Innovation

Innovation is

"the implementation of a new or significantly improved product, service or process, with the purpose of helping to solve societal challenges or to support smart, sustainable and inclusive economic growth"

Quote derived from **current regulations** and approved by the Scottish Government Procurement Innovation Delivery Group

Examples of some current societal challenges are:

- an aging population
- the climate emergency

Buyers (and staff across the public sector) will often be required to investigate the market and procure innovative goods or services. This may be for a number of reasons such as:

- the goods and services required may not exist in the market
- your requirement involves upgrading or adapting what is currently available
- your procurement is trying to solve a unique/newly identified challenge or issue
- work is required to adapt existing goods or services specifically for the public sector
- buyers want to test the market to see what options are available before commencing a procurement exercise

The Procurement Reform (Scotland) Act 2014 contains the sustainable procurement duty. This states that it is the duty of the public sector organisation to consider, before carrying out a regulated procurement, how the procurement process can promote innovation (when it is relevant

and proportionate to do so).

The Impact and Value of the Sustainable Procurement Duty report received buyer feedback that more support for innovation was required, whilst responses to the **Supplier Survey** showed that considering innovation in procurement exercises could be improved.

What has Changed?

In response to this feedback, **Public Contract Scotland** (PCS) notices (as well as tools, guidance and reporting) have been created to help you procure innovative goods/services.

Buyers are advised to use the innovation notices, as well as the additional resources, to support procurement of innovation, where applicable. The developments are:

- a **preliminary market consultation (PMC) notice**. This includes a Supplier Collaboration Tool whose functionality in PCS allows organisations to network and work together on an innovative project
- a **pre commercial procurement (PCP) notice**
- a **pre commercial procurement (PCP) award notice**
- **new innovation questions** added to the existing PCS Contract Notices
- the introduction of a **Research Pilot and Innovation Register**
- **Scotland Innovates**, a supplier-led innovation service which allows suppliers and individuals to submit innovative proposals to the entire public sector. Scotland Innovates contains: news; event details; useful resources and **case studies**
- this innovation guidance in the Procurement Journey

Please note there has been no change to the Innovation Partnership procurement process.