

# Corporate Procurement and Commercial Improvement Strategy 2018 to 2022



A world class city with a thriving and inclusive economy where everyone can flourish and benefit from the city's success

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# 1. Executive Summary

**This Corporate Procurement and Commercial Improvement Strategy sets out the vision, objectives and actions which will direct and govern procurement activities for this council and the council family for 2018 to 2022.**

These reflect both national and local policies and priorities, and include our approach to Brexit, suppliers' fair working practices and ethicality, sustainability, Corporate Social Responsibility, Small and Medium-sized Enterprises (SMEs), Supported Businesses, Co-operative Glasgow (to create opportunities for more Social Enterprises and Co-operatives), and Third Sector organisations. They recognise the current budget constraints and an increasing demand for goods, services and works.

Procurement plays a pivotal role in supporting the council's strategic plan for 2017 to 2022 and will continue as a key enabling strand within the ongoing reform and continuous improvement of the council.

Our principal aim is to remain at the cutting edge of procurement within the public sector whilst ensuring the principles of public procurement - transparency, integrity, openness, fairness, non-discrimination, equal treatment, competition and accountability - underpin our procurement activity. We will also aim to build upon the achievements and benefits derived from the council's previous corporate procurement strategies which have been ongoing since 2012. In 2017 the council was assessed as part of the national Procurement and Commercial Improvement Programme (PCIP), and achieved a placing in the top performance banding with a leading score of 85%.

In order for this strategy to achieve improved performance status, financial savings and contribute to the council's corporate social responsibilities, we will all need to embrace a change to our existing ways of working and, crucially, develop a more strategic partnership between procurement, service departments and council family.

We will continue to generate process efficiencies and real cash savings through rigorous challenge of all our purchasing decisions, continue to work more cohesively and collaboratively with our internal clients and external stakeholders to identify better ways of working. This enhances our focus and considers innovative procurement methodologies to achieve best value outcomes in service areas such as social care.

This strategy aims to build on the procurement model already in place, with a view to:

- > **Setting out** clear and achievable strategic objectives which support delivery of the council's wider goals and objectives.
- > **Making sure** we comply with our statutory procurement duties.
- > **Delivering** and demonstrating real cash savings.
- > **Making sure** we continue to investigate new technology and digital opportunities to improve our procurement methods.
- > **Continuing** to promote sustainability, fair work practices and the importance of equality and equal treatment through procurement.

## 1. Executive Summary

- > **Continuing** to improve access to public sector contracts, particularly for Small and Medium-sized Enterprises, Supported Businesses, Social Enterprises, Co-operatives and Third Sector.
- > **Continually** focussing on improving the council's sustainable procurement performance which contributes to the council's climate change declaration.
- > **Encouraging** more innovative use of community benefits requirements and ensuring that community benefit outcomes have been achieved.
- > **Making sure** we continue to adopt a partnership approach between internal and external partners.
- > **Promoting** the benefits of early procurement engagement and innovation.
- > **Building** capacity and skills within the council to improve commissioning and procurement activity.

**Councillor Ruairi Kelly**  
Chair of Contracts and  
Property Committee

City Chambers,  
Glasgow, G2 1DU  
Phone: 0141 287 2000



## 2. Procurement Vision and Mission Statement



## 2. Procurement Vision and Mission Statement

**The council's vision is to have a world class city with a thriving, inclusive economy where everyone can flourish and benefit from the city's success.**

The following procurement vision and mission statement have been established to support the council's vision and to ensure the delivery of effective and efficient procurement.

### Procurement Vision

“To be recognised as an embedded function of all council services, strategically used to address the economic, social and environmental needs of Glasgow and its citizens”

### Mission Statement

“To provide sector leading procurement that supports the delivery of high quality, sustainable and resilient public services using innovation, efficiency, openness and transparency”



### 3. Strategy Rationale and Context





### 3. Strategy Rationale and Context

**Public Sector procurement in Scotland is now valued at more than £10 billion per annum. The profile and remit of public sector procurement has become greater and more complex. Although the new procurement rules, implemented in April 2016 (see Appendix 2), are now embedded consideration will need to be given to the potential impact of Brexit and how procurement will subsequently be undertaken within the council.**

Glasgow is Scotland's largest city. It is the economic powerhouse of Scotland and the fastest growing major city economy in the UK, outside London. Currently the council spends over £469 million on goods, services and works. The sum increases to around £644 million<sup>1</sup> if we consider the entire council family. A detailed breakdown of these figures can be seen in the Spend Profile section.

Glasgow is the cultural, sporting, economic, engineering and academic heart of our country. The city has been transformed in recent years. It is now one of Europe's top financial centres and has a remarkable business-tourism sector while the physical enhancement of our city has been dramatic. Educational attainment is improving year-on-year, employment is rising, the business base is increasing, and the city is the current European Entrepreneurial Region of the year.

However, despite this success there remains the legacy of historic socio-economic challenges in relation to the health and social care needs of many of our citizens.

In addition the council faces considerable economic and financial challenges, with significant savings required over the coming years. The council therefore needs to be more commercially focussed and innovative about how it meets its priorities and the city's ongoing challenges.

The previous corporate procurement strategy was closely aligned with the overall council strategy and delivered many benefits and improvements over the two-year period that it covered (2016 to 2018).

These benefits included:

- **Updated** processes and procedures to comply with the requirements of the new procurement rules and regulations.
- **Increased** time spent on strategic aspects of procurement activities.
- **Supported** the council's overall savings targets including the successful delivery of the procurement savings target of £20 million.
- **Embedded** the council's community benefits policy into all relevant and proportionate contracts delivering a greater volume and increased variety of outcomes across a wider range of commodities.
- **Transitioned** to the Scottish Government Procurement Journey which standardised and aligned our processes and procedures and reduced risk and duplication.

<sup>1</sup> Figures based on FY 2017 to 2018



### 3. Strategy Rationale and Context

- **Created** and implemented a sustainable procurement register to capture sustainable outcomes delivered by council contracts. This includes benefits for both Glasgow citizens (modern apprenticeships, work experience) and Glasgow businesses (supplier capacity building, opportunities for sub-contractors).
- **Established** a sustainability steering group and an action plan to support the improvement of the council's performance in delivering sustainable procurement.
- **Supported** the Equalities Act 2010 by updating procurement documentation to ensure equality impact assessments are considered for each procurement exercise and ensuring our selection and tendering processes positively address the protected characteristics and include equality considerations where relevant.
- **Ensured** SMEs are provided opportunities as standard within our Quick Quote process (Goods and Services under £50,000, Works under £2 million).
- **Fulfilment** of our procurement work plans, including the delivery of tenders supporting special projects (for example, The Glasgow City Region City Deal, Glasgow 2018 European Championships, Sighthill Redevelopment, Burrell Renaissance).

Benefits delivered by the strategies prior to 2016 to 2018 can be seen in [Appendix 1](#).



## 4. How Procurement will Support Council Objectives

### 1. A Thriving Economy



### 2. A Vibrant City



### 3. A Healthier City



### 4. Excellent and Inclusive Education



### 5. A Sustainable and Low Carbon City



### 6. Resilient and Empowered Neighbourhoods



### 7. A Well Governed City that Listens and Responds





#### 4. How Procurement will Support Council Objectives

**The council has set challenging and ambitious goals within its new Strategic Plan 2017 to 2022. The plan focuses on reducing inequality across Glasgow by creating inclusive growth - a thriving economy that we can demonstrate benefits the city, its citizens and businesses. This means a growing economy that creates jobs and investment, builds on Glasgow's position as a world class city, helps to tackle poverty, tackles poor health in the city and improves neighbourhoods.**

The council Strategic Plan also reflects the council's commitment to the National Outcomes and indicators via the Local Area Improvement Plan (previously known as the Single Outcome Agreement). There are seven priority areas which are driving real progress and achievement in Glasgow:

1. A thriving economy
2. A vibrant city
3. A healthier city
4. Excellent and inclusive education
5. A sustainable and low carbon city
6. Resilient and empowered neighbourhoods
7. A well governed city that listens and responds.

Each of the seven priority areas is directly supported by the council service departments via their Annual Service Improvement Plans (ASPIR). Procurement supports these departments by making sure requirements for goods, services and works are procured in the most effective and efficient way to maximise and deliver best value.

A list of key areas of strategic procurement focus, as well as examples of recurring tender activity, can be seen in [Appendix 3](#).

Beyond the procurement work plan, there are a number of initiatives within procurement that contribute additional value to the council's strategic objectives:

##### A THRIVING ECONOMY

- > **Continue** to drive our social and economic sustainability principles into our procurement in a relevant and proportionate manner with a particular focus on embedding community benefit clauses within our contracts.
- > **Maximise** opportunities relating to targeted recruitment, supplier capacity building and sub-contracting opportunities for SMEs, Social Enterprises, Co-operatives, Supported Businesses and Third Sector organisations.
- > **Promoting** the Glasgow living wage and fair work practices in our procurement.
- > **Place** sustainable and socially responsible purchasing at the heart of our process and reflect the Scottish Model of Procurement (the balance between Price, Quality and Sustainability), where sustainability is at the heart of everything we do.



#### 4. How Procurement will Support Council Objectives

- > **Increase** participation and competition in the supply base leading to more innovative solutions and better outcomes for the people of Glasgow.
- > **Support** the Supplier Development Programme (SDP) to assist Glasgow based SMEs and Third Sector organisations in bidding for tender opportunities.

#### A VIBRANT CITY

- > **Continue** to support the council in further developing its reputation as a world class city for heritage and events by providing procurement support to special projects and city events (for example, Burrell Renaissance, Glasgow 2018 European Championships).

#### A HEALTHIER CITY

(from Health and Social Care Partnership (HSCP) Strategic Plan 2016 to 2019)

- > **Focussing** on being responsive to Glasgow's population and where health is poorest.
- > **Supporting** vulnerable people and promoting social well-being.
- > **Working** with others to improve health.
- > **Designing** and delivering services around the needs of individuals, carers and communities.
- > **Showing** transparency, equity and fairness in the allocation of resources.
- > **Developing** a competent, confident and valued workforce.
- > **Striving** for innovation.
- > **Developing** a strong identity.

#### EXCELLENT AND INCLUSIVE EDUCATION

- > **Engage** with Education Services to promote procurement as a career path.
- > **Offer** opportunities for procurement modern apprentices and graduate trainees.
- > **Utilise** Community Benefit clauses within procurement activity to afford work experience, mentoring and other learning opportunities.

#### A SUSTAINABLE AND LOW CARBON CITY

- > **Continue** to utilise the Scottish Government sustainable tools to identify sustainable risks and opportunities relevant to our spend profile including reducing carbon emissions and greenhouse gases, maximising recycling and reuse and avoidance of hazardous materials.
- > **Increase** the council's sustainable performance by improving the sustainable steering group and continue to deliver the sustainable procurement action plan as derived from the Scottish Government's Flexible Framework.
- > **Work** with Land and Environmental Services to support the council's overall sustainability ambitions for the City. This includes working with the carbon management team to identify opportunities within our procurement work plan to contribute to the council's carbon reduction strategy.

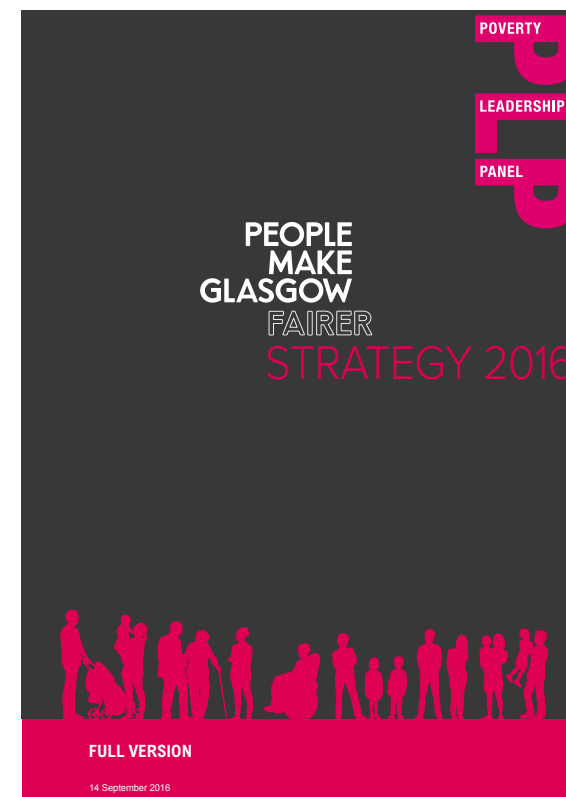
#### 4. How Procurement will Support Council Objectives

##### RESILIENT AND EMPOWERED NEIGHBOURHOODS

- > **Work** with Community Planning and other key stakeholders to identify and target community initiatives that can be supported by procurement activities.
- > **Work** with Jobs and Business Glasgow, Education and the Development and Regeneration Services (DRS) employability team to identify individuals who can be supported by targeted training opportunities provided by the council's contracted suppliers.

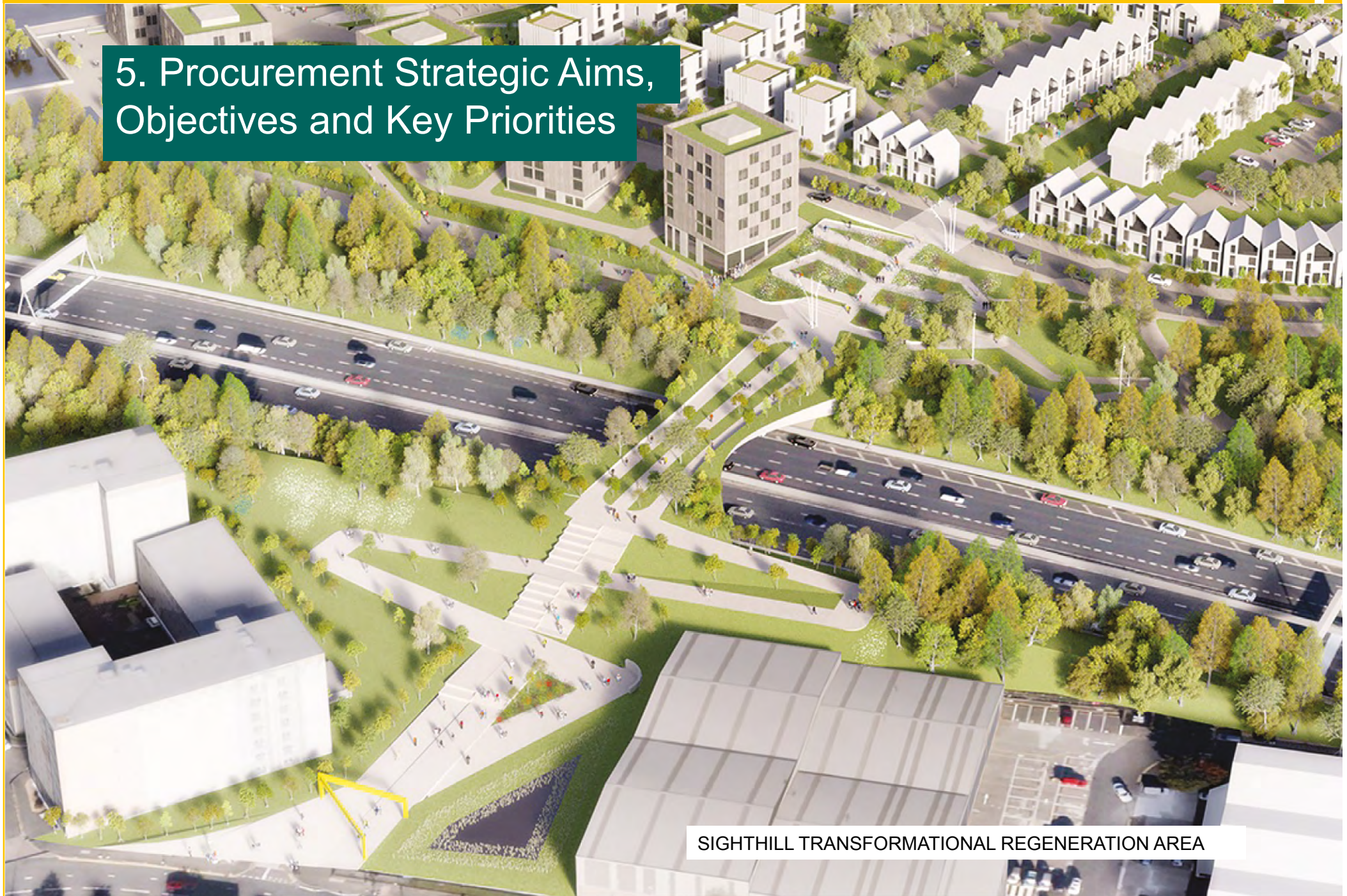
##### A WELL GOVERNED CITY THAT LISTENS AND RESPONDS

- > **Collaborate** with the Poverty Leadership Panel to support areas and people who are impacted by poverty via the use of Community Benefit Clauses within our procurement.
- > **Ensure** that our procurement supports the outcomes of Equality Impact Assessments.





## 5. Procurement Strategic Aims, Objectives and Key Priorities



SIGHTHILL TRANSFORMATIONAL REGENERATION AREA



## 5. Procurement Strategic Aims, Objectives and Key Priorities

For this strategy, the council has six key strategic procurement objectives:

1. Legal compliance and governance
2. Savings and positive outcomes
3. Leaner, more efficient and effective procurement function
4. Deliver sustainable procurement across the council
5. Innovation
6. Promote procurement awareness.

### 1. LEGAL COMPLIANCE AND GOVERNANCE

#### Aims

- > **To ensure** all procurement staff and council officers involved in the procurement process are fully aware of all aspects and impacts of the procurement rules and any other relevant regulations.
- > **To adapt** to any changes to procurement rules following Brexit.

#### How we will do it

- > **Mandatory** training for council officers involved in the procurement process (project leads, specification writers) including highlighting the social benefits that procurement must consider (for example, Equality and Fair Work Practices).
- > **Ongoing** training for procurement staff on changes to legislation and regulations.
- > **Adapt** our internal procedures, processes and documentation, where required, to reflect the requirements of the General Data Protection Regulation and new Data Protection Act<sup>2</sup>.
- > **Review** procurement processes before Brexit and ensure appropriate procedures are in place for a smooth transition.
- > **Adapt** our internal procedures, processes and documentation, where required, to reflect any new requirements of Brexit.

#### What will the outcome be?

- > **Procurement** staff are confident in their understanding of procurement regulations and other relevant regulations.
- > **Mitigation** of the opportunities for procurement challenge.
- > **Procurement** activity will comply with all relevant statutory and regulatory requirements.

<sup>2</sup> Implemented 25 May 2018

## 5. Procurement Strategic Aims, Objectives and Key Priorities

## 2. SAVINGS AND POSITIVE OUTCOMES

## Aims

- > **To support** the council in achieving budget savings targets.
- > **To work** closer with our clients to understand their needs, identify opportunities to reduce expenditure, control demand and improve process efficiencies.
- > **Work** more collaboratively with other public sector organisations.

## How we will do it

- > **Continue** to target savings from all aspects of the strategic procurement process (tender, contract management, P2P).
- > **Further** embed and improve demand management within the contract management process.
- > **Continue** to prioritise more procurement time for the development of sourcing strategies to ensure that demand is fully understood (including future requirements) and that market analysis and supplier engagement is undertaken to establish the capabilities of the supply chain.
- > **Ensure** that suppliers provide regular management information on our usage of their contracts and incorporate this information into the contract management process.
- > **Continue** to look for opportunities to collaborate in procurement with our public sector partners and benchmark to ensure that collaborations provide best value.

## What will the outcome be?

- > **Assisting** the council to meet budget savings targets.
- > **Positive** outcomes (for example, changes in buying behaviour, identifying alternative solutions, improved ordering and invoicing solutions).

## 3. LEANER, MORE EFFICIENT AND EFFECTIVE PROCUREMENT FUNCTION

## Aims

- > **To make** best use of our procurement resources.
- > **To have** more efficient and effective procurement processes.
- > **To make** the procurement process more consistent for all internal and external stakeholders.

## How we will do it

- > **Review** our procurement processes utilising the Lean methodology (using external benchmarking and internal stakeholder engagement where possible) to improve efficiency, remove duplication and make best use of the available tools.
- > **Identify** procurement Information and Communication Technology (ICT) development requirements and work with the new ICT provider to identify opportunities to implement them.
- > **Streamline** and standardise Corporate Procurement Unit and other council family procurement team processes and documentation where appropriate.

## What will the outcome be?

- > **More** time afforded to focus on the strategic element of the procurement process (developing sourcing strategy, benchmarking, market analysis and supplier engagement).
- > **Identified** ICT improvements.
- > **Procurement** process and documentation is easier for suppliers to follow.
- > **A cohesive** approach to procurement across the council family.

## 5. Procurement Strategic Aims, Objectives and Key Priorities

### 4. DELIVER SUSTAINABLE PROCUREMENT ACROSS THE COUNCIL

#### Aims

- > **To increase** the knowledge and understanding of the benefits of sustainable procurement of all council staff who participate in the procurement process and make better use of the expertise within the council to ensure wider sustainable outcomes are achieved.
- > **To be** compliant with the Procurement Reform (Scotland) Act 2014 and general and other duties contained therein, including the Sustainable Procurement Duty.
- > **To secure** wider social, economic and environmental benefits for the local area and ensure those benefits are realised.

#### How we will do it

- > **Training** and awareness sessions for internal clients on sustainable procurement with an emphasis on the application of circular economy, whole life costing, life cycle impact mapping and the early involvement of SMEs, Social Enterprises, Co-operatives, Supported Businesses and Third Sector organisations.
- > **Further** optimise the community benefits process by working more closely with relevant internal stakeholders (community planning, employability team) and placing a greater emphasis on ensuring outcomes are delivered and benefits for Glasgow citizens are realised.
- > **Streamline** and standardise Social Work and Corporate Procurement Unit processes and documentation relating to sustainability where appropriate.

- > **Increase** the council's sustainable performance by utilising the sustainable steering group and continuing to deliver the sustainable procurement action plan as derived from the Scottish Government's Flexible framework.
- > **Review** council mandatory evaluation requirements (insurance, health and safety) to ensure they are compatible with the SME agenda.
- > **Review** Fair Work criteria looking at the potential to broaden the scope and also develop the assessment process to include more external accreditations.
- > **Review** our internal processes and documentation to identify potential improvements in how local SMEs, Social Enterprises, Co-operatives, Supported Businesses and Third Sector organisations can gain opportunities to win council contracts.
- > **Advocate** the use of the council's Supported Business (RSBI) within the Scottish public sector.

#### What will the outcome be?

- > **Staff** involved in the procurement process understand and positively contribute to achieving sustainable outcomes.
- > **Compliance** with the Sustainable Procurement Duty.
- > **Increased** opportunities for local SMEs, Social Enterprises, Co-operatives, Supported Businesses and Third Sector organisations.
- > **Secured** and realised sustainable benefits.
- > **The council** is reassured that suppliers adhere to the principles of a Fair Work Practice organisation.



## 5. Procurement Strategic Aims, Objectives and Key Priorities

### 5. INNOVATION

#### Aims

- > **Opportunities** for innovative procurement practice will be considered for all procurement activity where appropriate.
- > **To encourage** innovation in products and services by adopting the aspects of the new procurement regulations that provide greater flexibility and scope to provide best value from procurement activity.

#### How will we do it?

- > **Continue** to work with our clients to ensure that procurement is involved and that innovation is considered at the earliest possible stage in the development of the requirement.
- > **Promote** the innovation partnership model as a mechanism and share relevant examples of new procurement solutions.
- > **Encourage** all service areas to identify procurement opportunities where innovative products and services could deliver benefits to the council.

#### What will the outcomes be?

- > **Requirements** are met within budget constraints whilst also providing best value and wider benefits for the local areas.
- > **Procurement** delivers improved services and products.

### 6. PROMOTE PROCUREMENT AWARENESS

#### Aims

- > **A better** understanding and knowledge of procurement, including risk, throughout the council.
- > **Procurement** is integrated as a strategic partner who can assist in transforming how the council operates.

- > **To encourage** early procurement engagement and increase opportunities for partnership working.
- > **To afford** more opportunity to invest in strategic procurement activity (benchmarking, market analysis and supplier engagement).
- > **Advanced** work plans provided by clients include all requirements for the year which will enable more efficient and effective allocation of workload and utilisation of resource within procurement.

#### How will we do it?

- > **Develop** and implement a procurement communication strategy which will include updating our internal and external procurement pages and provide regular updates to all council staff.
- > **Make** available training and awareness sessions on the council's internal procurement processes and procedures including highlighting the social benefits that procurement must consider (for example, Equality and Fair Work Practices).
- > **Provide** training and awareness sessions on council contracts for services who have purchasing compliance teams.
- > **Establish** a process to communicate procurement benefits and success stories (savings, sustainability outcomes including community benefits).

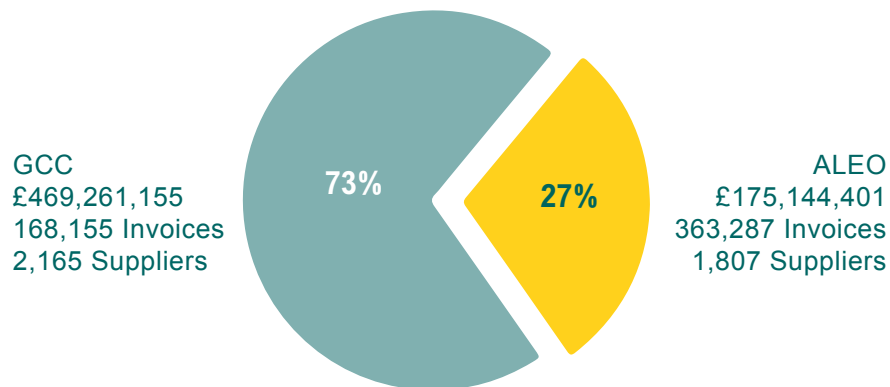
#### What will the outcomes be?

- > **Requirements** are met within budget constraints.
- > **Contracts** provide best value and wider benefits for Glasgow and its citizens.
- > **Improved** allocation of procurement activity within the procurement resource.

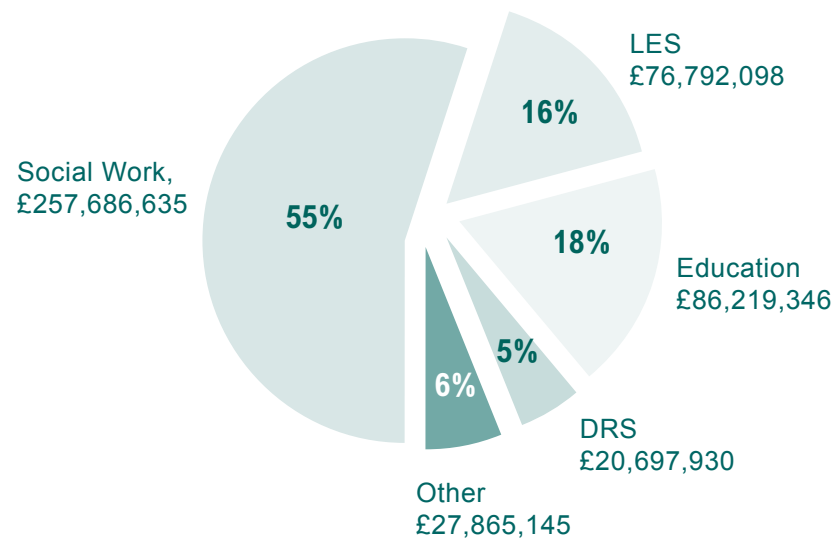
## 6. Spend Profiles

The council purchases a variety of goods, services and works from stationery to multi-million pound capital works contracts.

### Council Family Spend by Organisation

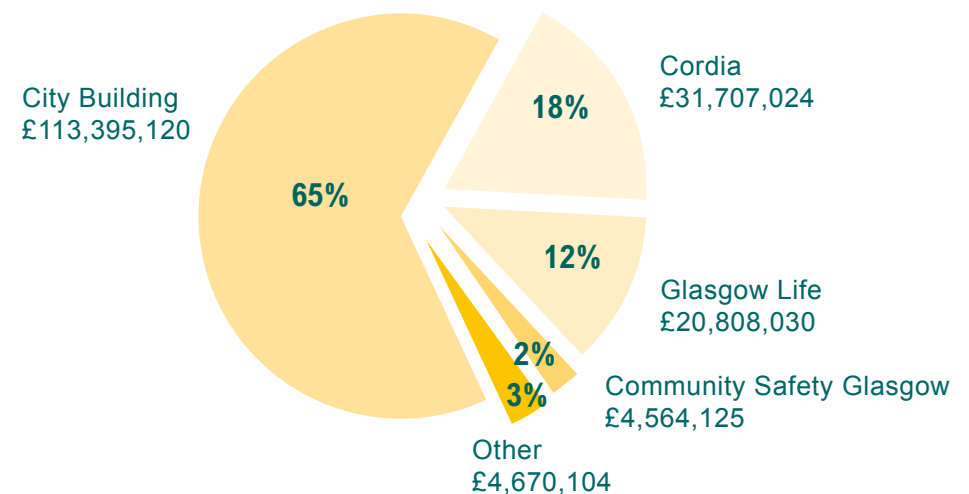


### Glasgow City Council by Department



Council commercial expenditure per annum is around £469 million increasing to around £644 million over the entire council family (figures based on FY 2017 to 2018).

### ALEOs by Group

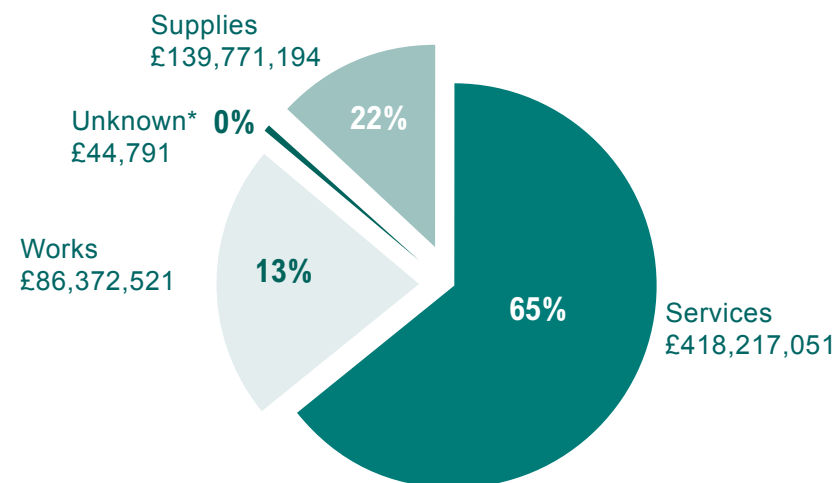


## 6. Spend Profile

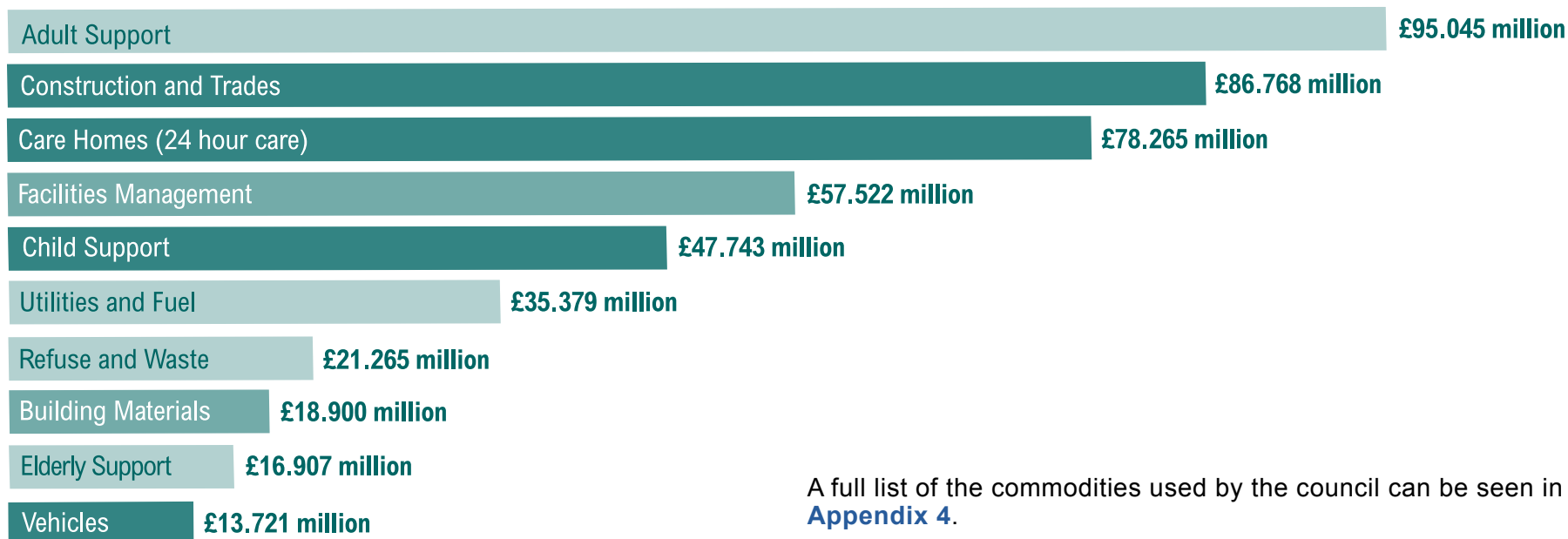
The council utilises a strategic, category-based approach to procurement with requirements aggregated and responsibility assigned based on an established list of commodities.

\*Unknown relates to suppliers that have received less than £1,000 per annum as these have not been mapped to a commodity or spend type.

### Council Family Spend by Type



### Council Family Spend Top 10 Commodities



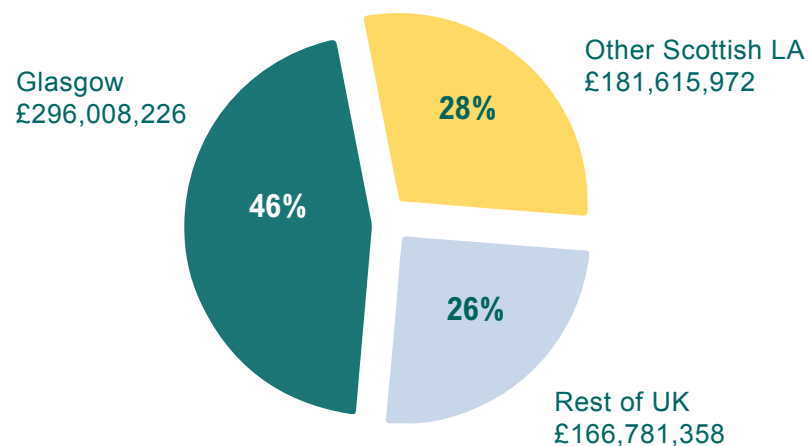
A full list of the commodities used by the council can be seen in [Appendix 4](#).



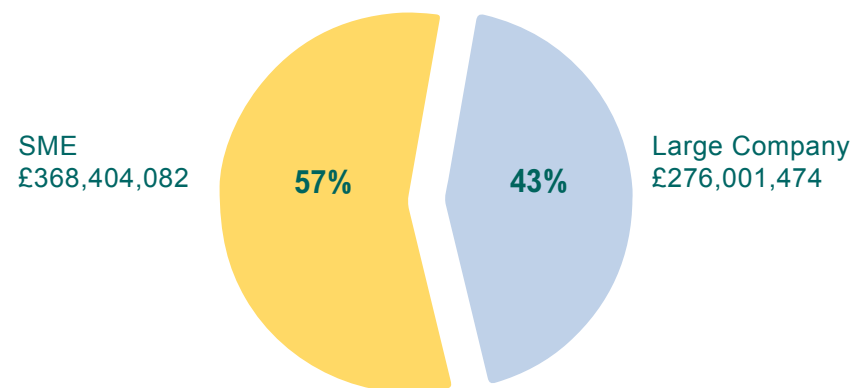
## 6. Spend Profile

The council is committed to using its purchasing power to contribute to the growth of local companies, with a particular focus on Small and Medium-sized enterprises (SMEs).

### Council Family Spend by Supplier (Region)



### Council Family Spend by Supplier (Size)



## 7. Monitoring, Reviewing and Reporting on the Strategy

The strategy objectives and the targeted outcomes will be monitored via an action plan, detailed in [Appendix 7](#).

The performance against this action plan will be reported to and monitored by the existing council procurement governance structure:

- > **Corporate Procurement Asset Board** – chaired by Head of Corporate Procurement (Quarterly)
- > **Corporate Procurement Advisory Board** - chaired by the Head of Legal and Administration Services (Monthly)
- > **Strategic Asset Management Programme Board** – chaired by the Director of Governance and Solicitor to the Council (Quarterly)
- > **Contracts and Property Committee** – Chaired by Councillor Ruairi Kelly (Quarterly)
- > **General Purposes City Policy Committee** - Chaired by Councillor Michelle Ferns (Annually).

This monitoring will include the reporting on specific performance indicators linked to actions on the plan. The above boards will also facilitate the escalation of any issues that may prevent the delivery of the desired outcomes.

The delivery of the action plan will also be subject to annual review by Internal Audit.

As well as the above, we will continue to use our existing Key Performance Indicators (KPIs) to manage, track and measure continuous improvement. These indicators will be reported to the Corporate Procurement Advisory Board.

This strategy will be reviewed on a quarterly basis to ensure continued alignment with council objectives and priorities.

Any significant changes will be reported to the council's General Purposes City Policy Committee and then to the City Administration Committee for approval.

As part of the new regulations the council is required by the Scottish Government to produce an Annual Procurement Report that records the performance against the strategy. We will utilise this to report to the General Purposes Committee on an annual basis. The report will include the following:

- > **Regulated** procurements completed in the relevant period.
- > **Details** of procurement undertaken in accordance with the strategy.
- > **How the** procurement undertaken achieved the policies set out in the strategy and contributed to the wider aims and objectives of the council.
- > **Details** of policies not met in the relevant period and how these will be achieved in the future.
- > **Planned** procurement over the next two years.

The first report relating to this strategy will be provided to committee following the conclusion of financial year 2018 to 2019.

## 8. Policies, Tools and Procedures

### PROCESSES AND PROCEDURES

The council's Standing Orders Relating to Contracts, the Scottish Government Procurement Journey and the council's Corporate Procurement Manual apply to all contracts made by or on behalf of the council for the execution of works, the supply of goods and the provision of services.

The Standing Orders Relating to Contracts are subject to the over-riding provisions of European Union (EU), United Kingdom and Scottish legislation. They are also subject to any EU Commission, UK Government and Scottish Government guidance on public procurement that may be issued from time to time. Further information on mandatory requirements of the act and statutory guidance obligations can be seen in [Appendix 6](#).

The Standing Orders shall not apply to any contracts made on behalf of the council by Scottish Procurement, Scotland Excel or any other central purchasing body with whom the council has made arrangements for the award of works, supplies or services contracts on its behalf, save in respect of the reporting requirements prescribed in Standing Order Section 8.4.4.



Council Standing Orders Relating to Contracts

### POLICIES

The council operates its service delivery programme against a defined set of policies and strategies. As well as conforming to legislative aspects, the council maintains awareness of and an input into the broader aspects of policy making in public services and community development - often working in partnership with Government, other public bodies and the private sector.

The majority of procurement activities will continue to support and promote relevant council policies of which the majority are embedded within existing procurement processes and procedures. Current policies and procedures are set out below:



Council signed up to the Supplier Charter



Glasgow Living Wage



Health and Safety Policy



Equalities



Carbon Management



E-Tendering (Public Contracts Scotland Tender (PCS-T), Public Contracts Scotland (PCS))



Community Benefits



Sustainable Policy 2010



Co-operative Glasgow



Corporate Social Responsibility



Electronic Trading



## 8. Policies, Tools and Procedures

### TOOLS

The council has embedded various tools within the strategic procurement process to assist and ensure best value. Utilisation of the tools also supports compliance with the Sustainable Procurement Duty. The key tools utilised by procurement are as follows:

- > [Scottish Government Procurement Journey](#)
- > Glasgow City Council Procurement Manual
- > Glasgow City Council Procurement Toolkit
- > Procurement Project Plan
- > [Scottish Government Sustainable Procurement Tools](#)
  - ≥ Prioritisation Tool (see [Appendix 5](#) for output from the tool)
  - ≥ Sustainability Test
  - ≥ Flexible Framework
- > Contract Management Tools
  - ≥ Contract Management Assessment Tool
  - ≥ Survey Monkey
- > Risk Management Tools
  - ≥ Risk Assessment Matrix
- > Sourcing Strategy Template.



## 9. Supporting Suppliers

### SUPPLIER DEVELOPMENT

The council, through delivery of the [Business Gateway Service](#) and a team of dedicated, skilled, business advisers can support businesses to grow regardless of which stage they are at on the business life-cycle.

Support is available for:

- > Business planning
- > Understanding and accessing finance
- > Marketing
- > Identifying premises
- > Recruiting staff - Glasgow Guarantee
- > Access to other business support organisations.

The council also delivers support to SMEs to access public sector opportunities through the [Supplier Development Programme \(SDP\)](#) by providing training, information, webinars and templates.

### SUPPLIER ENGAGEMENT

As part of the strategic procurement process the council will, where applicable, engage with relevant suppliers during the development of strategies by organising supplier events. As mentioned under the Promote Procurement Awareness strategy objective, the procurement pages on the council's website will be developed to provide visibility of upcoming supplier events.

In addition the council will continue to support and participate in the SDP programme by attending relevant Glasgow workshops as well as participating in the wider annual Meet the Buyer events.



**Meet The Buyer**



## 9. Supporting Suppliers

### SUPPLIER OPPORTUNITIES

We are pleased to hear from new and existing suppliers who are interested in tendering for business. Any enquiries can be sent to the corporate procurement inbox [corporateprocurement@glasgow.gov.uk](mailto:corporateprocurement@glasgow.gov.uk). In addition the current [contract register](#) is available on the council internet site and gives visibility of current contracts and the corresponding end dates.

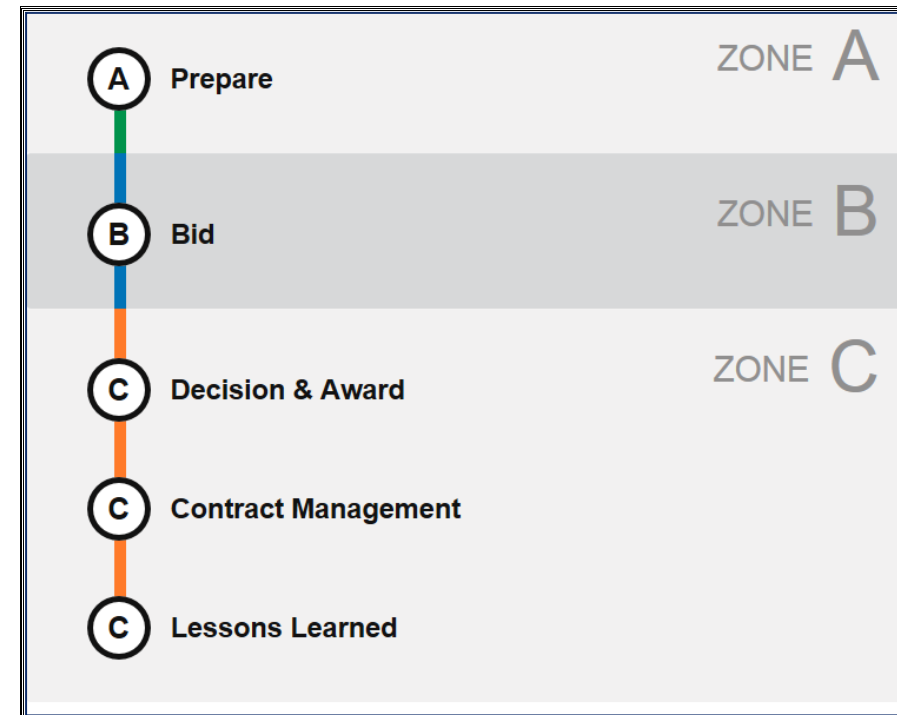
Any contracts requiring renewal, as well as any new requirements, will be advertised and tendered via the following e-tendering portals:

- Public Contracts Scotland Tender (PCS-T)
  - ≥ Regulated Procurement (Goods/Services >£50,000, Works >£2 million)
- Public Contracts Scotland (PCS)
  - ≥ Quick Quotes (Goods/Services <£50,000, Works <£2 million).

All Quick Quotes undertaken by the council will include an invitation to at least one SME.

Any company interested in bidding for business with the council must be registered with Public Contracts Scotland (PCS), and be in a position to submit their responses using these portals.

### Scottish Government's Supplier Journey



The Supplier Journey contains guidance for suppliers on how to bid for public sector goods, services and health and social care contracts:

<https://www.supplierjourney.scot/>



## 10. Strategy Ownership and Contact Details

**Carole Forrest**

Director of Governance and  
Solicitor to the Council

City Chambers,  
Glasgow, G2 1DU  
Phone: 0141 287 0467



## Appendix 1. Key Improvements to Date

As mentioned in the executive summary, this strategy continues to build upon the achievements and benefits delivered by the council's previous corporate procurement strategies which have been ongoing since 2012. These benefits and achievements include:

- > **All procurement** opportunities are advertised, tendered and awarded electronically.
- > **All procurement** exercises above the Official Journal of the European Union (OJEU) threshold (above £181,302 for goods and services and £4,551,413<sup>3</sup> for works) are supported by detailed sourcing strategy documents.
- > **Community** benefits are considered for all procurement exercises above £50,000 for goods and services and £500,000 for works.
- > **Sustainability** considerations are included for all regulated and OJEU procurement.
- > **Consideration** is given to Glasgow suppliers as well as SMEs, Social Enterprises, Co-operatives, Supported Businesses and Third Sector organisations within sourcing strategies.
- > **Creation** of an operating model consisting of a transactional procurement team that focuses on lower value, less complex procurement and allows strategic procurement teams to focus on high value, complex procurements.
- > **Developed** and implemented a workload and resource planning process that allows for informed and effective identification of capacity and allocation of workload.
- > **Developed** a robust, segmented contract management process.
- > **Introduced** a strategic training plan for procurement staff.
- > **Supporting** electronic trading by identifying the most effective purchase to pay route during the development of sourcing strategies and monitoring the resultant contracts to ensure these are implemented.
- > **Formalised** meetings with key strategic internal stakeholders (for example, Land and Environmental Services, Development and Regeneration Services, Community Planning), and external stakeholders (for example, Supplier Development Programme, Scotland Excel).

<sup>3</sup> Threshold values as at 1 January 2018

## Appendix 2. Additional Influencing Factors and Drivers

Delivery of the strategy will also enable the council to meet its legal obligations and deliver the council's business plans and locality improvement plans.

### LEGAL FRAMEWORK

In local government, procurement is governed by a legislative framework which includes:

- European treaties and directives
- National Legislation
  - ≥ [Procurement Reform Act \(Scotland\) 2014](#)
  - ≥ [Public Procurement Regulations \(Scotland\) 2015](#)
  - ≥ [The Procurement \(Scotland\) Regulations 2016](#)
  - ≥ [Utilities Contracts \(Scotland\) Regulations 2016](#)
  - ≥ [Concessions Contracts \(Scotland\) Regulations 2016](#)
- Case law.

The legislation is encapsulated within the council's Standing Orders Relating to Contracts and the Scottish Government's Procurement Journey (adopted in 2017 as part of actions completed under the previous corporate procurement strategy).

### PROCUREMENT COMMERCIAL IMPROVEMENT PROGRAMME (PCIP)

This is a new national procurement assessment process, endorsed by Audit Scotland, which focuses on the policies and procedures driving procurement performance and more importantly the results they deliver. It allows public sector organisations to benchmark their performance and develop plans for improvement. The council's assessment in May 2017 demonstrated a performance level 20% above the average score attained by other local authorities who participated in the programme.

This strategy has incorporated specific development areas identified by the assessment.

### POVERTY LEADERSHIP PANEL (PLP)

The PLP was established in May 2013 following changes to the welfare system that would make Glasgow one of the cities most affected by the reform.

The council will support the PLP objectives by maximising community benefits requirements in all relevant contracts as well as proactively targeting existing contracted suppliers to encourage them to provide community benefits as part of their Corporate Social Responsibility.

### COMMUNITY PLANNING

The council will support the local community by encouraging suppliers to commit to supporting community initiatives via community benefits.



## Appendix 3. Key Strategic Procurement Activity

### BUSINESS AS USUAL

- Construction and Trades Framework.
- General Insurance.
- Supply and Delivery of Playground Equipment.
- Occupational Health.
- Cash Collections.
- Supply and Delivery of Fruit and Vegetables.

### SPECIAL PROJECTS

- Refurbish and redisplay the Burrell Collection through the Burrell Renaissance project, reopening the Burrell Museum early in 2020.
- The Glasgow City Region City Deal. Planned procurements include:
  - ≥ Public Realm Framework
  - ≥ Smart City Living Lab
  - ≥ Sighthill Redevelopment – M8 Footbridge.
- Procurement activity relating to the integration of Social Work and the NHS - for example, provision of intermediate care services and commissioning solutions for complex long-stay hospital patients.
- Glasgow 2018 European Championships.

The council's full procurement register can be found on the Glasgow City Council website.



## Appendix 4. Full Commodity List

GOODS/SERVICES/WORKS	FOR YEAR 2016 TO 2017	OWNER FOR YEAR 2016 TO 2017
Adaptations	£3,174,763	City Building
Adult Support	£95,137,599	Social Work
Advertising	£1,422,898	CPU
Aids	£9,575,285	Cordia
Books, Publications and Newspapers	£2,026,641	CPU
Building Materials	£20,586,899	City Building
Care Homes (24 hour Care)	£83,637,388	Social Work
Catering	£2,411,295	Cordia
Child Support	£53,173,676	Social Work
Cleaning and Janitorial	£2,402,275	Cordia
Clothing and PPE	£1,376,792	CPU
Coach Hire	£3,827,421	CPU
Construction and Trades	£109,984,569	CPU
Construction Consultancy	£6,853,427	CPU
Demolition and Dismantling	£1,459,657	CPU
Domestic Appliances	£359,372	CPU
Elderly Support	£15,072,595	Social Work
Electrical	£6,901,633	City Building
Events	£1,514,387	CPU
Exterior and Industrial Cleaning	£476,585	City Building
Facilities Management	£54,825,847	Governance
Financial	£9,804,145	CPU

## Appendix 4. Full Commodity List

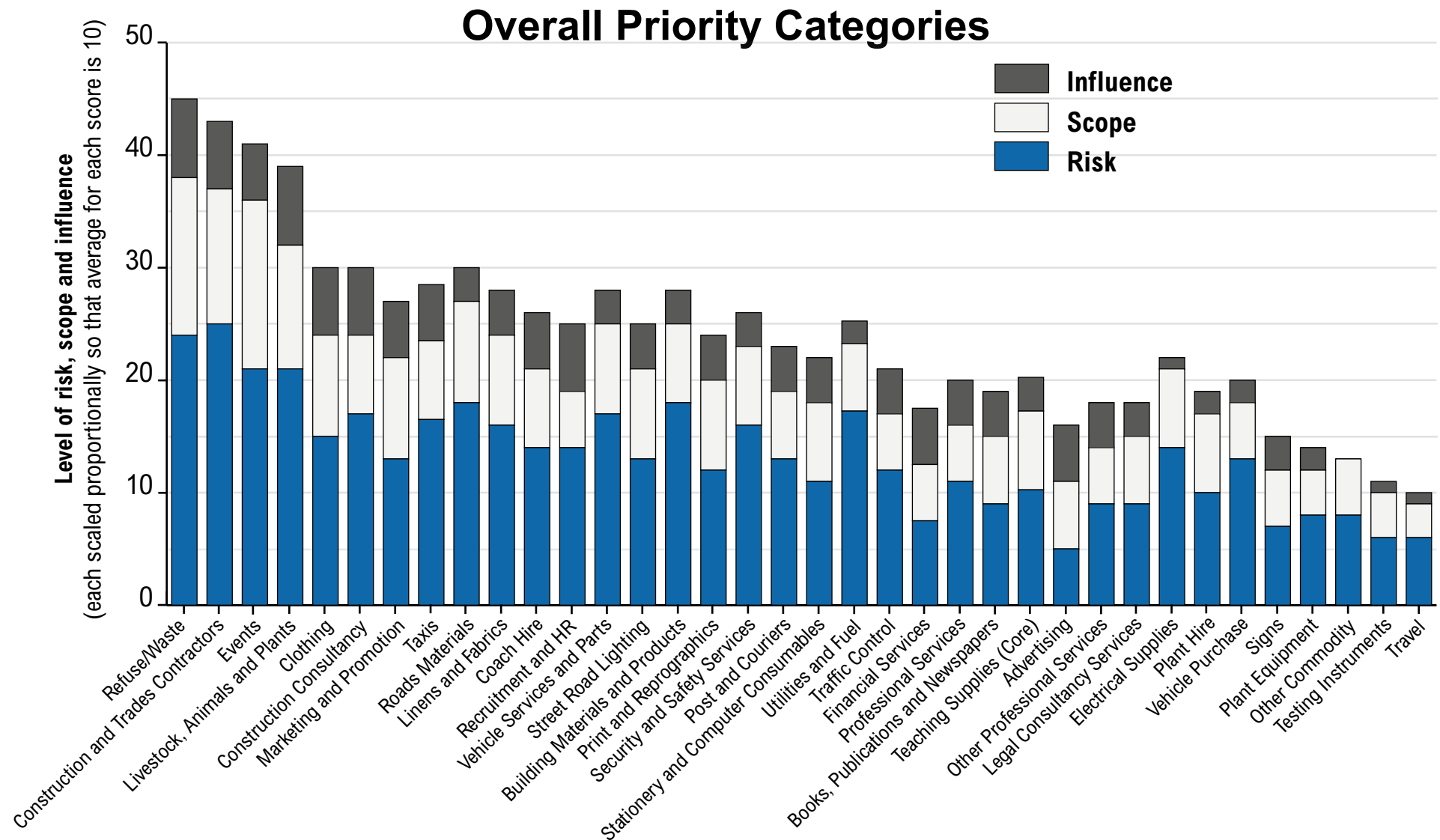
GOODS/SERVICES/WORKS	FOR YEAR 2016 TO 2017	OWNER FOR YEAR 2016 TO 2017
Food and Water	£11,769,495	Cordia
Furniture and Fittings	£5,805,519	City Building
Industrial Supplies	£617,240	City Building
IT	£2,800,541	Governance
Learning and Development	£3,121,503	CPU
Legal Consultancy	£1,235,380	CPU
Linens and Fabrics	£799,736	CPU
Livestock, Animals and Plants	£431,923	CPU
Marketing and Promotion	£1,731,947	CPU
Medical	£130,560	Cordia
Mobile Phones	£516,818	Governance
Other Commodity	£2,759,060	CPU
Other Social Care	£7,807,244	Social Work
Parking	£224,868	CPU
Pest Control	£217,961	CPU
Photocopiers and Facsimile	£301,858	Governance
Photographic and Audio Visual Equipment	£810,314	CPU
Plant Equipment	£10,478,593	CPU
Playground Equipment and Surfaces	£462,854	CPU
Post, Courier and Distribution	£2,194,753	CPU
Print and Reprographics	£1,154,052	CPU
Professional Services	£3,642,756	CPU



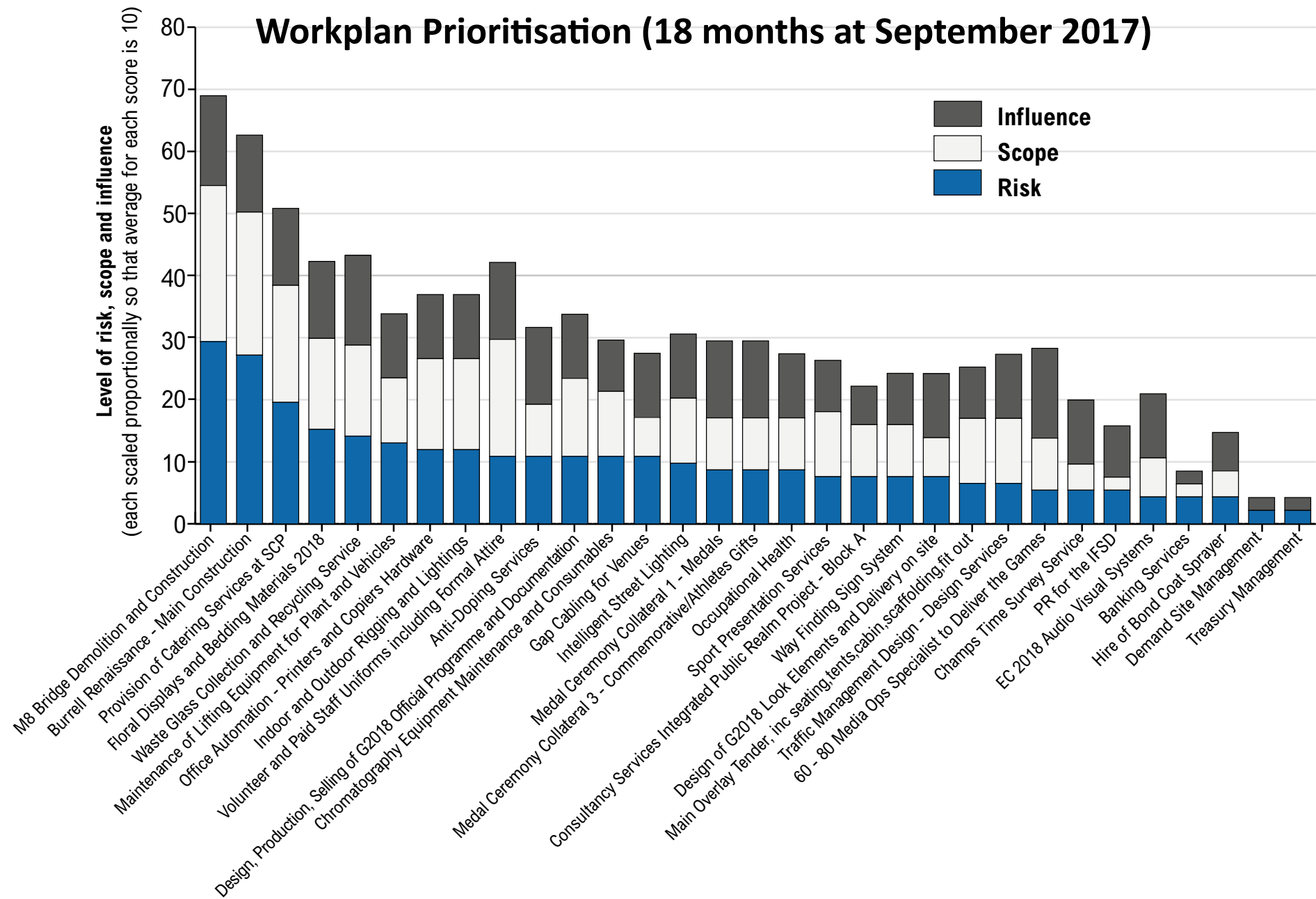
## Appendix 4. Full Commodity List

GOODS/SERVICES/WORKS	FOR YEAR 2016 TO 2017	OWNER FOR YEAR 2016 TO 2017
Recruitment and HR	£10,762,196	CPU
Refuse and Waste	£28,393,091	CPU
Removals	£283,931	City Building
Road Materials, Other Stone and Aggregates	£3,439,040	CPU
Scientific and Technical	£501,465	CPU
Security and Safety	£9,671,105	CPU
Signs	£331,961	CPU
Sports and Recreation	£1,306,919	CPU
Stationery and Computer Consumables	£1,237,124	CPU
Street Road Lighting	£1,337,120	CPU
Taxis	£5,464,981	CPU
Teaching Supplies (Core)	£2,258,369	CPU
Telecoms	£715,428	Governance
Testing Instruments	£77,013	CPU
Timber	£4,007,720	CPU
Tools and Equipment	£391,317	CPU
Traffic Control	£3,828,678	CPU
Training	£275,278	CPU
Travel	£1,124,405	CPU
Utilities and Fuel	£37,147,958	CPU
Vehicles	£15,212,321	CPU

## Appendix 5. Prioritisation Output Overall Priority Categories



## Appendix 5. Prioritisation Output Overall Priority Categories



## Appendix 6. Mandatory Requirements of the Procurement Reform (Scotland) Act 2014 and Statutory Guidance Obligations

The Act lays out some mandatory requirements which the procurement strategy must include. In particular:

How the organisation intends to make sure that its regulated procurements will:	Council Response/Strategy Content:
<b>Contribute to the carrying out of its functions and the achievement of its purposes</b>	<ul style="list-style-type: none"> <li>➤ The council has clear strategic priorities and a strong focus on monitoring and reporting performance. These priorities are embedded and supported by each Service Department via their Annual Service Plan and Improvement Report (ASPIR).</li> <li>➤ The delivery of this strategy will ensure procurement is delivered in a compliant, effective and efficient manner, provide a clear action plan for improvement and contribute to wider council objectives and priorities.</li> <li>➤ By making sure there is early engagement and clear communication channels between the Service Departments and procurement we will assist in achieving best value.</li> <li>➤ This strategy will be monitored and reported as per the Monitoring, Reviewing and Reporting on the Strategy section of this strategy document, to make sure the key objectives are delivered and best value is secured.</li> </ul>
<b>Deliver value for money</b>	<ul style="list-style-type: none"> <li>➤ The successful delivery of this strategy.</li> <li>➤ The application of procurement best practice and undertaking key strategic procurement activities:               <ul style="list-style-type: none"> <li>≥ Early market engagement</li> <li>≥ By including appropriate lots to promote SME/Third Sector and Supported Business participation</li> <li>≥ Maximising the impact of each pound spent by including Community Benefit Clauses</li> <li>≥ Evaluating on the most economic and advantageous criteria</li> <li>≥ Utilisation of output specifications</li> <li>≥ Challenging the need and demand management</li> <li>≥ Robust contract management</li> <li>≥ Application of effective commercial evaluation models.</li> </ul> </li> </ul>



## Appendix 6. Mandatory Requirements of the Procurement Reform (Scotland) Act 2014 and Statutory Guidance Obligations

How the organisation intends to make sure that its regulated procurements will:	Council Response/Strategy Content:
<b>Be carried out in compliance with its duty to treat relevant economic operators equally and without discrimination</b>	<ul style="list-style-type: none"> <li>➤ The council's Standing Orders Relating to Contracts and Corporate Procurement Manual apply to all contracts made by or on behalf of the Council for the execution of works, the supply of goods and materials and the provision of services.</li> <li>➤ All procurement activity undertaken must comply with the above process and procedures which secures compliance with the Act and Statutory Guidance.</li> <li>➤ The Standing Orders Relating to Contracts were revised in March 2016 to reflect the new procurement rules.</li> <li>➤ In addition to the above, the council engages fully with the Supplier Development Programme (SDP), Ready for Business, Glasgow Social Enterprise Network (GSEN) and the British Association of Supported Employment (BASE) in order to understand their organisational needs and share the council's procurement work plan. The council participates in a best practise forum, led by the Equality Commissioning Office, to enable further developments which will tackle inequality.</li> </ul>
<b>Be undertaken in compliance with its duty to act in a transparent and proportionate manner</b>	As above.
<b>Comply with the sustainable procurement duty</b>	<ul style="list-style-type: none"> <li>➤ In adherence with council policies and in light of the Procurement Reform (Scotland) Act 2014, the council has:               <ul style="list-style-type: none"> <li>≥ Incorporated Sustainable Procurement objectives within the Corporate Procurement Strategy</li> <li>≥ Developed a strategy action plan which comprises 28 actions, of which 29% relate directly to the further embedding of sustainable procurement</li> <li>≥ Updated Council Standard Orders to reflect the new procurement rules</li> <li>≥ Revised and expanded our Community Benefits Policy to include all regulated procurement activity</li> <li>≥ Embedded the Scottish Government sustainable tools within procurement processes (for example, sustainable test, prioritisation tool, flexible framework).</li> </ul> </li> </ul>

## Appendix 6. Mandatory Requirements of the Procurement Reform (Scotland) Act 2014 and Statutory Guidance Obligations

How the organisation intends to make sure that its regulated procurements will:	Council Response/Strategy Content:
<b>The use of community benefit requirements</b>	<ul style="list-style-type: none"> <li>➤ The council's <a href="#">Community Benefits Policy</a> provides this information.</li> </ul>
<b>Consulting and engaging with those affected by its procurements</b>	<ul style="list-style-type: none"> <li>➤ The council continues to engage with its stakeholders in a number of ways - including its Comments, Compliments and Complaints Initiative, Household Surveys and Public Consultations. The public petitions process further enables communities to engage with the council and participate in the decision making process.</li> <li>➤ Community Planning is one of the many Strategic Leads within the council, in conjunction with Procurement, which forms a major part in supporting procurement activity including the embedding of the revised Community Benefits Policy. This ensures Community Benefits requirements and outcomes are aligned to support Local Area initiatives.</li> </ul>
<b>Payment of a living wage - to persons involved in producing, providing or constructing the subject matter of regulated procurements</b>	<ul style="list-style-type: none"> <li>➤ A Fair Work practice (referencing Glasgow living wage) criteria is included in all relevant procurement exercises and is scored as a minimum 5%.</li> </ul>
<b>Promoting compliance with health and safety at work, including how a supplier/sub-contractor demonstrates compliance</b>	<ul style="list-style-type: none"> <li>➤ A health and safety criterion forms part of the evaluation for all relevant and appropriate contracts. This element is a pass/fail criterion within the pre-selection stage.</li> </ul>
<b>The provision of prompt payment – no later than 30 days after invoice by the organisation to a supplier and/or sub-contractor, or by a sub-contractor to a sub-contractor</b>	<ul style="list-style-type: none"> <li>➤ Prompt payment clauses requiring a 30 day payment term are embedded within our contractual terms and conditions.</li> <li>➤ Suppliers are required to apply the same terms and conditions with their sub-contractors who are delivering and supporting the council contract.</li> </ul>

## Appendix 6. Mandatory Requirements of the Procurement Reform (Scotland) Act 2014 and Statutory Guidance Obligations

How the organisation intends to make sure that its regulated procurements will:	Council Response/Strategy Content:
<b>Food procurement</b>	<ul style="list-style-type: none"> <li>➤ The council will continue to look for opportunities to include local and sustainable food wherever possible in schools, facilities, venues and to meet social care requirements</li> <li>➤ The council is committed to including health and wellbeing and animal welfare procurement requirements that promote the health, wellbeing and education of communities.</li> <li>➤ Procurement requirements relating to Food procurement focus on nutritional quality, health and wellbeing, minimising environmental impact such as packaging and sourcing as well as the application of appropriate animal welfare standards in accordance with all relevant legislation.</li> <li>➤ The council will ensure that procurement requirements relating to Fairly and Ethically Traded Goods and Services are applied in a relevant, proportionate and legally compliant manner.</li> </ul>

## Appendix 7. Strategy Performance Action Plan

### 1. LEGAL COMPLIANCE AND GOVERNANCE

Objectives, Aim and Outcomes	Performance Indicator	Action Reference	Actions	Target Date	Owner
<b>Aim</b> <ul style="list-style-type: none"> <li>➤ To ensure all procurement staff and council officers involved in the procurement process are fully aware of all aspects and impacts of the procurement rules and any other relevant regulations.</li> <li>➤ To adapt to any changes to procurement rules following Brexit.</li> </ul> <b>Outcome</b> <ul style="list-style-type: none"> <li>➤ Mitigation of the opportunities for procurement challenge.</li> <li>➤ Procurement activity will comply with all relevant statutory and regulatory requirements.</li> <li>➤ Procurement staff are confident in their understanding of procurement regulations and other relevant regulations.</li> </ul>	No successful legal challenges.	1.01	Mandatory training for council officers involved in the procurement process (project leads, specification writers) including highlighting the social benefits that procurement must consider (for example, Equality and Fair Work Practices).	April 2019	Service Areas
		1.02	Ongoing training for procurement staff on changes to legislation and regulations.	March 2019	Legal, CPU, SWS
		1.03	Adapt our internal procedures, processes and documentation, where required, to reflect the requirements of the General Data Protection Regulation and new Data Protection Act.	June 2018	Legal, Development Team, SWS
		1.04	Review procurement processes before Brexit and ensure appropriate procedures are in place for a smooth transition.	April 2020	Legal, CPU, SWS
		1.05	Adapt our internal procedures, processes and documentation, where required, to reflect any new requirements of Brexit.	April 2021	Legal, Development Team, SWS



## Appendix 7. Strategy Performance Action Plan

## 2. SAVINGS AND POSITIVE OUTCOMES

Objectives, Aim and Outcomes	Performance Indicator	Action Reference	Actions	Target Date	Owner
<b>Aim</b> > To support the council in achieving budget savings targets.  <b>Outcome</b> > Assisting the council to meet budget savings targets. > Positive outcomes (for example, changes in buying behaviour, identifying alternative solutions, improved ordering and invoicing solutions). > To work closer with our clients to understand their needs identify opportunities to reduce expenditure, control demand and improve process efficiencies. > Work more collaboratively with other public sector organisations.	Savings for budget holders.	2.01	Continue to target savings from all aspects of the strategic procurement process (tender, contract management, P2P).	April 2022	CPU, SWS, Financial Services (CBS)
	Reduced expenditure.	2.02	Further embed and improve demand management within the contract management process.	April 2020	CPU, SWS, Service Areas
	Reduction in manual invoice volume.	2.03	Continue to prioritise more procurement time for the development of sourcing strategies to ensure that demand is fully understood (including future requirements) and that market analysis and supplier engagement is undertaken to establish the capabilities of the supply chain.	April 2022	CPU, CPU Operational Managers, SWS
		2.04	Ensure that suppliers provide regular management information on our usage of their contracts and incorporate this information into the contract management process.	May 2019	CPU, SWS
		2.05	Continue to look for opportunities to collaborate in procurement with our public sector partners and benchmark to ensure that collaborations provide best value.	April 2020	CPU, SWS

## Appendix 7. Strategy Performance Action Plan

## 3. LEANER, MORE EFFICIENT AND EFFECTIVE PROCUREMENT FUNCTION

Objectives, Aim and Outcomes	Performance Indicator	Action Reference	Actions	Target Date	Owner
<b>Aim</b> <ul style="list-style-type: none"> <li>&gt; To make best use of our procurement resources.</li> <li>&gt; To have more efficient and effective procurement processes.</li> <li>&gt; To make the procurement process more consistent for all internal and external stakeholders.</li> </ul> <b>Outcome</b> <ul style="list-style-type: none"> <li>&gt; More time afforded to focus on the strategic element of the procurement process (developing sourcing strategy, benchmarking and market analysis).</li> <li>&gt; Identified ICT improvements.</li> <li>&gt; Procurement process and documentation is easier for suppliers to follow.</li> <li>&gt; A cohesive approach to procurement across the council family.</li> </ul>	Increase percentage of strategic procurement activity.	3.01	Review our procurement processes utilising the Lean methodology (using external benchmarking and internal stakeholder engagement where possible) to improve efficiency, remove duplication and make best use of the available tools.	April 2022	Development Team, SWS
		3.02	Identify procurement Information and Communication Technology (ICT) development requirements and work with the new ICT provider to identify opportunities to implement them.	April 2020	Development Team, SWS
		3.03	Streamline and standardise Corporate Procurement Unit and other council family procurement team processes and documentation where appropriate.	April 2022	CPU, Development Team and other family procurement teams

## Appendix 7. Strategy Performance Action Plan

## 4. DELIVER SUSTAINABLE PROCUREMENT ACROSS THE COUNCIL

Objectives, Aim and Outcomes	Performance Indicator	Action Reference	Actions	Target Date	Owner
<b>Aim</b> <ul style="list-style-type: none"> <li>&gt; To increase the knowledge and understanding of the benefits of sustainable procurement of all council staff who participate in the procurement process and make better use of the expertise within the council to ensure wider sustainable outcomes are achieved.</li> <li>&gt; To be compliant with the Procurement Reform (Scotland) Act 2014 and general and other duties contained therein, including the Sustainable Procurement Duty.</li> </ul> <b>Outcome</b> <ul style="list-style-type: none"> <li>&gt; Increased opportunities for local SMEs Social Enterprises, Co-operatives, Supported Businesses and Third Sector organisations.</li> <li>&gt; To secure wider social, economic and environmental benefits for the local area and ensure those benefits are realised.</li> </ul>	Percentage of quotes including SMEs. Percentage of spend with SMEs. Percentage of spend with local suppliers. Improvement in performance level of sustainable procurement as identified via the FFSAT.	4.01	Training and awareness sessions for internal clients on sustainable procurement with an emphasis on the application of circular economy, whole life costing, life cycle impact mapping and the early involvement of SMEs, Social Enterprises, Co-operatives, Supported Businesses and Third Sector organisations.	October 2019	LES, CPU, Development Team
		4.02	Further optimise the community benefits process by working more closely with relevant internal stakeholders (community planning, employability team) and placing a greater emphasis on ensuring outcomes are delivered and benefits for Glasgow citizens are realised.	June 2019	Development Team, Community Benefits Steering Group
		4.03	Streamline and standardise Social Work Services and Corporate Procurement Unit processes and and documentation relating to sustainability where appropriate.	October 2019	SWS
		4.04	Increase the council's sustainable performance by utilising the sustainable steering group and continuing to deliver the sustainable procurement action plan as derived from the Scottish Government's flexible framework.	April 2022	CPU, SWS, Sustainable Steering Group, LES, Other Service areas

## Appendix 7. Strategy Performance Action Plan

## 4. DELIVER SUSTAINABLE PROCUREMENT ACROSS THE COUNCIL

Objectives, Aim and Outcomes	Performance Indicator	Action Reference	Actions	Target Date	Owner
<b>Outcome</b> (continued) <ul style="list-style-type: none"> <li>➤ Compliance with the Sustainable Procurement Duty.</li> <li>➤ Secured and realised sustainable benefits.</li> <li>➤ Staff involved in the procurement process understand and positively contribute to achieving sustainable outcomes.</li> <li>➤ The council is reassured that suppliers adhere to the principles of a Fair Work Practice organisation.</li> </ul>		4.05	Review council mandatory evaluation requirements (insurance, health and safety) to ensure they are compatible with the SME agenda.	July 2019	Financial Services (Insurance), Health & Safety
		4.06	Review Fair Work criteria looking at the potential to broaden the scope and also develop the assessment process to include more external accreditations.	February 2019	Legal, CPU and SWS
		4.07	Review our internal processes and documentation to identify potential improvements in how local SMEs, Social Enterprises, Co-operatives, Supported Businesses and Third Sector organisations can gain opportunities to win council contracts.	February 2021	Development Team, SWS
		4.08	Advocate the use of the council's Supported Business (RSBI) within the Scottish public sector.	April 2022	CPU, Development Team, SWS



## Appendix 7. Strategy Performance Action Plan

## 5. INNOVATION

Objectives, Aim and Outcomes	Performance Indicator	Action Reference	Actions	Target Date	Owner
<b>Aims</b> <ul style="list-style-type: none"> <li>➤ Opportunities for innovative procurement practice will be considered for all procurement activity where appropriate</li> <li>➤ To encourage innovation in products and services by adopting the aspects of the new procurement regulations that provide greater flexibility and scope to provide best value from procurement activity.</li> </ul> <b>Outcome</b> <ul style="list-style-type: none"> <li>➤ Requirements are met within budget constraints whilst also providing best value and wider benefits for the local areas.</li> <li>➤ Procurement delivers improved services and products.</li> <li>➤ To encourage innovation by adopting the aspects of the new procurement regulations that provide greater flexibility and scope to provide best value from procurement activity.</li> </ul>	Number of innovative partnership procedures.	5.01	Continue to work with our clients to ensure that procurement is involved and that innovation is considered at the earliest possible stage in the development of the requirement.	April 2022	Service Areas, CPU, SWS
		5.02	Promote the innovation partnership model as a mechanism and share relevant examples of new procurement solutions.	April 2022	Service Areas, CPU, SWS
		5.03	Encourage all service areas to identify procurement opportunities where innovative products and services could deliver benefits to the council.	May 2019	CPU, SWS

## Appendix 7. Strategy Performance Action Plan

## 6. PROMOTE PROCUREMENT AWARENESS

Objectives, Aim and Outcomes	Performance Indicator	Action Reference	Actions	Target Date	Owner
<b>Aims</b> <ul style="list-style-type: none"> <li>➤ A better understanding and knowledge of procurement, including risk, throughout the council.</li> <li>➤ Procurement is integrated as a strategic partner who can assist in transforming how the council operates.</li> <li>➤ To encourage early procurement engagement and increase opportunities for partnership working.</li> <li>➤ To afford more opportunity to invest in strategic procurement activity (market analysis, benchmarking).</li> <li>➤ Advanced work plans provided by clients include all requirements for the year which will enable more efficient and effective allocation of workload and utilisation of resource within procurement.</li> </ul>	Percentage of adhoc requirements on workplan.  More time afforded to developing strategies.	6.01	Develop and implement a procurement communication strategy which will include updating our internal and external procurement pages and provide regular updates to all council staff.	December 2018	Development Team
		6.02	Make available training and awareness sessions for council staff involved in procurement on the council's internal procurement processes and procedures including highlighting the social benefits that procurement must consider (for example, Equality and Fair Work Practices).	August 2019	Development Team, Legal
		6.03	Provide training and awareness sessions on council contracts for services who have purchasing compliance teams.	April 2019	Development Team, CPU, SWS
		6.04	Establish a process to communicate procurement benefits and success stories (savings, sustainability outcomes including community benefits).	December 2018	Development Team

## Appendix 7. Strategy Performance Action Plan

## 6. PROMOTE PROCUREMENT AWARENESS

Objectives, Aim and Outcomes	Performance Indicator	Action Reference	Actions	Target Date	Owner
<b>Outcomes</b> <ul style="list-style-type: none"> <li>&gt; Requirements are met within budget constraints.</li> <li>&gt; Contracts provide best value and wider benefits for Glasgow and its citizens.</li> <li>&gt; Improved allocation of procurement activity within the procurement resource.</li> </ul>					

## Appendix 8. Glossary of Terms

There are a number of Council, CPU and procurement-specific terms that are widely used throughout this report. For the purposes of this document the following terms are defined below:

TERM	DEFINITION
ALEO	Arm's Length External Organisation. Also known as the council family.
Best Value	An economic assessment by the public sector as to whether a project represents value for money; the optimum combination of cost and quality to provide the required service.
Circular Economy	A circular economy is an alternative to a traditional linear economy (make, use, dispose) in which we keep resources in use for as long as possible, extract the maximum value from them whilst in use, then recover and regenerate products and materials at the end of each service life.
Collaboration	When two or more groups of people or organisations engage in procurement work together for mutual benefit.
Commercial	Area of spend that can be influenced by the procurement function.
Commodity	Taxonomy (classification) for the entire Council, to give the Council the ability to accurately describe the primary business activities of their suppliers. The commodity approach presently used by the Council was defined back in 2006 and remains in force today.
Community Benefits	Community Benefits are requirements which deliver wider benefits in addition to the core purpose of a contract. These can relate to social-economic and or environmental benefits.
Community Benefits Clauses	Community Benefits clauses are requirements which deliver wider benefits in addition to the core purpose of a contract. These clauses can be used to build a range of economic, social or environmental conditions into the delivery of council contracts.
Co-operatives	An autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise.
Contract Management	Contract management or contract administration is the management of contracts made with customers, suppliers, partners, or employees. Contract management activities can be divided into three areas: service delivery management; relationship management; and contract administration.
Corporate Social Responsibility	The idea that a company should be interested in and willing to help society and the environment as well as be concerned about the products and profits it makes.



## Appendix 8. Glossary of Terms

TERM	DEFINITION
Demand Management	To take costs out of an organisation by addressing the drivers for spend, aligning spend to business need and eliminating unnecessary consumption.
Flexible Framework Self-Assessment Tool (FFSAT)	This tool will help organisations assess where their current level of performance lies and the actions required for improving their performance. The SSAP recommends that organisations carry out initial and periodic self-assessments against the FFSAT. This enables measurement against various aspects of sustainable procurement.
Glasgow Council Family	This is a term used by the council which encapsulates all the ALEOs that are owned and controlled by Glasgow City Council.
National Outcomes	Economic, social and environmental goals set out by the Scottish Government ( <a href="#">link</a> ).
OJEU	Official Journal of the European Union. All tenders above £181,302 for goods and services and £4,551,413 for works must be advertised in this journal.
Public Contracts Scotland	The national advertising portal used to advertise all Scottish Government goods, services or works contract opportunities.
Regulated Procurement	Contracts above the EU contract threshold values where the relevant EU regulations apply (above £50,000 for goods and services contracts and above £2,000,000 for works contracts).
Segmented	Division and grouping of suppliers or contracts in relation to spend and its criticality to business.
Small and Medium-sized Enterprises (SMEs)	Enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding 50 million euros, and/or an annual balance sheet total not exceeding 43 million euros.
Social Enterprises	A revenue-generating business with primarily social objectives whose surpluses are reinvested for that purpose in the business or in the community, rather than being driven by the need to deliver profit to shareholders and owners.

## Appendix 8. Glossary of Terms

TERM	DEFINITION
Stakeholder	Any person or group who has a vested interest in the success of the procurement activity, meaning either provides services to it, or receives services from it.
Supplier	An entity who supplies goods or services; often used synonymously with “vendor”.
Supported Business	An organisation whose main aim is the social and professional integration of disabled or disadvantaged persons.
Sustainable Procurement	A process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis and generates benefits, not only for the organisation but also to society, the economy and the environment.
Third Sector	The part of an economy or society comprising non-governmental and non-profit-making organizations or associations
Whole Life Costing (WLC)	The costs of acquiring goods or services (including consultancy, design and construction costs, and equipment), the costs of operating it and the costs of maintaining it over its whole life through to its disposal – that is, the total ownership costs. These costs include internal resources and overheads.
Work Plan	List of upcoming procurement activity including re-tenders, extensions, and new activity.





