



University for the Common Good

Procurement Strategy and Action Plan

Financial Year 2020-2021

Status	Approved
Owner	Procurement
Source location	Procurement website
Reviewed	April 2020
Next Review	April 2021
Version No	V002 04/2020

Contents

1. Executive Summary
2. Strategic Context
3. Procurement Mission Statement
4. Strategic Objectives
5. Compliance with the Procurement Reform (Scotland) Act
6. Annual Reporting
7. Strategy Ownership and Contact Details
8. Appendix 1 – Action plan

1. Executive Summary

The Glasgow Caledonian University Procurement Strategy is aligned with the University strategic goals, established collaborative initiatives and necessary regulatory compliance with the Procurement Reform (Scotland) Act 2014. The approved Strategy is the culmination of consultation and engagement with different stakeholder groups affected by the institutional approach to procurement. Through this consultation, the Procurement Strategy benefits from exposure to both internal and external scrutiny. This strengthens the understanding of the Strategy and the prospect of achieving its policies, aims and objectives.

2. Strategic Context

The Procurement Strategy sets out the strategic institutional approach to procurement within a challenging economic, legislative and regulatory environment, including support for University policies. The statements within section 5, demonstrate how the University will deliver the requirements of the Procurement Reform (Scotland) Act 2014. The Action Plan element of the Strategy translates the strategic objectives, into the detailed actions and processes required to maintain a cost-effective institutional procurement operation. Its focus is all staff involved in buying goods and services on behalf of Glasgow Caledonian University, including management staff responsible for authorising and monitoring transactions.

3. Procurement Mission Statement

Glasgow Caledonian University is committed to obtaining value for money in all of its transactions, and in conducting its daily business staff will consider the institution's wider responsibilities in terms of legal, moral, social, economic and environmental impact. Effective procurement, with the incorporation of flexible and innovative solutions, will support the key institutional goals within the University Wider Strategy

4. Strategic Objectives

The procurement objectives are as follows:

- Support Academic and Professional Support Departments to enhance the learning experience, for the many and diverse needs of stakeholders, by providing innovative solutions for their procurement decisions. **[Strategic Goal - Transforming lives, Enriching cities and communities]**
 - Develop management information to measure and improve procurement and supplier performance, assisting key stakeholder areas in meeting their requirements for best value goods and services. **[Strategic Goal - Transforming lives, Enriching cities and communities]**
 - Embed sound ethical, social and environmental policies within the Institution's procurement function to ensure compliance with relevant Scottish, UK and EC legislation in performance of the sustainable procurement duty. **[Strategic Goal - Innovating for social and economic impact]**
 - Promote the delivery of value for money through good procurement practice and optimal use of procurement collaboration opportunities working with the supply chains to ensure continued value, managed performance and minimal risk throughout the life of contracts for the benefit of customers and students. **[Strategic Goal - Engaging globally]**
5. Sustain and further develop partnerships within the sector, with other publicly funded and professional bodies, and appropriately with supply markets that will yield intelligence, innovation and deliver value to users of procurement. **[Strategic Goal - Aligning for the Common Good]****Compliance with the Procurement Reform (Scotland) Act**

The inclusion of the following statements in the University Procurement Strategy is mandatory to demonstrate how the University will deliver the requirements of the Procurement Reform (Scotland) Act.

Statement on the University's policy on the use of community benefit requirements

For every procurement over £4m, the institution will consider how it can improve the economic social or environmental wellbeing of its area through inclusion of community benefit clauses, to assist with its strategic objective of Aligning for the Common Good. Such improvements could be implemented through mandated delivery of training opportunities or subcontracting opportunities within the University's operating area. Where possible and proportionate, the University will also look to include such clauses in procurements below the £4m threshold.

Statement on the University's policy on consulting and engaging with those affected by its procurements

For each procurement, the institution will consider 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.

Statement on the University's policy on the payment of a living wage to persons involved in producing, providing or constructing the subject matter of regulated procurements

The University recognises the value of a well-motivated and dedicated workforce, both in its own organisation and in those of its suppliers.

As an accredited Living Wage employer, the University will encourage the fair work practices of suppliers in its procurements, including the application of the Living Wage and London Living Wage for all suppliers involved at our London Campus.

Statement on the University's policy on promoting compliance by contractors and sub-contractors with the Health & Safety at Work, etc. Act 1974 and any provision made under that Act (2.5.9)

The institution is committed to contracting only with suppliers that comply with all appropriate and relevant legislation, including Health and Safety legislation and relevant University procedures. 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 and relevant procedures. Where proportionate, the institution may assess sub-contractor's compliance of specific legislation also.

Statement on the University's policy on the procurement of fairly and ethically traded goods and services (2.5.10)

The University is committed to Fairtrade that supports the sourcing of goods that are fairly and ethically traded. Where relevant it shall make use of appropriate standards and labels in its procurements to take account of fair and ethical trading considerations, and will consider equivalent offerings from suppliers in its tenders.

Statement on the University's policy on how it intends its approach to regulated procurements involving the provision of food to: improve the health, wellbeing and education of communities in the organisation's area; and promote the highest standards of animal welfare (if applicable) (2.5.11)

Glasgow Caledonian University has held a Gold Healthy Working Lives (HWL) award since 2013. The University has a [Sustainable Food Policy](#) and is working towards Food for Life Served Here (Soil Association Accreditation) with an aspiration to improving the assessment of the score at each annual inspection. The University 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 University will manage our entire catering provision to ensure affordable contracts are put in place, which meet the nutritional requirements and ethnicity mix for food for all users of our catering services.

Statement on the University's policy on how it intends to ensure that, so far as is reasonably practicable, the following payments are made no later than 30 days after the invoice (or similar claim) relating to the payment is presented

- Payments due by the authority to a contractor.

- **Payments due by a contractor to a sub-contractor.**
- **Payments due by a sub-contractor to a sub-contractor**

The institution complies 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.

Statement on the University’s policy on how it intends to ensure that its regulated procurements will be carried out in compliance with the sustainable procurement duty

The University will undertake regulated procurements in compliance with the sustainable procurement duty. Consideration of environmental, social and economic issues and how benefits can be delivered through the procurement will be made, where appropriate and on a contract-by-contract basis. The institution will utilise available tools and systems such as Prioritisation, Life Cycle Impact Mapping, Sustainability Test, Flexible Framework, APUC’s Code of Conduct, Sustain and Electronics Watch where relevant and proportionate to the scope of the procurement. The University shall identify appropriate contract areas where it can proactively engage with third sector bodies and supported businesses. The University has published its Modern Slavery and Human Trafficking Statement to comply with the Modern Slavery Act 2015.

Statement on the University’s policy on how it intends to ensure that its regulated procurements will contribute to the carrying out of its function, achievements of its purpose and deliver value for money

The University will analyse third party expenditure, identify ‘EU regulated procurements’ [goods and services worth more than £189,330 and works worth more than £4,733,252] and ‘lower value regulated procurements’ [goods and services worth more than £50,000, works worth more than £2 million].

The University will sort regulated procurements into procurement categories. How these goods, services and works are bought - joint purchasing, use of local, regional and national framework agreements, consolidated contracting – will be subject to annual review with APUC and through user consultation, optimal category strategies agreed, sensible aggregation opportunities exploited, category and commodity strategies developed, recorded and the most appropriate procurement routes to market chosen. This will be done in consultation with key internal stakeholders to ensure that departmental and organisational aims and objectives are better achieved.

Statement on the University’s policy on how it intends to ensure that its regulated procurements will be carried out in compliance with its duty to treat relevant economic operators equally and without discrimination.

The University will conduct all regulated procurements in compliance with EU Treaty Principles of equal treatment, non-discrimination, transparency, proportionality, mutual recognition and in line with the University’s own procurement ethical code of conduct. It shall follow internal policies and guidance on Anti-bribery and the Criminal Facilitation of Tax Evasion Statement to ensure compliance with legislation including the Bribery Act 2010 and the Criminal Finances Act 2017. Glasgow Caledonian University will utilise portals including PCS and PCS-T to publish its procurement opportunities and shall strive to ensure appropriate use of lotting, output based specifications and clear evaluation criteria to ensure the procurement is accessible to as many bidders as possible. The University will ensure that it awards regulated procurements only to businesses [and sub-contractors] that are capable, reliable and, where relevant, that can demonstrate that they meet high ethical standards and values in the conduct of their business.

Statement on the University’s policy on how it intends to ensure that its regulated procurements will be carried out in compliance with its duty to act in a transparent and proportionate manner.

In making regulated procurement contract awards, quality, risk and sustainability factors will be considered along with cost according to declared score weightings on a contract-by-contract basis. The University will make appropriate use of collaborative contracting arrangements (e.g. national, sectoral or local framework agreements or contracts) to deliver improved contract terms, contract and supplier management, sustainable procurement outcomes and value for money. Glasgow Caledonian University

will take steps to make it easier for smaller businesses to bid for contracts. Whilst legislative constraints preclude preferences for only local suppliers, the University will ensure that through the structure of its tender documentation, the use of Public Contracts Scotland and Public Contracts Scotland – Tender, and the publication of a contracts register to highlight contracts for which local organisations may be interested in bidding for, provides information to smaller, local providers and assists them to build capacity to be able to bid for these requirements.

6. Annual Reporting

The University will produce its annual report on progress for 2019/2020 financial year against the Procurement objectives and publish this on the University website. This report, anticipated to be published by end November 2020, will also describe how the University has discharged its obligations under the Procurement Reform (Scotland) 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.

The Annual Report will also include -

- a summary of the regulated procurements that have been completed during the year covered by the report;
- a review of whether those procurements complied with the University's Procurement Strategy;
- to the extent that any regulated procurements did not comply, a statement of how the University 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 covered by the report;
- 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 University expects to commence in the next two financial years;
- such other information as the Scottish Ministers may by order specify.

7. Strategic Ownership and Contact Details

Kirsten Adams-MacKenzie
Head of Procurement
Kirsten.adamsmackenzie@gcu.ac.uk
0141 273 1537

Appendix 1 – Action plan

Objective	Outcomes	Main actions and commitments	Timescales	Annual Key Measurements
<p>Procurement will support Academic and Professional Support Departments to enhance the learning experience, for the many and diverse needs of stakeholders, by providing innovative solutions for their procurement decisions that will be flexible and innovative</p>	<p>Target the right people with the right information at the right time.</p> <p>Procurement’s profile raised and relationships built with key stakeholders through regular and targeted communications</p> <p>Mechanisms provided for Procurement to listen, understand stakeholders needs and implement improvement</p> <p>Achieve consistency in communications by focusing on Procurement’s key messages</p> <p>Project an appropriate image of Procurement as being a client-focused support function through consistent communications</p>	<p>Procurement will engage openly and positively with all stakeholder groups to deliver a Procurement service that supports the activities of the University now and in the future</p> <p>Regular scheduled meetings with key stakeholder contacts</p> <p>A dedicated and named Procurement Manager for the London and New York Campuses</p> <p>An annual feedback process with University staff and suppliers</p> <p>Gap analysis of stakeholder training needs and address in line with requirements</p> <p>Develop online procurement training for stakeholders aligned to level of training need</p> <p>Promote the procurement service within Schools and Professional Support Depts.</p>	<p>Ongoing</p> <p>Quarterly</p> <p>Ongoing</p> <p>Annual</p> <p>31 March 2021</p> <p>31 July 2021</p> <p>Ongoing</p>	<p>Number of stakeholders that Procurement identifies as being key in terms of value of expenditure or value of risk</p> <p>Total expenditure for these key stakeholder areas</p> <p>Number and frequency of communications with key stakeholders</p> <p>Output summary from annual stakeholder and supplier feedback</p> <p>Training gap analysis outcome</p> <p>Online training availability</p> <p>No of promotional activities and engagement with Schools and Professional Support Depts.</p>

Objective	Outcomes	Main actions and commitments	Timescales	Annual Key Measurements
<p>Procurement will develop management information to measure and improve procurement and supplier performance, assisting key stakeholder areas in meeting their requirements for best value goods and services.</p>	<p>Publication of a current Contract Register</p> <p>Collaborative spend that meets the USET annual target</p> <p>Procurement Website with guidance on the Procurement Journey</p> <p>Contract management process in operation for all key suppliers</p> <p>Increase use of Pecos (Electronic Purchase to Pay System)</p> <p>Availability of e-invoicing functionality to suppliers in line with legislative requirements</p>	<p>Review annual expenditure analysis to understand regulated procurement and contracts in place</p> <p>Category management of key spend areas to identify areas where collaborative agreements could be used.</p> <p>Ongoing review of template documents in place for Procurement team to ensure strategy development addresses current ethical, social and environmental factors through regulated procurement contracts, embedding these responsibility objectives into tender documentation and evaluation criteria</p> <p>Contract management process applied to all contracts and managed on a proportionate basis</p> <p>Review Pecos usage against invoice statistics and target areas for improvement</p> <p>Contribute to wider University team in delivering e-invoicing functionality</p>	<p>Annual</p> <p>Annual</p> <p>Ongoing</p> <p>Ongoing</p> <p>31 Dec 2020</p> <p>31 Dec 2020</p>	<p>Total value of expenditure across University</p> <p>Total value of expenditure influenced by Procurement Team directly or indirectly</p> <p>% expenditure through collaborative agreements</p> <p>Increase volume of spend through Pecos, introduction of No PO No Pay project</p> <p>E-invoicing project –increase number of suppliers using e-invoicing once testing is complete</p>

Objective	Outcomes	Main actions and commitments	Timescales	Annual Key Measurements
<p>Procurement will embed sound ethical, social and environmental policies within the Institution's procurement function to ensure compliance with relevant Scottish, UK and EC legislation in performance of the sustainable procurement duty</p>	<p>The identification and management of high risk commodities through the use of the appropriate tools</p> <p>Utilising best practice and the outputs from tools, to embed requirements in contract and maximise social, economic and environmental outcomes through the procurement journey</p> <p>Tenders will promote the Living Wage, specify that contractors demonstrate good employee relations and workplace matters, and high ethical standards and values in the conduct of their business i.e. Health and Safety at Work</p> <p>Fair and transparent opportunity and treatment for all current and potential suppliers including small and medium-sized enterprises (SMEs), third sector and voluntary sector organisations</p> <p>Support for the purchase of Fair and Ethically Traded goods and services</p> <p>Procurement will support key stakeholders to manage their supplier base using appropriate advanced contract management and supplier development techniques, monitoring key areas of supplier performance and cultivating a culture of continuous improvement</p>	<p>Embed University Policy on regulated procurements undertaken in line with the sustainable procurement duty</p> <p>Participation in the documentation of progress made for the annual Modern Slavery and Human Trafficking Statement</p> <p>Undertake prioritisation methodology across University expenditure concentrating on key commodities and areas of high risk</p> <p>Progress action plan from Flexible Framework Assessment</p> <p>Review tools available for measurement of supplier sustainability compliance</p>	<p>Each procurement</p> <p>30 Sept 2020</p> <p>Annual</p> <p>31 July 2021</p> <p>31 July 2021</p>	<p>Benefits achieved for regulated procurements relevant to Sustainable Procurement Duty</p> <p>Results of prioritisation exercise across the key category expenditure areas</p> <p>Progress made in Flexible Framework</p> <p>Outcome of review of tools for measuring supplier sustainability compliance and use of Sustain.</p>

Objective	Outcomes	Main actions and commitments	Timescales	Annual Key Measurements
<p>We will promote the delivery of value for money through good procurement practice and optimal use of procurement collaboration opportunities and innovative solutions. We will work with the supply chains to ensure continued value, managed performance and minimal risk throughout the life of contracts for the benefit of customers and students</p>	<p>A current Contract Register that provides clarity on the status of all contracts and activities</p> <p>Comprehensive procurement strategies that facilitate the production of clear and concise specifications</p> <p>Regulate non-compliant spend identified in 18/19 analysis</p> <p>Suppliers managed to ensure they perform over the life of the contact</p> <p>Savings and benefits generated through Procurement reported to Executive and Audit Committee annually.</p>	<p>Review expenditure analysis to understand new regulated procurements and contract status</p> <p>Expenditure to be managed on a category basis</p> <p>Non-compliant spend targeted and included in annual future regulated procurements schedule</p> <p>Review of template documents in line with Procurement Journey to ensure a current and consistent approach to each and every procurement</p> <p>Contract management process consistently and appropriately applied across the entire supply base</p> <p>Savings and benefits identified and collected in line with the Sector Benefits Methodology</p>	<p>Annual</p> <p>Ongoing</p> <p>Annual</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	<p>Total value of expenditure across University</p> <p>Total number of procurement staff</p> <p>No of strategic contracts</p> <p>No of managed contracts</p> <p>Value of savings and benefits generated</p> <p>Reduction in non-compliant spend</p>
<p>Procurement will sustain and further develop agile and flexible partnerships within the sector, with other publicly funded bodies, with professional bodies and appropriately with supply markets that will yield intelligence, innovation and deliver value to users of procurement.</p>	<p>Partnerships within the sector and other public bodies which assist the development of potential procurement collaboration opportunities, and support and encourage shared services initiatives which would attribute value to GCU activities</p> <p>Reduction in the duplication of effort between the University and 'consortia' bodies for tendering activity</p>	<p>Review the annual expenditure of the University and manage on a category basis</p> <p>Procurement Managers to identify potential areas of collaborative activity for their Category/Key spend areas</p> <p>Refresh forward contracting plans which will aid discussions with stakeholders, APUC and other bodies</p>	<p>Annual</p> <p>Annual</p> <p>Annual</p>	<p>Total value of expenditure across University</p> <p>% expenditure through collaborative agreements</p>