estimated annual value
Category A (National)	26	£8,997,184
Category B (Sectoral)	167	£57,168,931
Category C (Local Single Supplier)	180	£37,497,139
Category C (Framework)	10	£19,655,004
Category C1 (Local Collaboration)	10	£636,495
Category O (Other)	163	£16,734,258
Non advertised	28	£2,695,332
Quick quotes (under £50,000)	65	£1,344,681
2024/2025 Total	759	£178,219,710

In total there were 759 contracts listed on the Council's contract register in the reporting period. There were 452 unique suppliers and of these unique suppliers a total of 326 were SMEs. There were 294 regulated procurements in the reporting period at an estimated total value of £62,480,000. In addition to this, there were 26 quick quotes published on the Public Contracts Scotland (PCS) portal in order to source competitive quotes for low value/low risk procurement exercises (below £50,000).

To provide transparency of contracts held by the council, we publish a [contract register](#) on our public website which contains information on live contracts, and is regularly updated to include new awards.

Review of regulated procurement compliance

Section 17 of the Act requires the Council to carry out regulated procurement activity in accordance with the Council's procurement strategy. The Moray Council [procurement strategy 2023-2026](#) includes our procurement responsibilities in line with the Act and details our commitment to ethical procurement, community benefits, health and safety, living wage and a positive workforce culture. The vision statement is to:

“To embed commercial excellence throughout the organisation, ensuring that our services always deliver Best Value for Moray through the consistent application of this strategy, embedding community benefit and climate focus in our procurement processes to deliver the corporate priorities of Tackling Poverty and Inequality, Building a Stronger, Greener, Vibrant Economy and Building Thriving, Resilient, Empowered Communities, supporting an economy based on well-being and inclusion.”

In addition to the Council's procurement strategy and procurement policy, the Council's procurement procedures detail the procedures that must be followed by all staff when procuring/purchasing goods, services and works. Procurement support is required for all regulated procurements over £50,000, and quick quotes (under £50,000) are reviewed before publication. This level of advice and oversight ensures compliance with regulation and legislation, with procurement limits determining the procurement pathway:

- Up to £10,000 = Best price
- £10,000 to £50,000 = Quick quote
- £50,001+ = Regulated tender for goods and services
- £2,000,000+ = Regulated tender for works

A summary of progress against the Council's six procurement objectives is summarised in **Table 2** below, with further detail provided at **Appendix A**. These procurement measures aim to support and evidence the delivery of the procurement strategy.

Table 2 – Summary of procurement strategy objectives and achievements

1. Savings	▪ Non-cash benefits that have been included in contracts awarded in the year – Table 3 below. ▪ Total savings achieved for 2024/25 = recurring (£1,389,000) and actual (£1,224,000) – Table 4 below
2. Contracts	▪ The annual departmental action plan was completed in January 2025 and forward plans were developed with the departments ▪ There were 242 unplanned procurement activities during the year
3. Compliance	▪ 76.65% of accounts payable transactions with a purchase order number during the year
4. Accessibility	▪ 52.23% value of annual spend with SMEs during the year
5. Community benefits	▪ 262 contracts commenced during the year which have a non-cash benefit by category
6. Sustainability	▪ 4.08% of contracts commenced during the year which have a sustainable target ▪

Non-cash benefits

The Council considers a range of non-cash benefits when developing tender specifications that is wider than the social, environmental or economic factors (also

referred to as community benefits) required under the Act. This is summarised in **Table 3** below which includes added value benefits such as process efficiencies and price stability. The Act only requires community benefits inclusion in tenders with a value of over £4 million, however the Council considers inclusion wherever possible in all procurement activities.

Table 3 – Non-cash benefits

Benefit Category	No. of contracts	Sub-category
Collaboration/tender process	254	241 in procurement development time 12 digital processes 1 insourcing
Cost avoidance	15	4 added value 3 price increase rejection 4 price vs. market savings 1 cost removal 2 process redesign 1 early payment discount
Purchase to pay process	9	7 e-invoicing 2 consolidated billing
Demand/rationalisation	9	6 specific contract issues 3 rebates
Community	43	7 apprentices 6 school visits 22 training 8 other – wide ranging
Environmental	19	8 greenhouse gases 4 waste 2 energy 5 sustainable construction
Social	11	4 sub-contracting programme 5 fair work issues 2 other – wide ranging
Living wage and fair work first	148	33 accredited 5 working to accreditation 90 paying living wage 6 not paying living wage but will commit to pay within contract 14 neither paying or accredited

Procurement Strategic Action Plan (PSAP)

The Council's procurement strategy sets out how procurement activity will be undertaken in line with Council plans, policy and duty under the Act. Given the often-changing requirements, an annual Procurement Strategic Action Plan (PSAP) is developed to track and monitor activities. A review of the 2024/25 PSAP activities are provided at **Appendix B**. The PSAP for the next two years (2025 to 27) is provided at **Appendix C**.

Community benefit summary

The Council is committed to maximising community benefits from procurement activities along with delivering wider benefits for the community when purchasing goods, services and supplies for Moray.

As detailed in **Section 3**, the Council considers a wide range of non-cash benefits when developing a tender specification that is broader than the community benefits that is required by the Act. The Act requires community benefits inclusion in tenders with a value of over £4 million, however Moray considers inclusion wherever possible in all supported tenders over £50,000.

The Council has a [community wealth building strategy](#) which, as a progressive economic approach, aims to retain and circulate wealth within local communities. The Procurement Team remains a partner to the objectives of growing the percentage of procurement spend with Moray-based suppliers from each anchor institution, increasing anchor spend with community led or third sector businesses, and supporting delivery of fair work first through anchor spend.

Total number of regulated contracts awarded with a value of £4 million or greater	5
Total number of regulated contracts awarded with a value of £4 million or greater that contain Community Benefit Requirements	2
Total number of regulated contracts awarded with a value of less than £4 million that contain Community Benefit Requirements	24

The Council secured living wage accreditation in September 2022 and continues to encourage the real living wage within the supply chain through its procurement activities. In the reporting period there were 134 contracts awarded that were either accredited living wage, working towards accreditation, already paying the living wage, or committed to paying the living wage.

Supported businesses summary

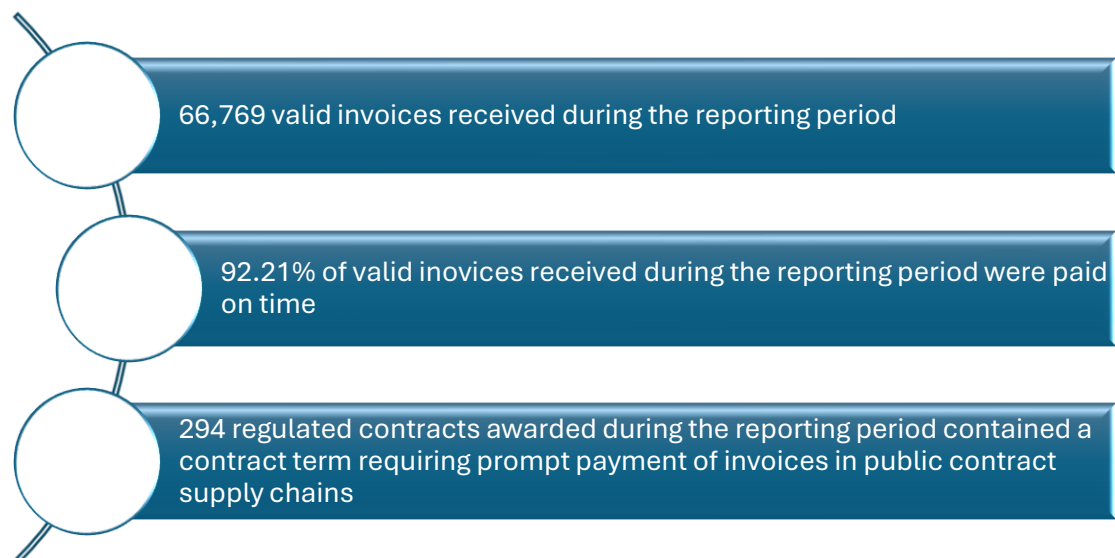
Public organisations can reserve the right to participate in procurement for the award of a public contract/framework to a supported business. Supported businesses are organisations with the main aim of integrating disabled or disadvantaged persons and where at least 30% of those employed and engaged with the programme have a disability or are disadvantaged.

The Council spent an estimated total of £1,238,000 with the following supported businesses in the reporting period:

- Moray Reach Out (Training Places & Waste Watchers) = £444,329
- Out of the Darkness = £151,811
- Living Ambitions (Previously Lock Park Rural Skills = £630,216
- Scotland's Bravest Manufacturing Company = £1,396
- Hey Girls = £9,705
- Scott Direct = £607

Not all of these suppliers formally meet the supported business employment criteria under the Act, but they meet the engagement element, and the Council is confident that the use of these suppliers goes some way to meeting the Act requirements.

Payment performance



Spend and savings summary

The current economic climate continues to produce uncertainty in the supply chain and increased demand on certain markets. The procurement team continues to progress

some tenders without any response to our publications, but we navigate these challenges by working closely with departments to provide the support they need.

Total procurement spend during the reporting period	£139,529,112
Total procurement spend with SMEs during the reporting period	£82,536,420
Total delivered cash savings delivered for the period of the report	£832,591

The Council records the cash (**Table 4** below) and non-cash benefits (**Section 3**) of contracts along with recording cash savings under the following categories:

1. Cash saving anticipated – but budget not adjusted
2. Cash saving anticipated – budget adjusted
3. No baseline – savings cannot be established, review of contract on anniversary of award to reassess
4. No savings anticipated
5. Non-cash benefits
6. Capital – projects delivering savings against estimate/budget, total saving taken in the year the project was awarded
7. Rebate – centralised collection of contract rebates

Table 4 – Cash savings

Category	Recurring savings	Annual savings	Recurring savings	Annual savings
	2023/24		2024/25	
Budget not adjusted	£791,405	£654,056	£526,825	£391,127
Budget adjusted	£937,906	£870,448	£861,778	£832,591
Total	£1,729,311	£1,524,505	£1,388,603	£1,233,718
Capital	N/A	£879,097	N/A	£462,207
Rebate	N/A	£76,107	N/A	£81,570

Overall cash savings recorded for 2024/25 are contained in the report and detailed in the table above. The Council has maintained a savings target of £1 million for a number of years in the expectation that it would become harder to achieve savings from recurring contractual award. As the Council re-lets contracts it becomes harder to deliver on cash savings particularly in the current inflationary market.

These savings are calculated using the estimated values at point of contract award. The values are only amended for any annual increases applied to long term service contracts, if the team are made aware of such changes.

Maintaining the value for budget adjusted makes the most difference to the Council's budget. However, any category of saving achieved from the procurement process means that the contract starts from a much better position and even if increases are imposed, they start at a lower level. Given the challenges outlined above it is encouraging that savings continue to be made at a significant level.

Future regulated procurements

The procurement team commenced work with Heads of Service within the reporting period to develop a departmental action plan (DPAP) for their service area that maps the Council's procurement activity for the years ahead.

In January 2025 the procurement team launched a new procurement support model for the Council, which included a refreshed DPAP process. The new category management approach to supporting departments aimed to increase engagement, drive financially secure outcomes and reduce unplanned procurement activities. The DPAP is no longer a static source of information completed at the start of the financial year, and now a live source of information about procurement activities that is populated through a rolling series of engagement/partnership between procurement and service areas.

The DPAP includes information from the expiring contract register, capital works plan and other projects to inform the forward plan at **Appendix D** and which can also be found on the Council [website](#). The publicly available [Forward Plan](#) and the [Capital Plan](#) informs the market of the Council's intentions but cannot guarantee that all projects listed will result in a competitive tender. It also directs attention to those projects that may benefit from climate change and a community wealth building focus.

Between April 2025 to 2027 the council is estimated to have:

- Number of contracts expiring in the period = 260
- Total estimated value of these expiring contracts = £301,111,446

The above statistics are taken from the contract register. This list contains all contracts with an end date between April 2025 to March 2027, however it should be noted that some may be subject to possible extensions, and some may not be re-let. Decisions about the direction for each requirement are taken during the annual planning process with Heads of Service.

Appendices

Appendix A – Procurement Targets

	Savings measure	Target	Achieved 2023/24	Achieved 2024/25
1	Percentage of all council expenditure covered by contracted suppliers	95%	99.25%	91.01
2	Value of procurement savings achieved through contracts live during the year	£1million	£1.729M	£1.389M
3	Number of collaborative contracts awarded as a percentage of all commenced in year	40%	55.30%	46.94%
4	Percentage of contracts (including call off from framework) commenced in year that contain a contract benefit (all categories)	85%	96.97%	89.12%
5	Percentage of unplanned contract activity during the year	25%	53.65%	55.00%
6	Percentage of account payable transactions with a purchase order (where relevant ie non-recurring) number during year	75%	75.87%	76.65%
7	Percentage of contracts (excluding call offs) commenced during year to SMEs	30%	32.20%	15.99%
8	Percentage value of annual spend with SMEs for year	55%	50.50%	52.23%
9	Percentage value of spend with Moray, Highland and Aberdeen council areas	50%	43.90%	43.79%
10	Number of “events” held or participated in during year	10	9	6
11	Percentage of commenced contracts within the year that have a community benefit	20%	10.98%	8.84%
12	Percentage of collaborative contracts commenced in the year that have a community benefit	20%	8.33%	6.46%
13	Percentage of contracts commenced in the year that have incorporated a sustainable target	20%	5.68%	4.08%
14	Score on Scottish Government Flexible Framework for Sustainability.	Level 3 (Practicing)	Level 3 (Practicing)	Level 3 (Practicing)

Appendix B – Procurement Strategic Action Plan review, 2024/25

	Action	Progress
1	To develop existing contract register to improve data access and meet statutory/council requirements	Testing and development has continued after a temporary pause at the end of 2024 due to competing priorities. The project restarted in January 2025 and the new contract register is on track for launch at the end of 2025.
2	Review and update the procurement procedures to reflect the inclusion of commissioning teams within Health and Social Care and children's services	The new procurement support model has led to a change in approach with commissioning teams. We have spent time establishing relationships under a category management model, so these activities have been put on pause until we identify if there are any areas needing resolution.
3	Review the requirement for Integrated Impact Assessments for each contract	Currently being considered, and process to action any new requirements planned for Q1 2026/27.
4	Review the GDPR requirements and review impacted areas	The procurement team worked with Moray Council data advisors to address requirements and update the standard form terms and conditions.
5	Prepare and publish the Council's annual procurement strategy including continued alignment with ethical procurement, modern slavery, CWB, fair work and other requirements	Complete Q4
6	Review the internal project procurement strategy (PR08) to facilitate planning, options and alignment with strategic objectives, and responsibilities under the statutory framework	First stage review complete and project assigned to project team for progression in 2025/26.
7	Review and develop a new departmental action plan process, exploring options to further plan procurement activity and focus on savings through streamlining process.	Complete. New model launched in January 2025 after substantial research and development in 2024/25. Early feedback has been resoundingly positive.
8	Review the procurement savings strategy, contract register and data capture to align with statutory reporting requirements	Deferred to 2026/27 to align with the development of the new 3-year procurement strategy
9	Review the contract register and data capture to align with statutory reporting requirements	Deferred to 2026/27 to align with the development of the new 3-year procurement strategy
10	Investigate options for a new e-signing process	Complete. Options have been presented to internal, Moray Council stakeholders
11	To support and deliver requirements identified in the climate change action plan and align with the	Ongoing and considered complete for this year. Met with Principal Climate Change Strategy Officer in 2025 to discuss activities and how to align approach

	Scottish Government statutory framework on climate change	
12	Research/investigate scope for including cyber security requirements in procurement processes	Initial research complete and consultation with other local authorities continues.
13	Health & Social Care (MIJB) support	Ongoing and considered complete for this year as the new procurement support model provides more bespoke service support

Appendix C – Procurement Strategic Action Plan, 2025 to 2027

2025 to 27	
1	Review the Council procurement policy and associated procedures
2	Review the requirement for Integrated Impact Assessments for each contract
3	Continue to action objectives under the Community Wealth Building Strategy
4	Review and update the procurement procedures to reflect the inclusion of commissioning teams within Health and Social Care and children's services
5	Prepare and publish the Council's new procurement strategy after the expiry of the 2023 to 2026 procurement strategy
6	Review the procurement savings strategy, contract register and data capture to align with statutory reporting requirements
7	Launch the new internal project procurement strategy (PR08) to facilitate planning, options and alignment with strategic objectives, and responsibilities under the statutory framework
8	Review the contract register and data capture to align with statutory reporting requirements
9	Research/investigate scope for including cyber security requirements in procurement processes

Appendix D – Planned Procurement Activity for 2025/26

Contract name	Estimated Project start
Alves Primary School – Roof, Fabric & Window Upgrades to Decarbonise Existing Building	Q2
Estates/Property Surveying Services	Q2/3
Feasibility Study – Landscape Architect	Q2
Education for All Flexible Framework	Open
Window and Door replacement in housing stock	Q2/3
eICR (Electrical Installation Condition Reports) for Social Housing Stock	TBC
BEMS (Building Energy Management System) Servicing and Maintenance	Q2
Community Asset Framework	Q2
Void Cleaning	Q2
Children & Young People's Community Mental Health & Wellbeing support (5-25 years)	Q1
Pinegrove Housing Upgrades	Q2/3
Bezack Street Housing Upgrades	Q3/4
Glazing Maintenance	TBC
Airsource Repairs and Servicing	Q2/3
Open Spaces and Tree Surgeons (cutting grass)	Q3
Fire Risk Assessments of Common Parts of Residential properties	Q2
School & Public Transport Services	Q3
Large Coach, School, Public and Community Transport Services	Q3
Smaller Vehicle, School, Public and Community Transport Services	Q3
School Transport (3 Routes)	Q3
Fresh Meat - Supply and Delivery	Q2
Headstone Stability	Q3
Small Value framework	Q2
Haulage for NESS Energy for Waste (EfW)	TBC
Shredder Maintenance	TBC
Skip Maintenance	TBC
Linkwood Road, Elgin Realignment and Refuge	Q2
Cycle Parking across Moray	Q2
Early Learning and Childcare Provision - Reopening of Framework	Q1
Family Support Services	Q2
EES:ABS (Energy Efficient Scotland: Area Based Scheme) Management Agent	Q2
Maintenance of Fitness Equipment - Leisure Services	TBC
Design and Build of Salt Barn, Keith	TBC
Employability Services	Q3
Roof Replacements	Q3
Asbestos Competent Assistance	Q3
Energy Performance Certificates Non Domestic Properties	TBC
UPS (Uninterruptible Power Supply) Battery Maintenance	Q3
Sprinkler Maintenance	Q4
Boiler replacement at Forres Community Centre	TBC
Burghead Primary School Fabric Upgrade and Mechanical and Engineering	Q4

Contract name	Estimated Project start
Clerk of Works for Bilbohall	TBC
Corporate Fencing	TBC
Damp and Mould - Housing	TBC
Dyke Primary School Fabric Upgrade and Mechanical and Electrical	Q3
Employers Agents	Q3
Greenwards Playpark Design	Q4
LED Lighting	TBC
Stock Condition Survey 2026	Q4
Tenants Survey	Q4
Building Repair and Maintenance	Q3/4
Gas Safety Audits	Q4
For National and Sectoral contract opportunities outwith Moray Council please see https://www.publiccontractsscotland.gov.uk/helpandresources/forwardplan	

