



Scottish
Water

Trusted to serve Scotland

2024/25 PROCUREMENT AND SUPPLY CHAIN ANNUAL REPORT



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FOREWORD

JOE ROWAN FCIPS



Scottish Water has a crucial purpose – to support a flourishing Scotland through being trusted to care for the water on which our customers depend. We are proud to provide water and waste water services that are essential to everyday life for households and businesses across Scotland. We make a critical contribution to Scotland's health, well-being and prosperity, the sustainability of our natural environment, and our country's long-term economic success.

Scottish Water spends around £1.4 billion a year buying goods, services and works. This means that our Procurement and Integrated Supply Chain Management activity has the potential to deliver significant benefit and value for money improvements for our customers and help achieve our ambitions.

The global economy remains highly fluid, with geopolitical risks, such as tariffs and currency fluctuations, continuing to create uncertainty. Whilst no organisation is immune to this the contracts and framework arrangements we have in place continue to give us a level of protection from any cost and supply shocks.

Our Long-Term Strategy – A Sustainable Future Together

sets out our response to the challenges of more extreme weather, population change and ageing assets. It proposes that we focus on reducing demand, driving productivity, innovating, and collaborating with organisations across Scotland and the wider supply chain ecosystem. We need our suppliers and partners to support us in the delivery of this strategy.

We are also working with our partners and the supply chain to support and drive our ambition of going Beyond Zero Harm, ensuring this is seen as everyone's first responsibility and embedding the right behaviours.

During the last year we have made significant progress in the development and procurement the supply chain needed to optimally deliver the capital and operational requirements for the next regulatory period of 2027 to 2033 and this work will continue over the next 2 years.

We recognise that with investment programmes continuing in other parts of the UK water sector and significant work in areas like power transmission and renewable there is a growing demand for construction resources, however we are securing the necessary capacity in our supply chain to deliver our current and future needs. See the appendix for our forward procurement plan.

We continue to work with our supply chain to identify and deliver real carbon savings and investigate further Circular Economy opportunities. We have embedded our new approach to supporting Innovation and we remain focused on driving Ethical Supply Chain approaches. All to help Scottish Water and our Supply Chain support A Sustainable Future Together.

Increasingly, Scottish Water are working creatively with our supply chain partners to deliver broader social value benefits by making sure sustainability is firmly established in their work. Unlocking these benefits can help us foster jobs and growth, boost training and apprenticeship opportunities and wider community benefits through volunteering activity. Good procurement practice can also play a key role in helping small and medium-sized enterprises (SMEs), third-sector organisations and supported businesses compete effectively for contracts.

Our procurement procedures were described as world-class by the Chartered Institute of Procurement and Supply (CIPS), and we have maintained platinum accreditation status since 2015. Scottish Water continually demonstrates how an effectively managed, CIPS Platinum accredited professional procurement service can achieve value for money across all spend categories.

This report sets out how Scottish Water Procurement performed in 2024/25 across Procurement & Sourcing, Risk Management and Supply Chain Development to support our commitment to increasing sustainable economic growth and housing, and to deliver significant benefits for the people and communities we serve.

Joe Rowan FCIPS
General Manager – Procurement & Supply Chain



Our Piped by Us, Owned by You campaign highlights how we are a publicly owned organisation. A number of our employees, including the three people on the cover of this report, appear in it.

PROCUREMENT & SUPPLY CHAIN 2024/25: INTRODUCTION

Scottish Water is a public sector body, classified as a corporation of a trading nature, and is answerable to the Scottish Parliament through Scottish Ministers. The Members of Scottish Water’s Board are accountable to the Scottish Government and the Board currently includes seven Non-executive Members.

Further information can be found in Scottish Water’s Annual Report 2024/25.

In 2021/22, we commenced our six year, SR21 investment programme, maintaining our vast and complex asset base, improving drinking water quality, protecting the environment and supporting the Scottish economy. In 2024/25, the fourth year of that investment programme, we invested £1.09 billion in our assets.

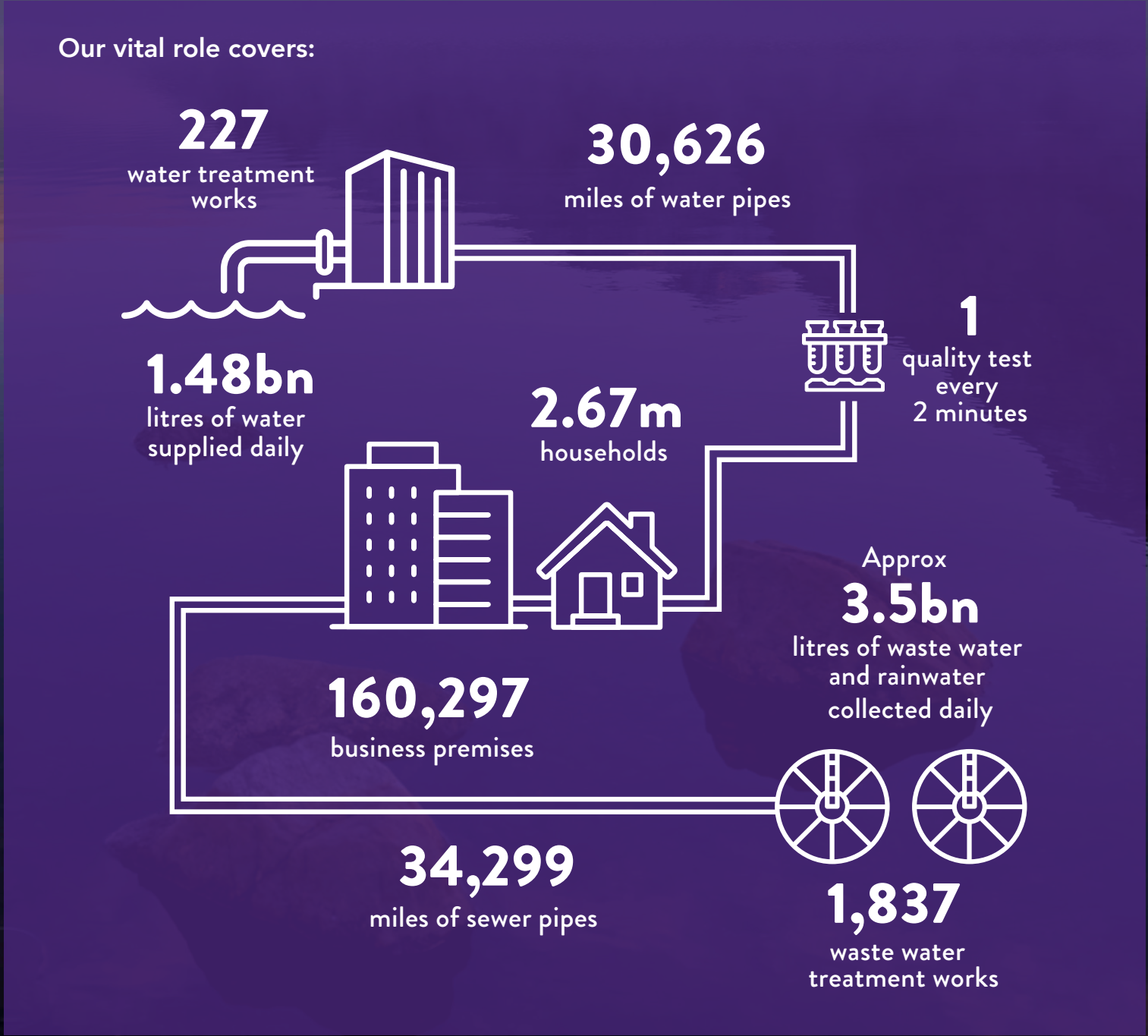
A substantial proportion of Scottish Water’s resources are spent on goods, services and works procured externally from third parties. An effective and efficient procurement and integrated supply chain management process is critical to meeting our overall objectives and ensuring we continue to offer great value for money to our customers.

Obtaining best value for money from procurement and integrated supply chain management ensures that we optimise our resources to achieve our aims. We must also ensure that our actions are fully compliant with legal requirements and ethical standards and promote a culture of accountability, transparency, sound governance, and non-discrimination. We owe nothing less to citizens, customers, and those with whom we do business.

This document sets out how Scottish Water Procurement performed in 2024/25 and will show how Procurement & Supply Chain (PSC) in Scottish Water plays a fundamental role in supporting the delivery of Scottish Water’s strategic objectives and the value it delivers in supporting Scottish Water’s wider environmental, social and economic objectives.

Scottish Water’s Procurement & Supply Chain team’s mission is:

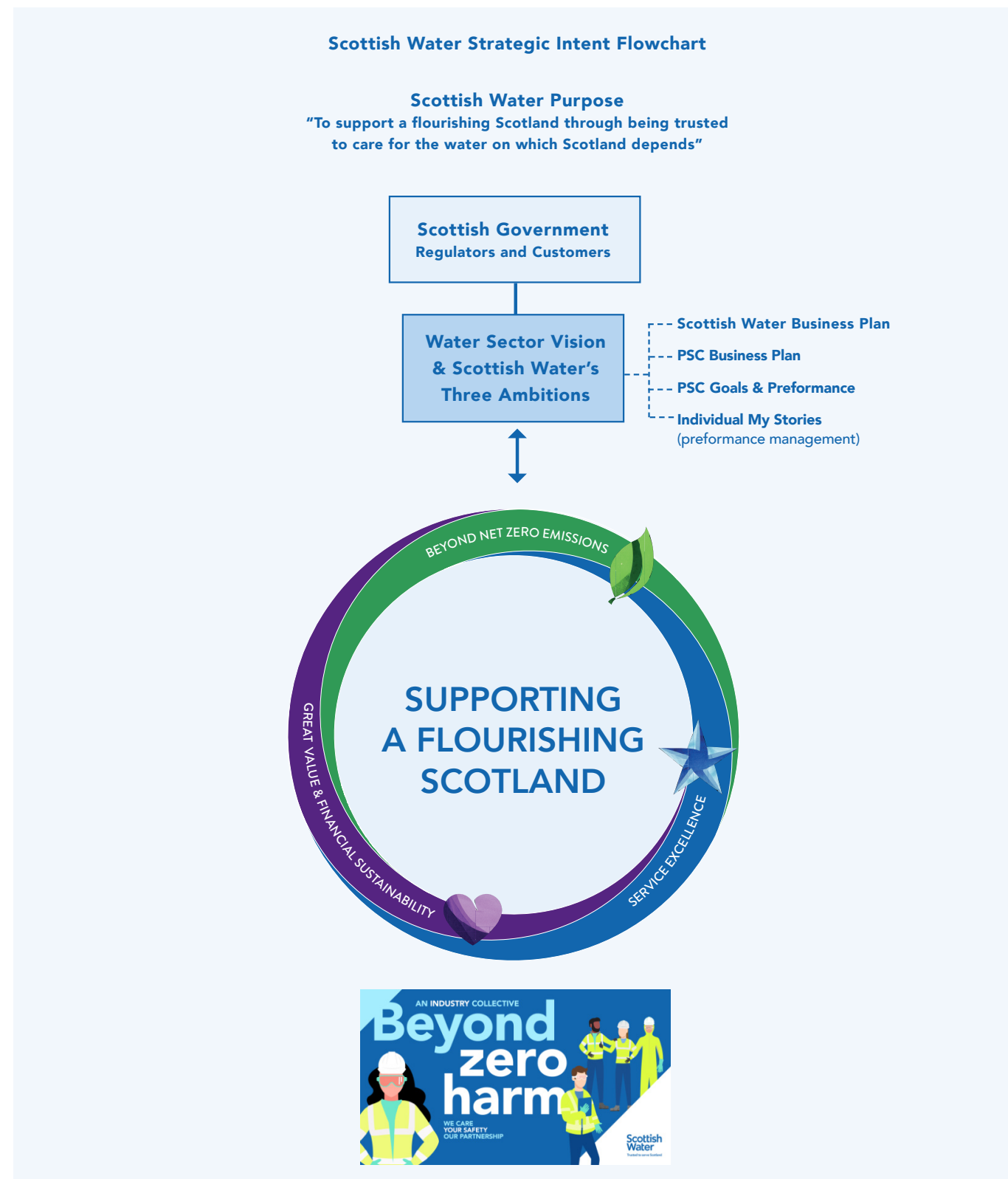
“Through digitally enabled supply chain integration, we collaborate to create an efficient, sustainable and agile supply chain that delivers great value for Scottish Water and our customers, supporting a flourishing Scotland.”



STRATEGIC INTENT PROCUREMENT & SUPPLY CHAIN

Figure 1 below shows the PSC Strategic Intent Flowchart showing clear line of sight between the Scottish Water Purpose and strategic objectives to the PSC team members' performance objectives. The current regulatory period is SR21 (2021-2027). This is then broken down into annual functional plans for each directorate. As shown in Figure 1, the PSC Business Plan is then used to create an annual Balanced Scorecard for the team which then flows down into each individual's objectives, measured through the performance review process.

Figure 1: PSC Strategic Intent Flowchart



Procurement & Supply Chain Governance

Approval of PSC strategies and award of contracts and framework agreements (an agreement with suppliers to establish terms governing contracts that may be awarded) has strong governance structures in place.

Approval of all frameworks and contracts must receive the correct level of approval and sign-off in line with the Scottish Water Procurement Policy Manual and the Scottish Water Designated Level of Approval (DLA) structure.

Approval of all key Procurement and Supply Chain strategies and contract/framework award approvals above the accumulated value of £10 million are reviewed and approved by the Supply Chain Steering Group (SCSG). Figure 2 below details the governance structure in place for PSC.

Figure 2: PSC Governance

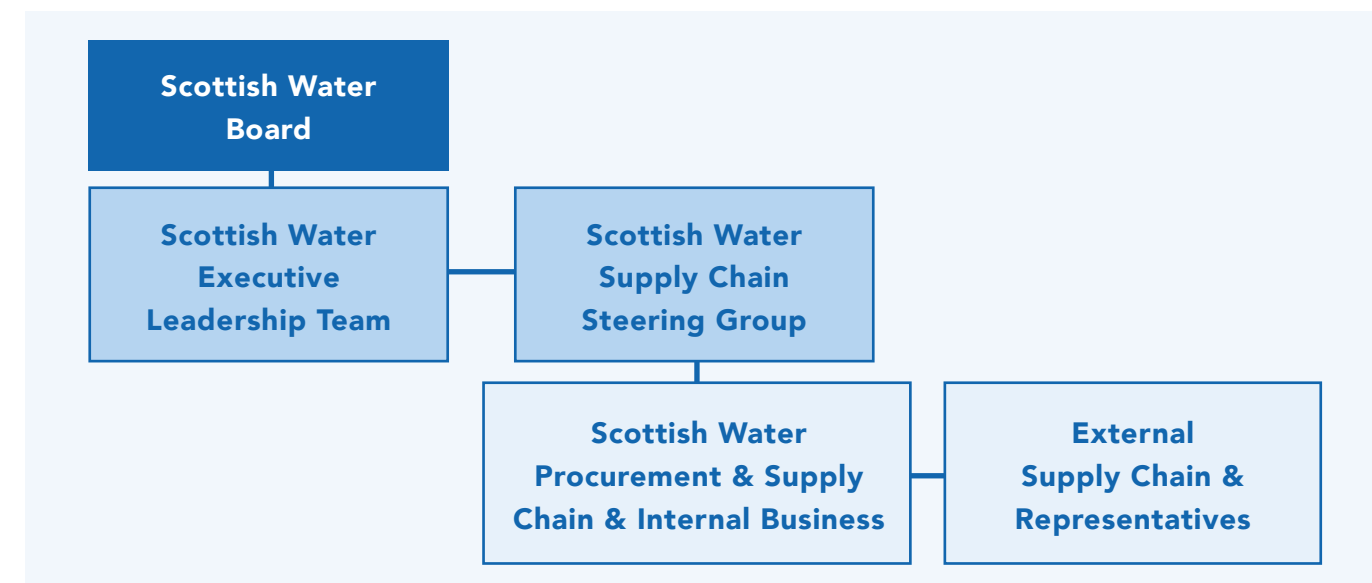
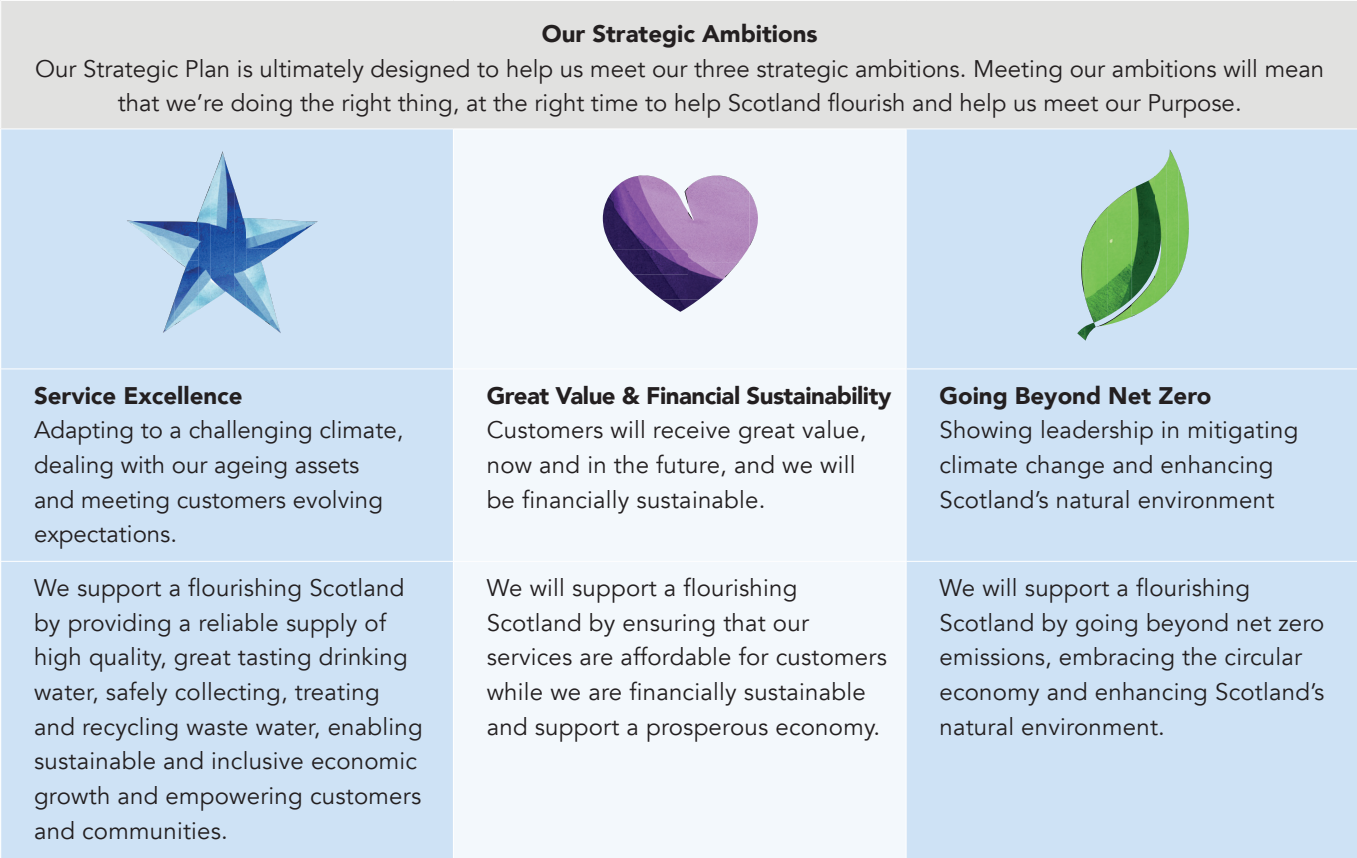


Figure 3: Scottish Water Strategic Ambitions and Objectives



PROCUREMENT & SUPPLY CHAIN BUSINESS PLAN OBJECTIVES FOR SR21

To support the Scottish Water purpose and strategic objectives, the PSC team has a vital role to play in providing a world-class professional procurement service.

We have developed a business plan for SR21 with our mission being: "Through digitally enabled supply chain integration, we collaborate to create an efficient, sustainable and agile supply chain that delivers great value for Scottish Water and our customers, supporting a flourishing Scotland".

We will support Scottish Water's three Strategic Ambitions through delivering improvements through three key areas:

- Procurement & Sourcing:** Ensuring Scottish Water has access to the goods and services it needs at the right time, to the right standard, representing value for money; delivered efficiently by a world-class procurement team.
- Risk Management:** Ensuring structural, ethical, local, and global supply chain risks, including value for money, are effectively monitored, managed, and made visible to Scottish Water to enable a sustainable and agile supply chain.
- Supply Chain Development:** Ensuring the Supply Chain remains fit for purpose through long-term strategic alignment between Scottish Water and its supply chain partners.

STRATEGIC INTENT PROCUREMENT & SUPPLY CHAIN

Ensuring Scottish Water has access to the goods and services it needs at the right time, to the right standard, representing value for money; delivered efficiently by a world-class procurement team is one of the three key areas for Procurement and Supply Chain.

Scottish Water operates under the Utilities Contract (Scotland) Regulations 2016 and will ensure that all regulated procurements are carried in the strictest manner, in accordance with these regulations.

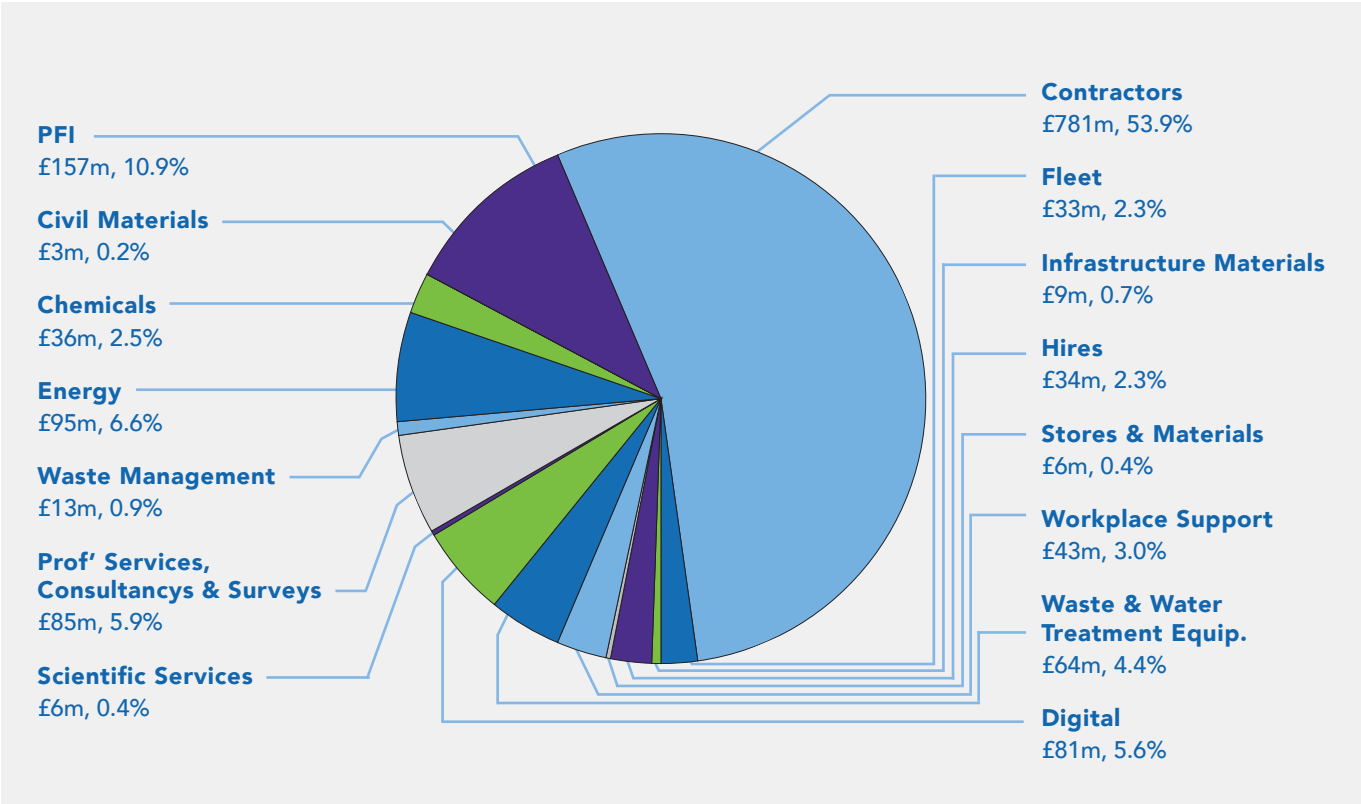
As a Chartered Institute of Procurement & Supply (CIPS) Platinum accredited procurement team, Scottish Water is deemed to have world-class procurement and supply chain management policies and procedures and commits to maintain this accreditation and continually seek to improve. The following sections provide an overview of the last year's key areas for Procurement and Sourcing.



Spend Data

Scottish Water spends c£1.4 billion per year with its supply chain, across capital and operational activities and the goods and services we receive for this are a critical enabler in supporting our ability to deliver our services to customers. Figure 4 below details the categories and percentage of spend that make up c£1.4 billion that goes through frameworks. Refer to Appendix 3 for our SR21 Supply Chain Model.

Figure 4: Scottish Water spend profile



Key Procurement & Sourcing Data

Scottish Water has 184 frameworks supported by 440 suppliers; key statistics are shown below. All the awards made last year complied with Utilities Contract (Scotland) Regulations 2016.


During the reporting period there were no regulated procurements awarded to supported businesses. The reason for this is that the goods, services or works associated with these procurements are not provided by existing supported businesses. However, we are currently exploring an opportunity for the supply of signage from a Supported Business.¹

There is expected to be 64 new procurements as part of the forward procurement plan, however this list is subject to change.

Please refer to Appendix 1 and Appendix 2 for details of last year's frameworks awarded and expected procurements.



Key Values

 **c70%**
of framework suppliers classified as small or medium-sized enterprises

 **90%**
of supply chain spend through businesses based in Scotland

 **440**
Partners in the supply chain

184 Frameworks

 **34**
Individual framework agreements awarded in 2024/25

Value c£60 million

 **28**
of these agreements awarded to SMEs
Value c£50.9 million

 **20**
of the agreements awarded to Scottish Based Companies
Value c£47.8 million

RISK MANAGEMENT

Ensuring structural, ethical, local, and global supply chain risks, including value for money, are effectively monitored, managed and made visible to Scottish Water to enable a sustainable and agile supply chain. The following sections will cover the key activities across risk and performance from last year.

Ethical Risk

Scottish Water is committed to the principles of Fair Work First, as set out by the Scottish Government, and these are built into supplier selection and contract management processes. Scottish Water requires its supply chain to comply with the requirements of the Modern Slavery Act, the Human Trafficking and Exploitation (Scotland) Act and equivalent legislation.

For suppliers with a turnover of greater than £36 million, their annually published statement is collected. For suppliers with a turnover of less than £36 million, suppliers are requested to sign an annual declaration, developed by Scottish Water, to confirm their compliance with the legislation.

In addition to the above activities, Scottish Water undertakes an annual analysis of the ethical risks within its supply chain. Higher risk categories are prioritised for supply chain mapping, and potential external audits. Random audits are also undertaken on lower risk areas by the Procurement and Supply Chain function to ensure appropriate controls are in place.

Our ethical requirements are included within the Scottish Water Supplier Code of Conduct which is linked to our standard Terms and Conditions.

Scottish Water has an Anti-Slavery Policy and publishes a [Modern Slavery Statement](#) on an annual basis which is approved by the Board of Directors and can be found on our website. Relevant employees are required to undertake training on modern slavery

Scottish Water is also a member of Scotland Against Modern Slavery, Utilities Against Slavery and is a founding partner for Action Sustainability's Responsible Sourcing of Solar Panels Due Diligence Guidance.

Horizon Scanning

Scottish Water has implemented Horizon Scanning into risk management activities. This is undertaken to identify, understand, evaluate, monitor and take action on supply chain risks. This allows us to pursue opportunities and to preempt and mitigate emerging risks and threats within the supply chain whilst supporting a flourishing Scotland and the water sector vision.

ETHICAL RISKS ACTIVITY

 **10**
ETHICAL AUDITS DURING 2024/25
- NO MATERIAL ISSUES FOUND

 **7**
SUPPLY CHAIN MAPPING EXERCISES WITH 6 FINALISED THAT WILL INFORM FUTURE PROCUREMENT STRATEGIES AND RISK MITIGATION ACTIVITIES

KEY STATISTICS

 **100%**
ORGANISATIONS WITH A TURNOVER GREATER THAN £36 MILLION PUBLISHED ANNUAL MODERN SLAVERY STATEMENT

 **100%**
ORGANISATIONS WITH A TURNOVER LESS THAN £36 MILLION HAVE SIGNED ANNUAL MODERN SLAVERY DECLARATIONS

Structural Risk

Scottish Water undertakes an annual review of structural risks within our supply chain, taking into account supply chains which have no or extremely limited alternatives or competition, which could be further negatively impacted by mergers and acquisitions and / or which could be affected by geopolitical events. Risk velocity is also built into this analysis and these risks feed into our contingency planning.

¹A Supported Business is a social enterprise whose main aim is to integrate disabled or disadvantaged people socially and professionally. Their workforce must be at least 30% disabled or disadvantaged.

Performance

Scottish Water undertakes a robust review of its Supply Chain performance throughout the year. Supply Chain Performance is assessed across 5 dimensions, as displayed in the diagram below.

Scottish Water undertakes performance reviews across all Scottish Water strategic and high impact suppliers and any other relevant framework suppliers where potential issues may have been identified. It covers the evaluation of performance in line with Scottish Water strategic ambitions of ‘Service Excellence, Beyond Net Zero and Great Value and Financial Sustainability’ and Beyond Zero Harm. In the latest review, 88% of the metrics evaluated were ranked as acceptable or higher.

Scottish Water’s performance is measured through an annual supplier survey. Issued to key suppliers including contractors, consultants and framework suppliers which covers a large proportion of Supply Chain spend. This years survey included responses from 120 suppliers covers c.£740 million spend from C.£1.4 billion total. Overall engagement in both surveys is very good with an average score of 8.4 in the Scottish Water survey, and 8.2 in the British Water survey - both scores increased by 0.1 from the previous year. The table below details the results of this survey.

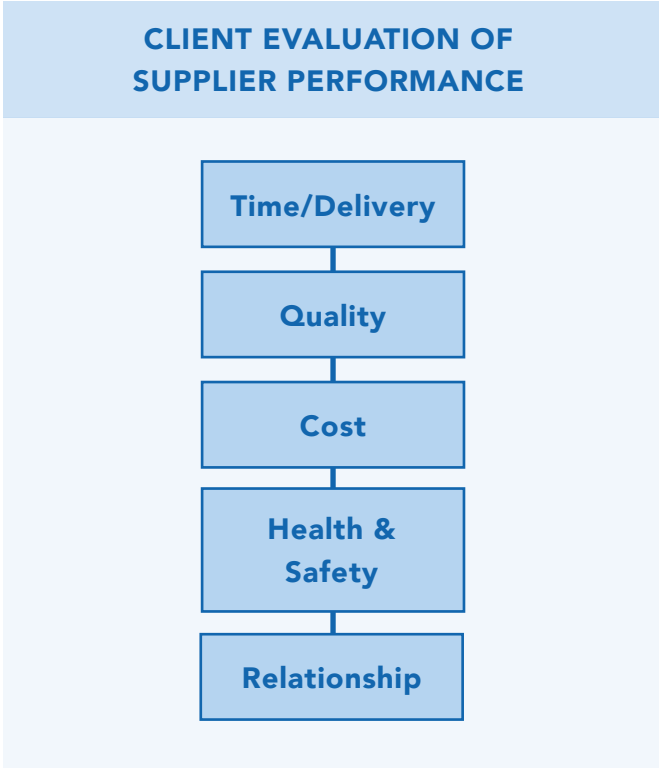


Table 2: Scottish Water Supplier Survey & British Water Survey Results

Category	Scottish Water Score out of 10 FY2024/25	British Water Score out of 10 FY2024/25 (rank)
Contractual Approach	8.5	8.2 (2)
Attitude	8.8	8.4 (=2)
Professional Qualities	8.4	8.4 (3)
Impact on Supply Chain	8.2	8.1 (2)
Innovation	7.9	8.0 (3)
Procurement	8.3	7.7 (=3)
Following Policy	9.0	8.9 (2)
Communication	8.5	8.5 (=2)
Partners/Main Contractors	8.1	7.9 (7)
Handling of the Regulatory Cycle	8.4	8.0 (3)
Working Digitally	8.0	8.6 (3)
Overall Score (Out of 10)	8.4	8.2 (2)

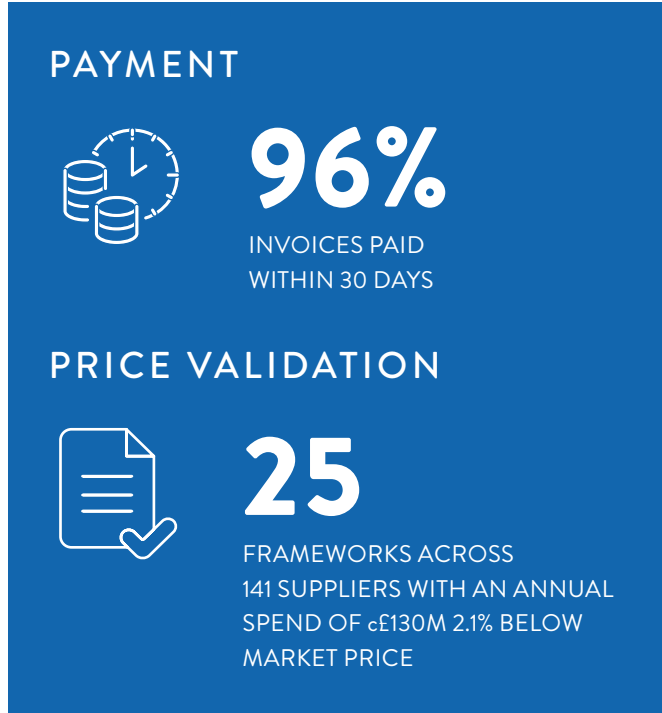
Payment to suppliers

One of the areas for the Supply Chain to score Scottish Water is on payment. Scottish Water is fully committed to ensuring its suppliers are paid in a timely manner for our customers.

Standard Supplier payment terms were 30 days following receipt of invoice with which Scottish Water had no dispute. Scottish Water has adopted accelerated payment practices and is committed to ensuring prompt resolution of any invoice issues to ensure timely payment.

Within our framework agreements with contractors and sub-contractors, there is a requirement to pay sub-contractors within 30 days of an agreed invoice date. There are contractual consequences for contractors and sub-contractors who fail to adhere to this.

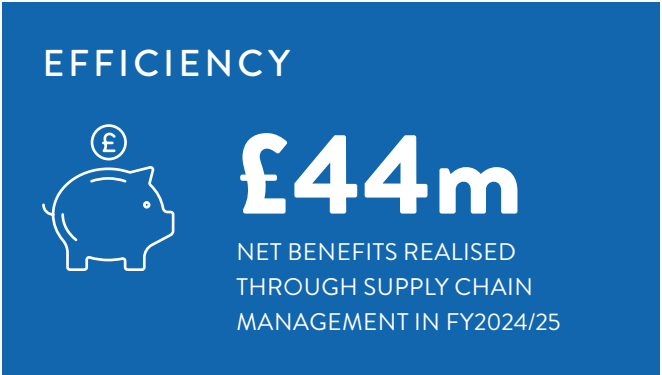
On a six monthly basis Scottish Water issues an ‘Aged debt survey’ to its supply chain to identify the value of aged debt and assist with resolution of the issue where required.



Efficiency

Scottish Water measures the annual impact of our frameworks covering areas such as price increases, savings, cost avoidance and volumetric discounts as part of demonstrating our commitment to delivering value for money for customers.

As part of demonstrating value for money, Scottish Water also undertake annual price validation on a weighted basket of frameworks. Scottish Water framework pricing is compared to equivalent market annual value prices to ensure that the frameworks are still delivering value. This consistently shows that our framework prices are at or below market rates.



SUPPLY CHAIN DEVELOPMENT

Ensuring the supply chain remains fit for purpose through long-term strategic alignment between Scottish Water and its supply chain partners. The PSC Team undertakes a range of activities across several PSC-specific workstreams. This allows for investigation, experimentation, and implementation of initiatives to help both diversify and align PSC's strategic direction in response to changing business needs and the external market environment. The following sections cover some highlights through last year.

Transformation

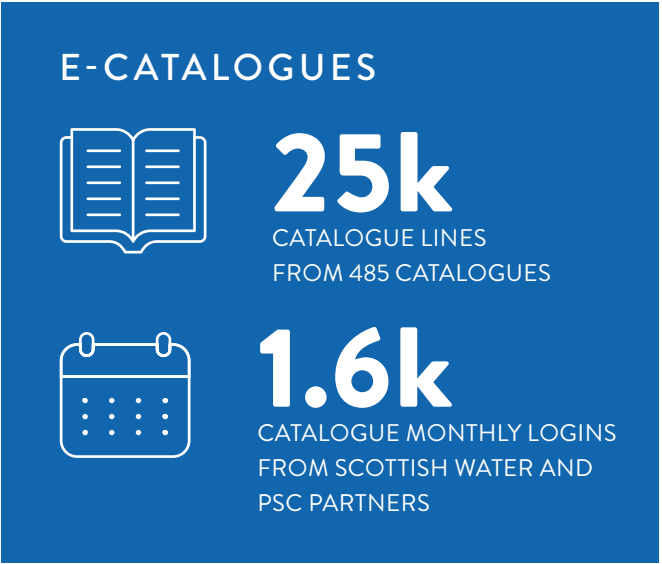
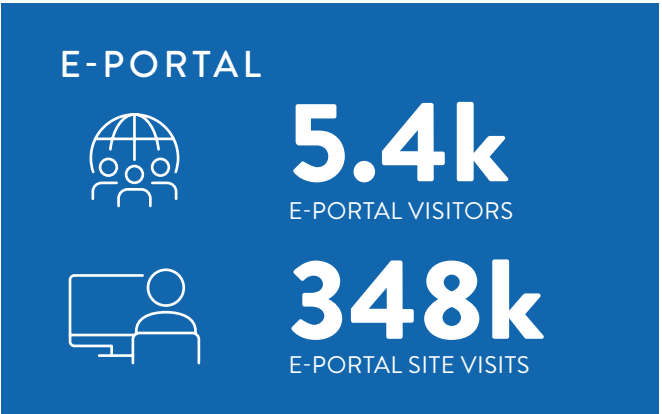
To ensure alignment with Scottish Water's strategic ambitions and to help support a flourishing Scotland there is a need to continue to adapt and enhance the role played by the PSC function.

The workstreams include the following areas:

E-Integration - Covers improvements on how Scottish Water engages with its supply chain, utilising an E-Portal that acts as our Integrated Supply Chain Hub. This is where we share information and news along with being able to exchange information and provide access to E-Catalogues for the supply chain as well as streamlining the on-boarding process for suppliers.

Innovation - Scottish Water recognises that to meet business targets, finding, developing and implementing innovations will be key. It is Scottish Water's belief that the Supply Chain has a major role to play in assisting Scottish Water deliver those targets through valuable innovations. Creating more efficient processes, achieving cost savings, continuous improvement of service or lowering carbon footprint are all key benefits of embedding innovative solutions.

Scottish Water is committed to working with our Supply Chain Partners to realise these benefits for both parties. The PSC Team continues to build on the success of the innovation environment implemented in 2023/24, implementing iterative improvement to its two core processes while engaging the Supply Chain to adopt and promote impactful ideas.



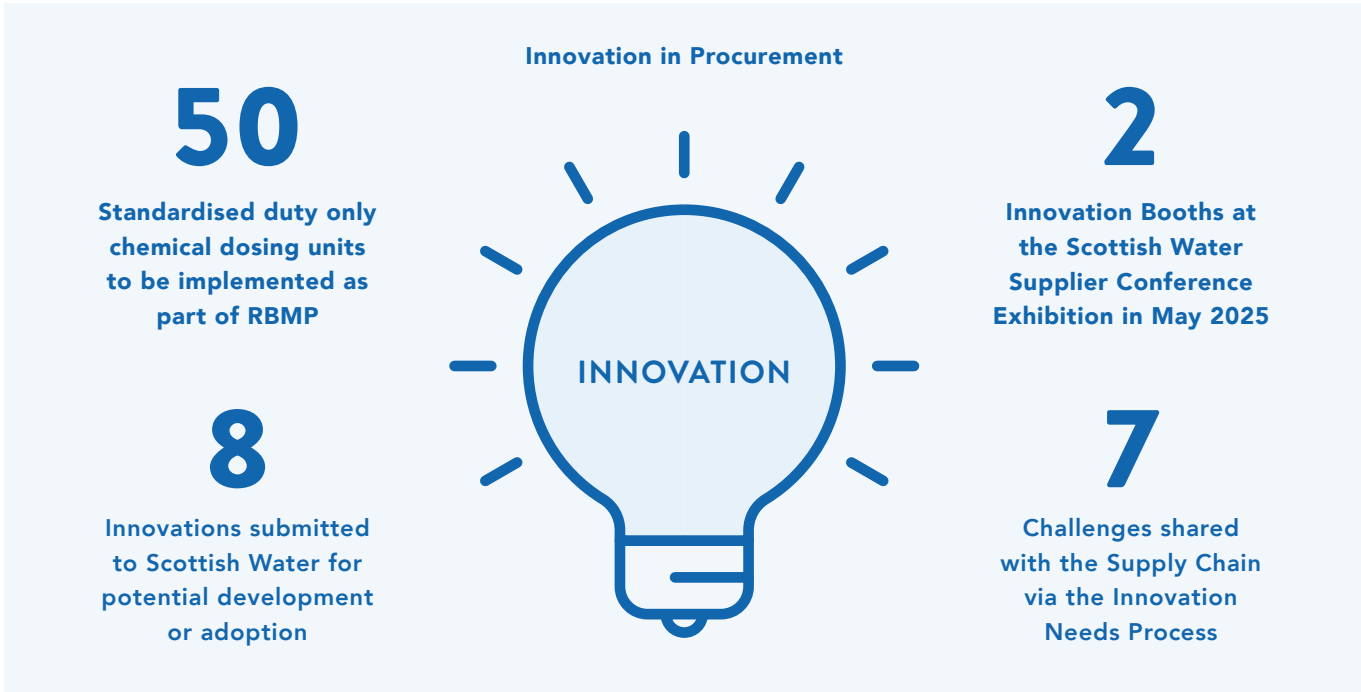
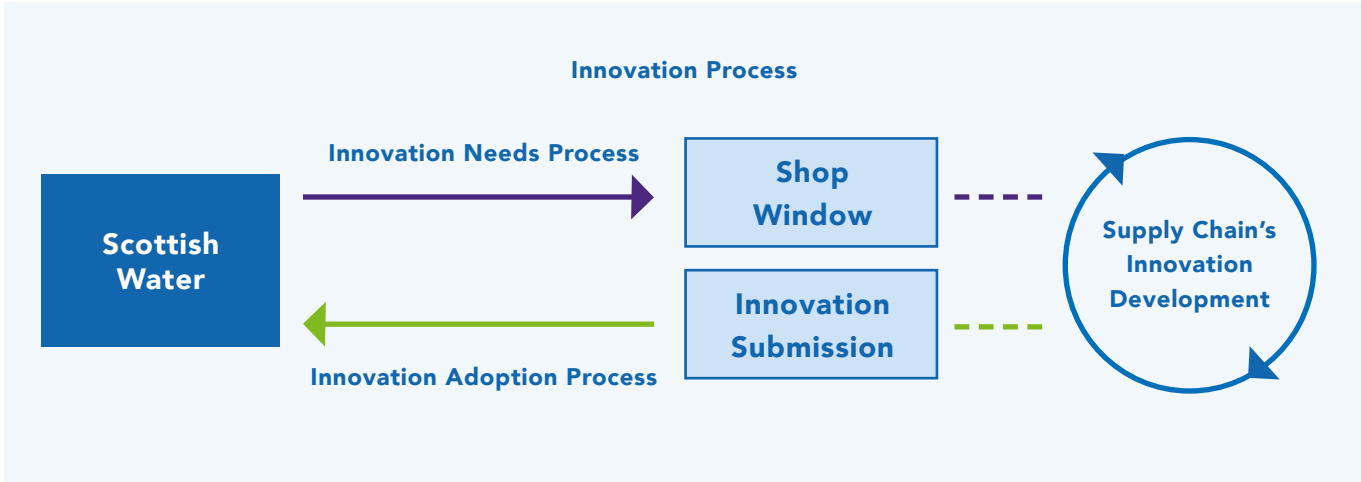
The Innovation Needs Process – which shares Scottish Water's needs and challenges directly with the Supply Chain via the E-Portal – continues to gain traction and is currently being supplemented with support from the Hydro Nation Chair and SPRING to share these needs more widely and promote innovative thinking throughout the UK water industry.

The Innovation Adoption Process – which provides the Supply Chain with a pathway to have their innovations reviewed by Scottish Water – has been well received and utilised by the Supply Chain who have supplied a steady stream of innovations with the potential to support the delivery of Scottish Water's three key ambitions.

The continued efforts of the PSC team have resulted in a total 80 different innovations being submitted to Scottish Water for consideration by our internal teams this year.

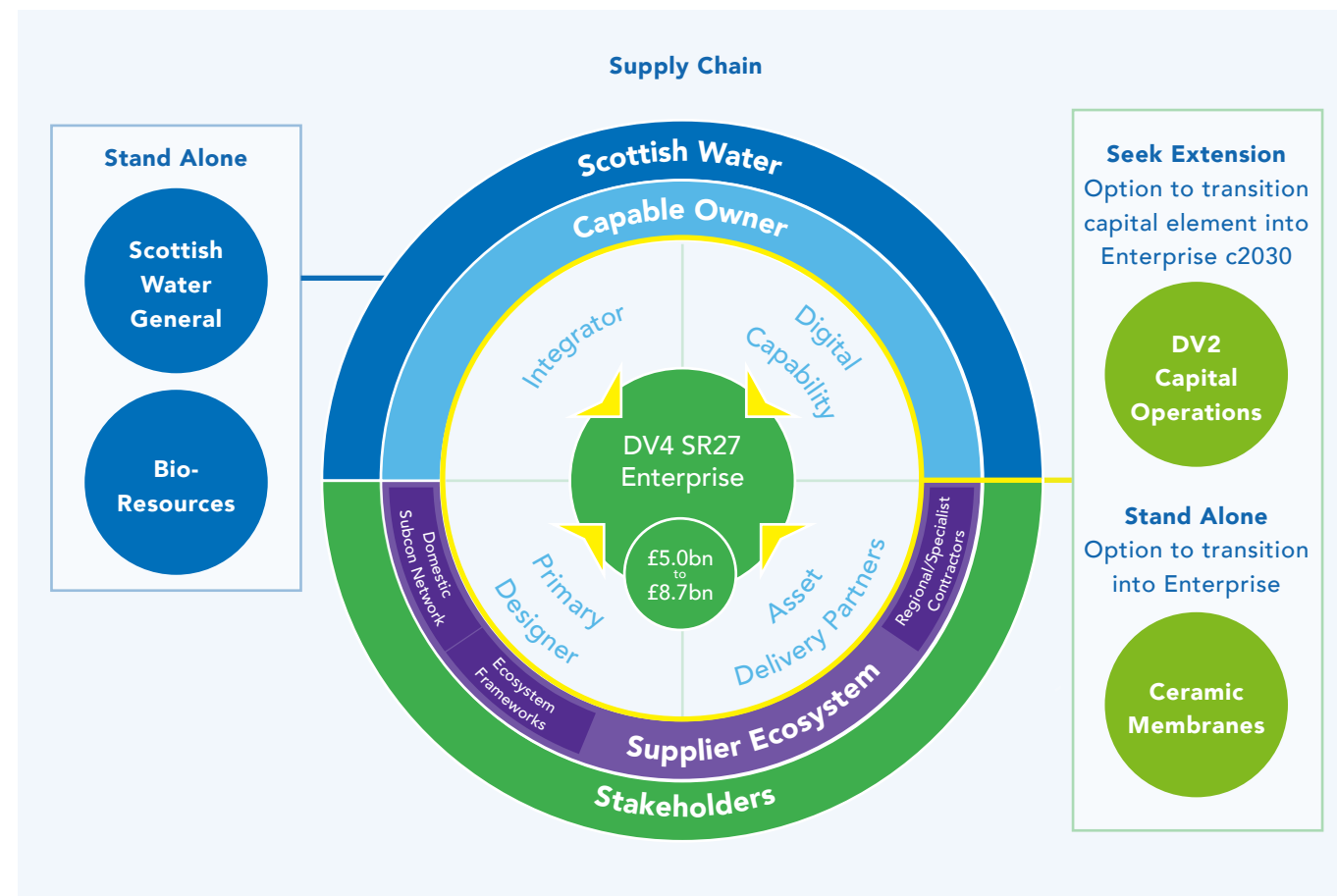
In addition, Scottish Water continues to build on the successes of its Standardisation workstream, with work ongoing to realise more opportunities with the support of other internal functions. This has included supporting programmes focused on standardised delivery such as the Improving Urban Wastewaters (IUW) programme and the River Basin Management Programme (RBMP) which are utilising standardised Combined Sewer Overflows (CSOs) and chemical dosing units respectively.

Scottish Water continues to support the development of new low carbon alternatives to traditional materials to deliver net zero emissions by 2040. This work has included trialing new materials in practical applications – such as carbon concrete mixes – fostering inter-industry collaborations and supporting activity to increase the availability of nature-based alternatives and the creation of biodiversity standard products.



Future Supply Chain Design - Scottish Water's current investment Delivery Vehicle (DV), DV1, will end in 2027, after being in place for 12 years. We are currently procuring a replacement for this Delivery Vehicle which will take the form of a bold new "advanced partnering" Enterprise Model (DV4). The implementation of the Enterprise will begin from April 2026 and will support the delivery of our asset investment outcomes for SR27 which is the period April 2027 to March 2033 and, subject to performance may be extended into SR33 which is April 2033 to March 2039. Investment is expected to be in the region of c.£9 billion over the 13-year agreement². The approach is a departure from transactional contracting and a natural evolution in Scottish Water's supply chain approach. The move towards more outcome-based partnering will be a driver in unlocking our enablers and it will also contribute positively to effectively deliver our forward plans and support a flourishing Scotland.

The Enterprise model interfaces, including details of the functions within the Enterprise is detailed in the figure below:



Additionally, we have launched the procurements to set up our SR27 digital supply chain. We are seeking partners to provide a managed service for networks, cyber-security and applications management. These partners will support an updated digital delivery model focusing on delivering better business outcomes through a more agile and adaptive approach to system development. We are also putting in place a framework to support Digital Transformation, providing the expertise to deliver digital investment outcomes, large and small. Lastly, we are creating a new framework to support Operational Technology, recognising the trend towards integration of IT and OT technologies and supporting Scottish Water's strategy for smart networks and automation.

GRADUATES & MODERN APPRENTICES



610

GRADUATES COMMITTED BY SUPPLIERS FOR SR21



740

MODERN APPRENTICES COMMITTED BY SUPPLIERS FOR SR21



530

GRADUATES RECRUITED SO FAR BY SUPPLIERS



1050

MODERN APPRENTICES RECRUITED SO FAR BY SUPPLIERS



14,000

NUMBER JOBS SUPPORTED DIRECTLY AND INDIRECTLY

Community Benefit

Scottish Water is one of the largest infrastructure investors in Scotland and its focus on creating good local jobs and supporting local businesses means it has a major impact on the Scottish Economy. For every £1 we invest, £3 of value is created.

Tenderers are required to detail their commitment to the delivery of community benefits. This could include the appointment of Modern Apprentices/Graduates, employment of people who have been long-term unemployed, engagement with supported businesses or support to local communities. These commitments are included as part of the contractual agreement and monitored to ensure delivery.

For the regulatory period from April 2021 to March 2027 (SR21) we have received commitments from our procurements for both graduates and modern apprentices in excess of 1,100 in total and to date our supply chain has confirmed that the combined total of graduates and modern apprentices recruited is now at 1,620.

Scottish Water will continue to include this as part of its sourcing and integrated supply chain management activities.

In support of our strategic ambition of Service Excellence, Scottish Water formed a new Skills Steering Group has been created internally, together with some of our key delivery partners.

In support of our strategic ambition of Service Excellence, and in collaboration with our delivery partners, Scottish Water launched a new careers site for water sector jobs in Scotland in March 2025. The aim of this initiative was to increase skills and resourcing and to attract both young people and experienced hires for Scottish Water and our Delivery Partners. Despite the structural issues that exist with the supply and demand of the type of specialist resources required in the industry, this initiative aims to supply a significant increase in young people and experienced workers to ease resourcing pressures.

The launch of the new careers site to focus on skills shortages directly relates to the 'Attraction' workstream of the three core workstreams of the Skills Steering Group created in 2024:

- **Attraction** - Identification of youth pipelines and attraction into the water sector.
- **Development** - Education liaison, industry body liaison and joint skills development.
- **Retention** - Maximising retention of our people to ensure resiliency for the capital programme delivery.

² The actual final value is dictated by the SR27 process and informed by the Final Determination to be published by the Water Industry Commission for Scotland (WICS) in October 2026.



Beyond Zero Harm: An Industry Collective

We have a collective ambition, together with our partners and the supply chain, to lead our industry in Scotland to Beyond Zero Harm by creating safe, healthy and productive environments where everyone can thrive.

At Scottish Water, we believe that everyone has the right to go home safely at the end of the day. But that's no longer enough. It's time to raise the bar. To ask not just how we prevent harm, but how we create the conditions for people to thrive.

This is going Beyond Zero Harm.

Through our Industry Collective, a collaborative group of Scottish Water partners and suppliers, our aim is to drive a consistent and industry-leading approach to safety, health and wellbeing.

Our ask of our supply chain is to lead our industry, actively support our Beyond Zero Harm movement and commit to continuous learning and improvement.

Everyone has a role to play in making our industry a safer, healthier and thriving one for a flourishing Scotland.

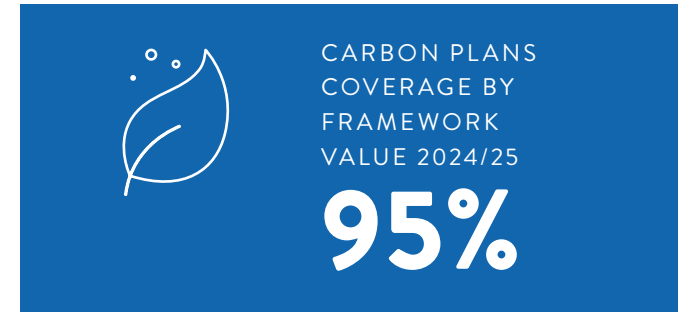


Net Zero Emissions

Scottish Water will play a key part in achieving the Scottish Government's climate change commitments through an ambitious plan to achieve net zero emissions by 2040 and going beyond thereafter. This is a significant challenge, and we will need the full support of our supply chain to achieve this ambition. Scottish Water's Net Zero Routemap outlines how we will lead the organisation to achieve net zero emissions, involving transformative change and requiring additional investment.

Carbon management is interwoven into the procurement process with Scottish Water requiring all tenderers to agree to measure their carbon emissions and have a carbon plan in place. This provides a solid foundation for Procurement and Supply Chain to work alongside our supply partners to support, investigate, and drive carbon reduction throughout our supply chain.

Procurement and Supply Chain is currently looking at ways to reduce carbon in construction. The most carbon intensive materials have been identified (eg: steel, plastic, fuel, concrete) with the function actively investigating the opportunities to decarbonise these materials and progress other opportunities.



Since its inception, the hydrotreated vegetable oil (HVO) Framework (a low carbon fuel alternative to diesel) has been adopted by many of our Delivery Vehicles to power their onsite activities with around 1,900 tonnes of CO₂e saved to date.

A new framework for Low Carbon Kiosks has been awarded and implemented This will allow Scottish Water to purchase kiosks made from alternative materials with a lower embodied carbon to the traditional Glass Reinforced Plastic or steel kiosks currently utilised and in doing so, enable greater steps towards our net zero targets.



Low Carbon Concrete Case Study

If concrete was a country, it would be the third largest emitter of CO₂ in the world. While the industry has made progress on the decarbonisation of concrete, there is still much to do.

The Low Carbon Concrete Partner Ecosystem (LCC PE), now known as Scotland's Low Carbon Concrete Collective, is a complex, high profile and high impact programme that is focused on the decarbonisation of concrete. This Partner Ecosystem (PE) has brought together heavy concrete users from across Scotland's infrastructure industries that collectively spend billions every year on infrastructure projects that utilise thousands of tonnes of concrete with a considerable embodied carbon footprint.

The PE currently consists of 15 active partner organisations, working across three workstreams and numerous projects to deliver against a strategic plan. The board members include some of the largest infrastructure organisations in Scotland, including SSE, Scottish Power, Transport Scotland, Network Rail and Scottish Water. Additional partner organisations consist of academia, supply chain, start-ups and innovators, and industry bodies. The scale of the PE is continually growing in both member numbers and impact.

Highlights from the Concrete Collective's First Year

- Partnered with Recycl8 to develop a sustainable, low carbon concrete manhole ring and cable trough using a incinerator bottom ash aggregate.
- Initiated trials of 3D printed manhole rings and foundations.
- 5 of 5 client partners committed to restricting the use of CEM1 concrete.
- Mapped the availability of lower carbon blended concrete mixes across Scotland.
- Created a low carbon concrete education pathway, available on the Supply Chain Sustainability School.
- Developed new partnerships with innovators, academia, industry groups and supply chain.

The Year Ahead

The Collective are focused on two core focus areas:

- 1. Accelerating the validation of new low carbon concrete solutions**
 - Provide networks, knowledge and facilities to support product developments and provide the opportunity to test novel LCC solutions in the real world. Share learnings from trials with the wider industry to build datasets for new products.
- 2. Enabling the deployment and scale of low carbon concrete solutions**
 - We will increase the deployment of new low carbon concrete productions. We will aspire to make low carbon concretes available at all sites in Scotland. We will signal demand to the market, restrict the use of CEM1 mixes, and collaborate with our supply chains to overcome challenges around meeting demand, storage and/or transportation of new products. We will build a low carbon culture within our own organisations, addressing regulatory challenges where appropriate, ensuring that low carbon concretes are the default choice – identify best practice, drive standardisation and share knowledge.
 - In addition to continuing the activities from the past year, the Collective are exploring additional innovations and industry initiatives to help accelerate the wide-scale adoption of low carbon concretes. One such initiative the Collective is exploring is Innovate UK's Advanced Market Commitment which is designed to boost investment in novel low carbon concretes by signaling demand.

The Collective is continually evolving and is open to and interested in new members, ideas and products.



Circular Economy

A key element of Scottish Water's Strategic Objectives is to Embrace the Circular Economy – this is key in contributing to our net zero targets. Procurement and Supply Chain is aligning to Scottish Water's Circular Economy Approach to ensure a fundamental shift from a linear to a circular supply chain. Procurement and Supply Chain are aligning to this Approach through the implementation of a Circular Economy Strategy and ongoing work of the Circular Economy Partner Ecosystem.

The Circular Economy Partner Ecosystem seeks to co-create and co-deliver circular economy solutions within the supply chain environment, working collaboratively with a range of external organisations who each bring their own circular economy expertise. The partnership has primarily focused on a pilot on bridge scrapers to date, and is now pivoting its strategic focus to wider circular economy opportunities for Scottish Water's asset base and beyond. In the 2025-2026 financial year, the partnership will continue to deliver and complete its ongoing bridge scraper workstreams (namely alternative material design, micro-hydro turbine trial and waste data analytics). The partnership will now look beyond bridge scrapers, identifying and delivering circular economy solutions that can be applied to broader variety of assets.



REPORT OWNERSHIP AND CONTACT DETAILS

The owner of this report on behalf of the Scottish Government is Joe Rowan, General Manager of Procurement and Supply Chain.

The report covers the period 2024/25 and has been reviewed by the Scottish Water Supply Chain Steering Group.

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APPENDIX 1 - ANNUAL PROCUREMENT PLAN

Contract/framework awards over the last 12 months

Table 2 below details all new Contract/Framework awards over the last 12 months. Each of these contracts/frameworks were identified by Procurement and Supply Chain alongside key business stakeholders as key requirements to help support delivery of either operational or capital business requirements (or both in some instances). All our procurements were compliant.

Table 2: Contracts/frameworks awarded in 2024/25

Frameworks/Contracts Awarded			
No.	Contact Reference	Contract Title	No of Suppliers Awarded
1	SW19/S&W/1263	Transport & Recycling	6
2	SW20/CI/1295	GRP Kiosk	2
3	SW21/ACP/1365	Forestry Development and Management	1
4	SW21/CI/1362	Supply of Water Sampling Kiosks	1
5	SW21/CI/1376	Amazon Cartridge Filters	1
6	SW21/CSD/1354	Flowmeter verification programme	1
7	SW23/CON/1464	Economic Regulatory Services	5
8	SW23/FLE/1456	The Supply of Forklifts, Quadbikes, Mini Excavators, Telehandlers, Tractors and Trailers	5
9	SW23/LAB/1436	Laboratory Equipment Replacement	6
10	SW23/SCI/1457	Proportional Flow Counters	1
11	SW25/CON/1499	Workday Consultancy Services - Accelerated Discovery Phase	1
12	SW23/CI/1426	Low Carbon Kiosks	2
13	SW23/CSD/1447	Glass Fused Steel Tanks	1
14	SW23/CSD/1448	Security System Maintenance	1

APPENDIX 2 - FORWARD PROCUREMENT PLAN

Table 3 below is a list of the procurement activity that is expected to start as part of the forward procurement plan. This does not include in-progress procurement activity.

Table 3: Contracts/Frameworks to be procured over the next 2 years

No.	Contract Title	Target Start Date
1	The Provision of Leased Vehicles	May-25
2	Juniper House	May-25
3	Common Data Environment System	May-25
4	Laboratory Consumables	May-25
5	Smart Metering	May-25
6	Industrial Gases	May-25
7	Supply of GAC & PAC	May-25
8	Sludge tankers & vaccumm excavators - Self Drive	May-25
9	Pressure Reducing Valves	Jun-25
10	Cloud and Platform Engineering	Jun-25
11	IDAM project tool	Jun-25
12	SW Horizons Hydro Energy Schemes	Jun-25
13	Allanfearn Treatment	Jun-25
14	Bio Resource (Sludge) Treatment Framework	Jun-25
15	Specialist Support Services - Pressure Management	Jun-25
16	Supply and Installation of Fixed Standby Generators	Jun-25
17	Supply of Civil Materials	Jul-25
18	The Supply & Delivery of E&M Consumables	Jul-25
19	Supply of Combined Sewer Overflow (CSO) Screens	Aug-25
20	Screens and Screenings Handling	Aug-25
21	The Supply of Signs, Cones and Barriers	Aug-25
22	Grit Removal	Aug-25
23	Pest Control	Sep-25
24	Fire Extinguisher Maintenance	Sep-25
25	Fire and Intruder Alarm Maintenance	Sep-25
26	Workday Consultancy Services - Implementation and Systems Configuration	Oct-25
27	Trickling Filters	Nov-25
28	Static Mixers	Nov-25
29	Wash Down Booster Sets	Nov-25
30	Modular Pumping Stations	Nov-25
31	Media Buying	Nov-25
32	The Provision of Jetting Hoses and Consumables	Nov-25
33	Campaign & Corporate Reporting	Nov-25
34	Leakage Detection and Management Services	Nov-25
35	Supply of Remote Telemetry Units (RTUs)	Dec-25
36	Supply of Manhole Covers and Frames (drop in)	Jan-26
37	PE Pipe and Fittings	Feb-26
38	Valves & Penstocks	Feb-26

No.	Contract Title	Target Start Date
39	Supply of ductile iron pipe and fittings	Feb-26
40	Supply of Precast Concrete	Feb-26
41	Temporary Chemical Dosing	May-26
42	Planned Grounds Maintenance	May-26
43	Hiring of Formwork and Falsework	Jun-26
44	Waste Water Packaged Plant	Jul-26
45	Supply and Services of Filtration Media	Aug-26
46	Supply of Bridge Scrapers	Aug-26
47	Instrumentation	Aug-26
48	The Supply of Pumps	Aug-26
49	Supply & Installation of Blowers and Compressors	Aug-26
50	Supply of Lifting Chains	Aug-26
51	Motor Control Centre & Systems Integration	Aug-26
52	Chemical Dosing Equipment	Aug-26
53	Hire of Pumps and Generators	Aug-26
54	Regional Contractor Services	Aug-26
55	Telemetry Engineering Support Services	Nov-26
56	SW Horizons Third Party Waste Water Transport	Nov-26
57	Hire of Modular & Portable Accommodation	Jan-27
58	Hire of Operated Plant	Jan-27
59	Provision of Flood Mitigation	Feb-27
60	Commercial Services	Mar-27
61	Portable and Fixed Gas Detection	May-27
62	Electricity Metering Services	May-27
63	Reservoir Supervision & Support Services	Sep-27

APPENDIX 3 - SR21 SUPPLY CHAIN

SR21 Dynamic and Agile Supply Chain Model

