

GLASGOW CLYDE COLLEGE PROCUREMENT STRATEGY 2016-2020

Purpose of the Procurement Strategy

This Strategy has been designed to ensure compliance with all applicable legislation including the Procurement Reform (Scotland) Act 2014. It is also aligned with the College's and the Scottish Funding Council's key strategic outcomes as detailed in the Glasgow Regional Outcome Agreement and the College Development Plan.

The Procurement Strategy for the College sets out the objectives relating to the management, efficiency and effectiveness of procurement in order to obtain best value. The Strategy will provide a framework to co-ordinate the current processes and create a clear pathway for identifying and acting on improvements to ensure that best value is being obtained consistently when goods and services are purchased.

The Strategy was approved by the College's Board of Management on the 21st December 2016 and subsequently published on our external facing website.

Current Context

The College Sector is largely funded by the UK taxpayer and therefore is required to work within the Procurement Directives of the European Union and domestic legislation.

Principles of the Procurement Strategy

- to promote the delivery of value for money through good procurement practice and optimal use of procurement collaboration opportunities
- to facilitate the development of an effective and co-ordinated purchasing function within the College
- to analyse the College's non-staff expenditure and apply appropriate procurement approaches to deliver value for money and reduce commercial risk
- to support and implement where possible the College's sustainability statement through the procurement function, and to comply with all relevant UK legislation in all aspects of College purchasing.

The College will review this Strategy annually in compliance with the Procurement Reform (Scotland) Act 2014.

Key Areas for Development (2016-2020)

Glasgow Colleges Regional Procurement Shared Services Team (GRPT)

As a member of GRPT Glasgow Clyde College will play an active role in setting out the strategy and priorities for the group and in creating appropriate monitoring processes.

Ensuring compliance with general duties and specific measures of the Procurement Reform (Scotland) Act 2014

As required by the Act the College must comply with a small number of general duties and some specific measures which will be embedded in Procurement Policy or in our Procurement Action Plan however for clarity and to ensure full compliance with the Act these are stated below:

Contribute to carrying out of our function and the achievement of our purposes -The College will analyse its third party expenditure, identify 'EU regulated procurements' [currently Goods and Services worth more than £164,176 and Works worth more than £4,104,394 (OJEU Thresholds that apply to the College as an "other public sector contracting authority") and 'lower value regulated procurements' [currently Goods and Services worth more than £50,000 and Works worth more than £2 million (Procurement Reform Act 2014)]. These levels will be updated within the strategy if they are amended.

In addition, the College will sort regulated procurements into procurement categories and give consideration to appropriate and effective consultation that aligns individual procurement approaches with the College's own aims and objectives and in turn their contribution to the National Outcomes as detailed in the Glasgow Regional Outcome Agreement.

Finally, the College will consider where appropriate the effective use of contract and supplier management to monitor and further improve the regulated procurement contract outcomes.

Deliver value for money – value for money as defined by the Scottish Model of Procurement is not just about cost and quality, but about the best balance of cost, quality and sustainability.

The College through its Procurement Policy and practice will seek to consistently apply the above principle albeit the balance of cost, quality and sustainability will vary for a regulated procurement depending on the particular commodity, category and market.

The College will consider the whole-life cost of what is being procured and when applying the above principle of value for money, ensure that it does so in a clear, transparent and proportionate manner; in line with the Treaty on the Functioning of the European Union of equal treatment, non-discrimination, transparency, proportionality and mutual recognition and in complying with the general duties of the Act as well as the sustainable procurement duty. Further information on the sustainable procurement duty is provided later in this document.

Treating relevant economic operators equally and without discrimination - The College will conduct all its regulated procurements in compliance with the principles of the Treaty on the Functioning of the European Union; equal treatment, non-discrimination, transparency, proportionality and mutual recognition and will consider early engagement with the supply market where relevant prior to the publication of a contract notice.

All regulated procurements will be posted on portals such as Public Contracts Scotland (PCS) and Public Contracts Scotland-Tender (PCS-T) and shall strive to ensure the appropriate use of separate lots with straightforward output based specifications and clear evaluation criteria to ensure the procurement is accessible to as many bidders as possible.

Acting in a transparent and proportionate manner – the College will ensure it engages widely with its local supply market on an ongoing basis and through the College's Procurement Policy will mandate the use of clear and precise language in its specifications and ensure contracts are awarded using appropriate quality, risk and sustainability factors as well as cost according to declared score weightings specific to each contract.

The College will actively take steps to make it easier for smaller and local businesses to bid for contracts through; the use of Public Contracts Scotland and Quick Quotes, the provision of training and/or provide information on third party training opportunities to build suppliers capacity to better navigate the public tender process, and by publishing a contracts register to highlight contracts that local suppliers may be interested in bidding for.

The Sustainable Procurement Duty – in compliance with the Act the College will give consideration to the environmental, social and economic issues relating to all regulated procurements and how benefits can be accrued, on a contract-by-contract basis by taking proportionate actions to involve SME's, third sector bodies and supported businesses in our procurement activities and in so doing benefit not only the College but the wider Glasgow region.

To support compliance with the duty the College will endeavour to make use of available tools and systems such as the Scottish Public Procurement Prioritisation Tool, the Sustainability Test, Life Cycle Impact Mapping, and the Scottish Flexible Framework, as well as APUC's Code of Conduct, Sustain and Electronics Watch where relevant and proportionate to the scope of the procurement.

Policy on the use of community benefits – the College will consider for each of its procurements over £4m how it can improve the economic social or environmental wellbeing of the Glasgow Region through the inclusion of community benefit clauses aligned with the College's own strategic outcomes as well as a number of the Scottish Government's National Outcomes namely outcomes 2, 3, 4 and 7; (2) We realise our full economic potential with more and better *employment opportunities* for our people; (3) We are better educated, more skilled and more successful, renowned

for our *research and innovation*, (4) Our young people are successful learners, confident individuals, effective contributors and responsible citizens and (7) We have tackled the significant inequalities in Scottish society.

Examples of the scope of community benefits clauses will include the delivery of training opportunities or subcontracting opportunities within Glasgow relevant and proportionate to the particular procurement. The College will strive to engage with internal stakeholders including students where relevant as well as engaging with the local and wider supplier community to ensure suppliers understand the use of community benefits and how to respond where they are included. Where possible and proportionate, such clauses may also be included in procurements below £4m.

Consulting and engaging with those affected by its procurements - the College will take note of available good practice/principles of engagement including those detailed in the National Standards for Community Engagement as well as ensuring procurement staff have or will be developed to have the relevant communication and engagement skills. The College will consider each procurement, the community affected by the resultant contract, and ensure any affected organisations/persons are consulted (e.g. impact on service for students, or a local contract that could be combined with other similar institution's needs). Such consultation will always be on a scale and approach relevant to the procurement in question. All of the above will be embedded in the College's procurement practice.

The living wage – the College recognises the value of a well-motivated and dedicated workforce both in its own organisation and in those of its suppliers. The College is a Living Wage Employer for all directly employed staff. In compliance with the Act the College will consider, before undertaking a procurement, whether it is relevant and proportionate to include a question on fair work practices along with other relevant criteria, whilst ensuring the appropriate balance between quality and cost of the contract, paying regard to the statutory guidance including the application of the living wage.

Promoting compliance with the Health and Safety at Work Act 1974 - the College is committed to contracting only with suppliers that comply with all appropriate and relevant legislation, including Health and Safety legislation.

Where appropriate, and on a contract by contract basis, the institution will assess the legislation applicable to a procurement and take steps to ensure bidders comply with such legislation. Where proportionate, the College also seek to assess the compliance of subcontractors.

The procurement of fairly and ethically traded goods and services - the College supports the sourcing of goods that are fairly and ethically traded. Where directly relevant it shall make use of appropriate standards and labels in its procurements to take account of fair and ethical trading considerations, as well as considering equivalent offerings from suppliers that can demonstrate they can meet the specified criteria without necessarily having the specific certification.

The provision of food and improving the health, wellbeing and education of communities in the College's area, and the promotion of the highest standards of animal welfare - the College will find practical ways to supply healthy, fresh, seasonal, and sustainably grown food which represents value for money whilst improving the health, wellbeing and education of our teaching and learning communities, coupled with promoting the highest standards of animal welfare.

The College will work to put in place affordable contracts, which meet the nutritional requirements for food for all users of our catering services and will use available good practice and guidance such as "Catering for Change – Buying food sustainably in the public sector"

Payment terms - the College recognises the importance of paying suppliers promptly once a service has been performed or goods delivered and that late payment is particularly detrimental to SMEs, third sector bodies and supported businesses.

The College will comply with the Late Payment legislation and will review on a contract by contract basis whether such obligations should be enforced and monitored further down its supply chain.

Statutory Requirement

In accordance with requirement of the Procurement Reform (Scotland) Act 2014 the College will publish an Annual Procurement Report as soon as practicable after the College's financial year end, and will describe as required by the Act how it has discharged its obligations under the Act and how it has exercised discretion and judgement as permitted by the public procurement rules to secure strategic objectives in compliance with the Act.

This report will also provide a commentary on the progress of this Strategy and its Action Plan.

Contents of our Annual Procurement Report

The Annual Procurement Report in compliance with the Act will contain as a minimum the following:

- A summary of the regulated procurements that have been completed during the year covered by the Report
- A review of whether these procurements complied with this Strategy
- The extent that any regulated procurements did not comply, and if so a statement of how the College intends to ensure that future regulated procurements do comply
- A summary of any community benefit requirements imposed as part of a regulated procurement that were fulfilled during the year of the Report including for example; apprenticeships completed, curriculum support

activities, business support activities, support to communities, and resource efficiencies achieved in terms of materials, waste or water.

- A summary of any steps taken to facilitate the involvement of supported businesses in regulated procurements during the year covered by the Report
- A summary of the regulated procurements the College expects to commence in the next two financial years
- Such other information as the Scottish Ministers may by order specify and where applicable that demonstrate compliance with other legislation that places specific requirements on the College with respect to its procurement activities and the College will also consider including:
 - What it has learned from its consultation and engagement with stakeholders and those affected by its procurements, and what it is doing to respond to these views
 - What it is doing to improve its performance and impact, drawing on relevant information – for example spend analysis – and what improvements have been achieved since its last report; and
 - How it is working with other bodies – for example procurement centres of expertise – to maximise effectiveness and efficiency.

The College will seek to publish its annual procurement report in an inclusive way that takes into account equality and accessibility issues and allows stakeholders to form a clear view of the College's performance.

Procurement Action Plan

The Procurement Action Plan consists of a number of specific actions and commitments in relation to each of the key areas for development and their desired outcomes. These are also cross referenced to the relevant section of the Procurement and Commercial Improvement Programme (PCIP) which is led by Advanced Procurement for Universities and Colleges (APUC) on behalf of the Scottish Government.

Progress against this Action Plan will be regularly monitored by the College Senior Management Team.

As part of the formal annual review of this Strategy this Action Plan will be reviewed and updated as required, to maintain alignment of the College's procurement activity with its broader priorities.

December 2016