Item 3

2nd March 2023

Glasgow City Council

Wellbeing, Equalities, Communities, Culture and Engagement City Policy Committee

Report by Director of Legal and Administration

Contact: Maureen Fitzpatrick Ext: 76406

SUSTAINABLE PROCUREMENT STRATEGY 2023-2027

Purpose of Report:

To consider and review the Sustainable Procurement Strategy 2023-2027 for the council.

Recommendations:

The Committee is asked to:

a. consider and review the Sustainable Procurement Strategy 2023–2027 for the council;

b. refer the Sustainable Procurement Strategy 2023-2027 to the City Administration Committee for approval; and

c. note that the council's Annual Procurement Report will be reported to the Contracts and Property Committee for noting.

Ward No(s): Xxxxxxxx Citywide: ✓

Local member(s) advised: Yes ☐ No ☐ consulted: Yes ☐ No ☐

1 Introduction

1.1 A Sustainable Procurement Strategy 2023-2027 (Strategy) has been developed, as required by section 15 of the Procurement Reform (Scotland) Act 2014 ("the Act"), to support the council's challenges, missions and commitments, as set out in the council's Strategic Plan 2022-2027 (Plan).

1.2 The council purchases a variety of goods, services and works from stationery to multi-million-pound capital works contracts. The council's commercial expenditure was £665m, increasing to around £807m over the entire council family, in FY21/22.

1.3 The procuring of goods, services or works has a major impact on many aspects of life in Glasgow. This includes environmental, socio-economic factors and local economic development. In local government, procurement is governed by a legislative framework which includes national legislation[1], in particular the Act, and case law.

1.4 The development of the Strategy was taken forward by a short term cross-party working group consisting of representatives across all Groups and chaired by the Chair of the Contracts and Property Committee, with support from the Head of Corporate Procurement and the Head of Commissioning, Social Work Services.

1.5 The development of the Strategy was informed by two consultations. The first of which sought feedback regarding the delivery and performance of the council's Corporate Procurement and Commercial Improvement Strategy 2018-2022 and requested suggestions regarding the vision, mission and focus for the Strategy. Consultees were; contracted suppliers; public sector bodies such as Scotland Excel; head of services; procurement governance board members; Social Enterprise board members; and the council's climate adaption/emergency liaison group members. The second consultation, which included Glasgow citizens (via the council's consultation hub) sought comments on the proposed vision, mission, key objectives and supporting actions of the Strategy.

2 Key Objectives and Goals

2.1 The Strategy sets out the vision, objectives and actions which will direct and govern procurement activities for this council for 2023 to 2027. These reflect both national and local policies and priorities and the council's approach to ensuring contracted suppliers undertake fair working practices and provide wider social-economic and environmental benefits to the local area and community via the delivery of community benefit outcomes.

2.2 The Strategy builds upon the achievements and benefits derived from the Corporate Procurement and Commercial Improvement Strategy 2018-2022 and

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[1] Procurement Reform Act (Scotland) 2014 (" the Act")
- Public Procurement Regulations (Scotland) 2015
- The Procurement (Scotland) Regulations 2016
- Utilities Contracts (Scotland) Regulations 2016
- Concessions Contracts (Scotland) Regulations 2016

continues to drive the importance of ethical, open, transparent, non-discriminatory and sustainable procurement within our tenders, contracts and supply chains. We will continue to shape, encourage and influence innovation and aim to increase opportunities for Small and Medium sized Enterprises (SME's), Supported Businesses, Co-operatives and Third Sector organisations.

2.3 Procurement plays a pivotal role in supporting service areas' priorities, as set out in its Annual Service Plan and Improvement Reports (ASPIR), via the development of robust and innovative sourcing strategies and the procurement of best value contracts.

2.4 The vision, objectives and actions within the Strategy recognise the current budget restraints. In addition, it recognises the climate change challenge, which is evidenced within the Strategy Action Plan and shows that 50% of the actions are dedicated to support the delivery of sustainable outcomes, in particular the council's ambitious target to be net zero by 2030.

2.5 The Strategy focuses on six key Strategic Objectives, as set out below:

- Support the Council's Net Zero, Ecological and Adaptation Ambitions
- Provide Effective and Efficient Procurement for our Stakeholders
- Shape and Drive Innovation
- Support Local Wealth Building and Economic Growth
- Procurement to be a Strategic Partner for Council Services
- Support the Council Financial Challenges

3 Governance and Reporting

3.1 The Strategy will be delivered via a comprehensive action plan. The performance against the action plan will be reported to and monitored, bi-annually, by the Contracts and Property Committee. Progress will also be overseen by two officer groups; the Procurement Advisory Board (chaired by the Director of Legal and Administration Services) which is held every 8 weeks; and to the Corporate Procurement Asset Board (with representation from across the council family) and which is held quarterly.

3.2 Section 18 of the Act also requires a contracting authority to publish an Annual Procurement Report (APR). The APR monitors the authority's regulated procurement activities against delivery of its procurement strategy and should be published as soon as is reasonably practicable after the end of its financial year. Regulated procurement relates to services and goods contracts >£50k and works >£2m. The APR will be reported to the Contracts and Property Committee for noting and then sent to the Scottish ministers in accordance with the requirements of the Act.

3.3 The Strategy and Action Plan will be reviewed, as part of the performance monitoring activity, to reflect legislative changes and the evolution of the council's Strategic Plan 2022-2027.

3.4 If agreed by Committee, the Strategy will be referred to the City Administration Committee for approval.

4 Policy and Resource Implications

Resource Implications:	
Financial:	One of the key objectives of the Strategy is to support the council's financial challenges. and to ensure value for money across the council's commercial spend profile.
Legal:	The Strategy will be implemented in line with legislation, the council's Standing Orders relating to Contracts and the Corporate Procurement Manual.
Personnel:	No direct personnel implications.
Procurement:	Implementation of the Strategy.
Council Strategic Plan:	The Strategy supports; Grand Challenge 1, Mission 3, Grand Challenge 2, Mission 1 and 2 Grand Challenge 3, Mission 2 and Grand Challenge 4, Mission 3.
Equality and Socio-Economic Impacts:	
Does the proposal support the Council's Equality Outcomes 2021-25	An EQIA screening has been undertaken. This will continue to be monitored as part of the governance during the period of the Strategy.
What are the potential equality impacts as a result of this report?	No equality impacts.
Please highlight if the policy/proposal will help address socio economic disadvantage.	Fair Work First evaluation criteria will be included, as standard practice, within all procurement exercises. Community Benefit requirements will be included, as a standard practice, within all procurement exercises which will help to improve equality and increase job opportunities for priority groups. The Strategy will aim to increase opportunities for local suppliers, Social Enterprises, Supported Businesses, Co-operatives and Third Sector organisations.

Climate Impacts: *Does the proposal support any Climate Plan actions? Please specify:*	Yes - the Strategy includes a key objective to *Support the Council's Net Zero, Ecological and Adaptation Ambition* and includes seven actions with an aim to: • Support the council's net zero target by 2030 and • to reduce scope 1,2 and 3 carbon emissions within our supply chains.
What are the potential climate impacts as a result of this proposal?	The actions detailed within the Strategy Action Plan will provide a positive impact on the climate.
Will the proposal contribute to Glasgow's net zero carbon target?	Yes - the Strategy and supporting Action Plan have a strong focus on sustainability and will support the council's climate plan and target of net zero by 2030.
Privacy and Data Protection impacts:	No data protection impacts identified

5 Recommendations

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