



City Building Procurement Strategy 2024-2028

Building a Sustainable Future



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Document Control

Document Title:	City Building Procurement Strategy (2024-2028)
Strategy Document Owner:	Sharon Wearing, Executive Director
Strategy Owner Contact Details:	350 Darnick Street, Glasgow, G21 4BA

Version History

Date Released	Comments
April 2024	Approval to be published
January 2025	For review – no changes
August 2025	Strategy document owner updated

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City Building has the meaning given to it on section 2 of this document.

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1 – Executive Summary

The Strategic Procurement Strategy sets out the vision, objectives and actions for City Building Procurement over the period 2024-28.

The strategy provides a clear and concise framework of how Procurement can support the needs of the business, its clients and supply chain.

Procurement is at the heart of everything City Building does in terms of being a vital support service for the business helping to meet the expectations and needs of clients and other internal and external stakeholders.

Procurement can play a pivotal role in supporting continuous improvement within the business. This has been especially prevalent in the period since the Covid-19 pandemic and the many challenges this has brought.

The strategy reflects upon both national and local policies and priorities. Procurement can play a key role in supporting the business on challenges such as Covid-19, Brexit, the impact from war and conflict across the world, market conditions and an increasing demand for goods, works and services. These challenges will be met whilst still supporting the business in its objectives on sustainability, corporate social responsibility and supporting ethical enterprises. Again, Procurement can play a fundamental role in these activities.

The principal aim of City Building Procurement is to be at the forefront of delivering procurement principles within the Public Sector. Fairness, transparency, and accountability will always underpin any procurement activity undertaken by the business.

City Building Procurement already has a track record of many key achievements in delivery of successful procurements down the years and will continue to strive to stay ahead and be fully versed on any legislative changes and court challenges.

For the strategy to achieve its goals and objectives City Building Procurement will continue to build strong partnerships with internal stakeholders, other City Building support services, partners and ALEO's and its diverse supply chain.

City Building Procurement will also react to changing work practices/models driven in part by the Covid 19 pandemic and continue to achieve best results and outcomes.

The promotion of sustainability remains at the forefront of this strategy. Procurement can play an active part in this. Key procurements have already taken place for contracts which include the procurement of LED lighting, energy efficient boilers and electric vehicles. Further Procurements will take place during the period 2024-2028 to support the business as it increases to adopt renewable technologies in support of the climate change agenda.

The strategy will be delivered in-line with City Building's HS&E, Financial and Quality procedures.

In summary the strategy aims to build on the Procurement model already in place, with a view to:-

- Setting out clear strategic objectives.
- Compliance with current and new procurement legislation.
- Taking the lead and setting the standards to delivery procurements in a fair and transparent manner.
- Delivering and demonstrating real cash savings.
- Maximising efficiency and collaboration with partners.
- Continuing to improve access to public sector contracts, particularly for Small and Medium sized Enterprises (SMEs), other Supported Businesses, Co-operatives, Social Enterprises, and the Third Sector.
- Continually focusing on improving City Building's sustainable procurement performance which contributes to reducing inequality.
- Increased focus on sustainable procurement including the more innovative use of Community Benefits Clauses (CBCs) and targeting suppliers own corporate social responsibility policies.
- Innovation.
- Balancing competing requirements.
- Decisions on the timing of procurements will be in-line with stakeholder/operational timelines in-line with statutory requirements.

2 – Introduction to City Building

City Building is made up of two legal entities:-

- City Building (Glasgow) LLP operates within a joint 50/50 ownership arrangement between Glasgow City Council (GCC) and Wheatley Housing Group (WHG).
- City Building (Contracts) (CBC) is a wholly owned Arms Length External Organisation (ALEO) of Glasgow City Council (GCC).

In this strategy we refer collectively to these as City Building.

As one of Scotland's largest construction companies, we provide a range of repairs and maintenance, manufacturing, construction, refurbishment, and retrofitting activities across the public, private and third sectors.

As well as providing the largest .construction craft apprenticeship programme in Scotland, we operate Royal Strathclyde Blindcraft industries (RSBi), one of the largest supported manufacturing businesses in Europe. RSBi employs over 250 people, more than 50% of whom have a disability.

Our unique social ethos of building a sustainable future underpins our drive to deliver excellence across a wide range of high-quality construction and manufacturing operations. Having sustainability at the heart of our business, ensuring we boost productivity and bring benefit to local communities has ensured the upskilling of 20% in the use of renewable technologies including:

- Construction of energy efficient sustainable housing
- Combined Heat and Power Systems
- Ground Source Heat Pumps

- Led Lighting
- Triple Glazed windows manufactured at RSBi
- External Wall Insulation (EWI) Approved PAS2030 installer.
- Photovoltaics
- Technology to optimize storage heating
- Rainwater harvesting.

The strategy promotes continued and improved sustainability.

The opening of our new sustainability College in 2023 will form the basis of our skills agenda for decades to come.

Recognising the need for greater focus on long-term sustainability and repair of traditional buildings we have embarked on a programme of developing and delivering traditional building skills development to allow us to deliver for future markets.

At City Building we believe in continually seeking to improve the service and products we provide to our clients and procurement supports this. Our values are Excellence, Honesty, Ambition, Trust and Community.

We will continue to contribute to build a better society by using our commercial success to introduce socially inclusive practices and delivering effective, accountable products and services which offer value for money and embrace the quality of life, safety and well-being of our customers, our employees, and partners.

Our workforce is undoubtedly instrumental in ensuring our delivery of so many important services to people across the city of Glasgow and beyond. With the support of Glasgow City Council and Wheatley Housing Group, our workforce's engagement ensures we can contribute to building sustainable communities.

Our unrelenting focus on business excellence goes hand in hand with socially responsible practices. Our social impact approach seeks to create shared value. We strive to secure a positive return for all our stakeholders. For City Building these are not just an add on in the delivery of our products and services, these are an expectation.

City Building continue to celebrate their third Queen's Award for Enterprise: Promoting Opportunity. Our IYP Platinum is the highest level that can be attained within the IYP training and development framework with City Building being the first ever construction company in Scotland to achieve this accolade which encourages employers to prioritise areas including mental health, financial wellbeing, fair work practices and meta skills. We are an accredited Customer Service Excellence organisation.

Our Values

Recent challenges in common with the wider construction industry has highlighted the importance of our organisational values and how our values are translated by our Leaders and workforce in continuing to deliver, as a priority, for our customers and other stakeholders.

Our values which drive our purpose of building a better society by using our commercial success to deliver socially inclusive practices, responsible business and fair working practices all contributing to positive economic growth.

City Building is committed to "Building a Sustainable Future" for our clients, partners,

and employees. Through constant engagement with our customers, we ensure we have a detailed interpretation of their aspirations and needs.

Our mission is to contribute excellence in construction, repairs, maintenance, manufacturing and training to customers, our employees, suppliers, and the local communities in which we work. To always give back to the communities is central to our core values.

Our unique social ethos will continue to underpin everything we do and will drive the creation of training and employment opportunities for a diverse range of people, including minority and other under-represented groups across Glasgow and beyond. We continue to be the country's leading employer of female and BME construction apprentices and this is something we are very proud of.

We will continue to contribute to build a better society by using socially inclusive practices, and delivering effective, accountable products and services which offer value for money and enhance the quality of life, safety, and wellbeing of our stakeholders.

Our values, which are embraced by all employees, are:

Excellence: to deliver quality in everything we do.

Honesty: to promote, at all times, honesty in our communication with all stakeholders, promoting partnerships and sustainability.

Ambition: to do more for our clients and partners and provide more opportunities for our employees and stakeholders as part of our change and growth strategies, succession planning and sustainability.

Trust: to be trusted by our employees, clients, and partners.

Community: to build more sustainable communities through social, economic and community engagement.

Building a Sustainable Future – Statement of Intent

City Building has sustainability at the heart of our business, ensuring we boost productivity, diversify into new markets and whilst doing so benefit the local communities in which we live and work.

At the heart of our plans, we will promote fairness, equality, opportunity and innovation to bring greater economic success alongside sustainable inclusive growth by the following actions:

Business Aims:

All our strategies will prioritise three pillars: economic, social and environmental.

- Our Corporate Social Responsibility policy and strategies will ensure all our activities drive our productivity and competitiveness through fairness, equality and sustainable employment in line with our Scottish Business Pledge accreditation.
- We will work to ensure our business activities positively impact on society through reducing our environmental undertakings and building community wealth.
- We will continue to use our economic success to implement socially inclusive practices in our recruitment processes particularly targeting those furthest away from the labour market.
- We will work with all stakeholders in increasing the adoption of renewable technologies creating a better environment, creating jobs and better communities. Our approach will build on the skills and talent within our workforce who have already delivered on so many Renewables installations throughout the City.

Sustainable Products - Technologies and Design

- We will embrace new and emerging renewable technologies in collaboration with our stakeholders and supply chain to ensure the most appropriate renewable technologies for each intended location are available.
- Our portfolio of modern, energy efficient house types ambitiously designed to current Scottish Technical Standards and also to “Glasgow” Gold standards incorporating renewable technologies and building innovation are continually being developed, with the aim to be market affordable and socially standard in their concept.
- We will further advance our ‘City Plan’ based approach to MMC (Modern Methods of Construction) where a holistic end-to-end measurement of carbon generation is embedded alongside meaningful and rewarding employment for all within our society.

Sustainable Employment - Our People

- We will continue to use fair working practices investing in the skills and diversity of our workforce including continual employee engagement and trade union consultations, ensuring our workforce are motivated, as well use training and development to ensure they have the skills to take advantage of emerging new markets in the green economy.
- Our recruitment strategies will continue to target those furthest away from the job market including young people and people with disabilities, ensuring that all can benefit from the transformative platform that net zero carbon reduction strategies bring.

Sustainable procurement - Procurement and Supply Chain Management

- We will ensure our growth and economic success is shared amongst our supply chain including the high number of SMEs on our framework as well as continue

to develop social enterprises to ease access to our framework and supply chain as well as partnership working to increase diversity in construction.

- We will continue to provide prompt payment to our supply chain in line with our responsible business practices, our procurement teams will work on a dynamic basis to ensure emerging technology competence is an ongoing part of our delivery teams.

Sustainable Communities

- We will continue to embrace the circular economy through our recycling activities on behalf of our clients in our day-to-day operational activities working alongside community housing associations, social enterprises and the third sector.
- Our Corporate Values of Excellence, Honesty, Ambition, Trust and Community underpins all our work to build more sustainable communities through social, economic and community engagement.

Our mission is to contribute excellence in construction, repairs, maintenance, manufacturing and training to customers, our employees and the local communities in which we live and work.

- City Building is committed to “Building a Sustainable Future” for our clients, customers, partners and employees.
- Our mission is to contribute excellence in construction, repairs, maintenance, manufacturing and training to customers, our employees, suppliers, and the local communities in which we work.
- Our unique social ethos will continue to underpin everything we do and will drive the creation of training and employment opportunities for a diverse range of people, including minority and other under-represented groups across Glasgow and beyond.

We will continue to contribute to build a better society by using socially inclusive practices, and delivering effective, accountable products and services which offer value for money and enhance the quality of life, safety and wellbeing of our stakeholders.

3 - City Building Procurement Strategy Rationale/Objectives

Procurement Vision – “to be recognised as a value added procurement function, fully strategically aligned to delivering best value for all our stakeholders”

City Building’s procurement is governed by a legislative framework which includes:-

- International Treaties and Regulations
- Scottish and UK Legislation and Regulations
- Case Law
- City Building’s Standing Orders Relating to Contracts
- City Building’s Procurement Manual

The key Procurement objectives can be summarised as follows:-

- Legal compliance and good Governance.
- To deliver savings and best value.
- To be collaborative and innovative
- Leaner, more efficient and effective procurement function.
- To promote SME inclusion and Economic Growth.
- Promote and deliver sustainable procurement across City Building.

Our Procurement Strategy is set-out to assist City Building to achieve its business objectives/plans and to contribute best practice to our Partners/ALEO’s and Supply Chain.

The key objectives are supported with below processes and policies:-

- Ensure all procurement staff and relevant internal stakeholders are familiar on procurement law (statutory and regulatory) and the implications of these.
- Develop and monitor procurement staff through training and regular collaboration.
- Keep all key internal stakeholders fully aware of new procurement regulations and guidance.
- Update internal procurement policy documents with any changes to procurement law.
- Make use of best practice of procurement resources and tools including:-
 - Consideration of all national procurement frameworks City Building is able to utilise.
 - Collaboration with all internal stakeholders, operations, technical staff, and other partners and organisations on tender scope and opportunities.
 - Develop a coordinated pipeline/work plan in-line with existing contracts and future business operational and service requirements.
 - Engage with external procurement partners via UIG’s, supplier meetings and meet the buyer events.
 - Innovation in relation to supplier reviews, enhanced contract management and product innovation to promote savings and best value.
 - Clear standard templates and documents for all procurement activities.
 - Incorporate all aspects of sustainable procurement including community benefits.
 - 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 contracts.

- Consideration how procurement activities can help with climate change and reducing inequality.

4 – Strategic Aims, Objectives and Key Priorities

Our mission and purpose are set out in section 3 of this document.

In addition, a list of key areas of strategic procurement focus, as well as the potential procurement work plan over the duration of the strategy can be seen in Appendix 2.

Beyond the procurement work plan, there are a number of initiatives within procurement that contribute additional value to both our and client's strategic objectives.

4.1 – Economic Growth and Sustainable Development

City Building's aim is to sustain employment for its existing workforce; to pay the minimum "Living Wage", (£12 an hour from 1st April, 2024) and to grow and develop our people through entry into new work streams with our existing clients and also through new partnerships with new clients and work streams. There has been a focus recently on internalising work streams to secure employment and create personnel development within City Building.

The organisations Sub Contractor Construction and Trades Framework Agreement with local, primarily West of Scotland companies for sub-contract works, has not only increased the number of Small and Medium Enterprises (SME's) that City Building work with but will have a positive multiplier effect within Glasgow and the West, supporting growth in local businesses.

We will continue to drive our sustainability principles (which are social, economic and environmental) into the majority of procurement with a particular focus on community benefits, promoting the living wage via fair work practices and supporting SME's, other supported businesses, social enterprises and cooperatives.

We will place sustainable and socially responsible purchasing at the heart of our process and reflect the Scottish model of Procurement (Price versus Quality versus Sustainability), where sustainability is at the heart of everything we do.

We will work with community benefits officers within our organisation and other key stakeholders to identify and target community initiatives that can be supported by our procurement and construction activities.

Our focus remains on internalising workstreams to support sustainable employment using the skills of our current workforce and retain our apprentices where Business Plans allow. By upskilling our workforce in renewable technologies this allows us to

boost productivity and recognises the trade and technical skills base of our workforce as a strong asset.

4.2 – A Company That Looks After Vulnerable People

We will ensure that RSBi, City Building's manufacturing division where over 50% of the workforce are registered disabled, remains at the forefront of supported employment in Europe through opportunities both with existing clients and through frameworks developed by Scottish Government that promote Supported Businesses, hence work opportunities for more vulnerable people in our local communities.

We will support vulnerable people and promote social well-being whilst recognising the role procurement plays in identifying, agreeing and implementing service change.

We will work with others to improve health – City Building currently has the Healthy Living Silver Award and has Carer Positive Accreditation.

We provide support to keep our workforce healthy through our Employee Assistance Programme and bank of Mental Health First aiders.

4.3 – A Learning Organisation

City Building runs Scotland's largest craft apprenticeship programme which has been underpinned by the opening of our new sustainably built College last year which is a significant investment for Glasgow and will form the basis of the skills agenda for decades to come.

Our investment in skills and leadership allows us to manage our talent and continue to invest in our people through workforce development via Graduate Apprenticeships, Trainees, or modern Apprenticeships. Our Leadership Programme continues to grow our senior leaders. City Building relies on the innovation, hard work and commitment of our workforce. A key element of this forward strategic planning is to continue to develop our culture to underpin the delivery of outstanding performance and continuous improvements in our customer's experience. Our focus is on excellence, value for money and right first-time services to all our customers. These outcomes highlights our drive for continuous improvement as well as recognising the importance of proactive engagement activities which impact positively on our organisation and other stakeholders.

City Building will utilise Community Benefit clauses within procurement activity (where relevant and proportionate) to afford work experience, mentoring and other learning opportunities and support the Supplier Development Programme (SDP) to assist Glasgow based SME's, Social Enterprises, Supported Businesses and Cooperatives on bidding for tender opportunities.

4.4 Making Best use of our Resources

City Building will continue to develop procurement workload analysis and resource methodologies that support workforce planning and achieve more effective and efficient use of our resources.

The creation of our new performance and innovation team will ensure we continue to bring value for money, perform at our best and are fully productive in all areas.

5 - Compliance with Procurement Legislation

The Scottish Government continues to promote a national programme of public sector procurement reform to drive continual improvement in procurement practice and City Building endorse and support that position. The Strategy recognises that City Building and its partners/ALEO's, as a contracting authority are subject to the application of the legislative requirements which bind public procurement practice in Scotland namely:

- The Procurement Reform (Scotland) Act 2014
- Public Contracts (Scotland) Regulations 2015
- Procurement (Scotland) Regulations 2016
- Concession Contract (Scotland) Regulations 2016

It is further acknowledged that all procurement activity must conform to the processes and governance detailed in the Group's Standing Orders, Procurement Policy and Procurement Manual.

Following the United Kingdom's withdrawal from the European Union (Brexit) on 31st January 2020 and the expiry of the transition period on 31 December 2020, the Public Contracts (Scotland) Regulations 2015 (PCSR 2015) have been amended to address the UK's exit from the European Union and the accession of the United Kingdom into the World Trade Organisation's Agreement on Government Procurement. Much of the processes and procedures to be followed in the PCSR 2015 remain unchanged. The key differences is that City Building are no longer required to publish Contract Notices and Contract Award Notices via the Official Journal of the European Union and must instead publish them on Public Contracts Scotland. In addition, contracts which are below the thresholds in the PCSR 2015, but which are in excess of the thresholds for the application of the Procurement Reform (Scotland) Act 2014 will continue to be procured as Regulated Contracts. The current thresholds for the PCSR 2015 and the Procurement Reform Scotland Act in relation to City Building are set out below:

Public Contracts (Scotland) Regulations 2015 Thresholds (PCSR)

PCSR 2015	From 1st January 2024 (inclusive of VAT)
Works	£5,372,609
Concessions – Works and Services	£5,372,609
Services and Supplies (non Schedule 1 Entities)	£214,904
Light Touch Regime	£663,540
Small Lots (works)	£884,720
Small Lots (supplies and services)	£70,778

Procurement Reform (Scotland) Act 2014 Thresholds

Works	£2,000,000
Services and Supplies	£50,000

Other material requirements are covered by CB Standing Orders and Rules Relating to Contracts and the CB Procurement Manual and are described below:-

The maximum length of a framework contract may not normally be longer than 4 years.

Non-Contract material requirements with an estimated annual value in excess of £50,000 but less than the PCSR thresholds and for a period not exceeding four years are subject to a tender bid process. These processes will be undertaken by the Strategic Procurement Group, they will be advertised on the Public Contracts Scotland Portal and the City Building's Tender Opportunities Portal with the tenders returned to the TMO for evaluation and contract award.

Non-Contract material requirements with an estimated annual value below £50,000 which do not last for more than four years do not require a tender process, however these contracts are not exempt from the requirements to achieve best value by competitive means. These processes will be undertaken by the Procurement Group and they will be achieved by utilising the "Quick Quote" on-line procurement tool available at www.publiccontractsscotland.gov.uk. Tender will be sought in accordance with the following:-

Goods and Services Financial Value	Process	Number of Suppliers/Responses
Less than £10,000	Single quotation subject to Business Unit/Manager Approval	1
£10,000 to £50,000	PCS Quick quote – Quality/Price split determined by scope of requirement	3
£50,000 (Goods and Services) £2m (Works) and above up to PCSR Thresholds	Tender process via PCS – quality/price in accordance with the requirements of the Procurement Reform	Procurement route via own tender or national framework. Procurement team to determine best

	(Scotland) Act 2014 and Procurement (Scotland) Regulations 2016	route and detail reasoning for this route. Number of returns determined by call for competition or number of framework participants
Above PCSR Thresholds	In accordance with PCSR regulations	Procurement route via own tender or national framework. Procurement team to determine best route and detail reasoning for this route. Number of returns determined by call for competition or number of framework participants

Where this process is undertaken out with the Procurement Group, the results of these quotations should be recorded in the MPO book F0202 and retained by the Business Unit Manager and where it can be assessed if this is a regular requirement, they should advise the Procurement Group of such, to ensure these materials are added within the current Materials Term Contract.

The Strategy sets-out the following steps to adhere and comply with Procurement Legislation:-

- Continued review of City Building standing orders and Procurement manual.
- Update City Building Quality procedures and manuals (QP02).
- Continued review of Procurement procedures so appropriate measures are in place to deal with any changes and amendments in a timely manner.
- Continued review where applicable of non-contract spend ie spend where City Building doesn't have a contract for.

Details of City Building's regulated procurements in the last 12 months are noted at Appendix 1.

6 - 2024-2028 Procurement Strategy (Building a Sustainable Future)

All procurement activities which take place within the organisation must conform with the City Building Standing Orders and Rules Relating to Contracts, the City Building Procurement Manual and all applicable Procurement Regulations. These procurement procedures have been developed to ensure compliance, provide the ability to competitively tender in the open market and also achieve Best Value for the organisation and our clients.

The role of the Procurement team and it's activities is to support the business in it's overall aims and objectives. This will include:-

- Early market engagement for requirements.
- Deliver excellence in terms of developing tendering procedures and contracts and as a value added service support service for other operational areas of the

business.

- Deliver internal and external customer service.
- Support all those with purchasing authority within City Building to understand City building's procurement law obligations and how they can be best balanced with operational demands..
- Develop a clear and concise work plan for all regulated procurements and associated contract administration for auditing purposes.
- Clear and concise processes for non-contract spend ie those items not deemed to under contract in terms of vendor approval and spend monitoring.
- Robust contract management of all procurements and supply chain.
- Act as the lead for all sustainable considerations to be included in all procurements.
- Be the lead operationally for any technological innovation as proposed by supply chain partners and implementation and roll-out of any innovations.
- Guide City Building staff on procurement law/contractual implications.

A detailed work plan for Procurement activity to be undertaken over the next 48 months is noted in the Work Plan and at Appendix 2.

7 - Strategy Objectives/Performance

In relation to the Procurement Objectives outlined in section 3 of the strategy below outlines how these will be actioned and delivered.

7.1 Legal Compliance and Governance

Aims

To adopt and implement current procurement regulations to provide procurement with flexibility and scope to derive best value from the procurement activity.

How We Will Do It

- Use Standing Orders Relating to Contracts, the procurement manual and the Quality Assured Procurement Procedure (QP02) to support compliance with procurement regulations.
- Keep all relevant stakeholders aware of updates in Procurement Law.
- Collaborate with Legal services to ensure a cohesive approach to the implementation of procurement regulations and sharing of best practice.
- Make sure all updates are implemented and relevant documents are kept under review and updated.
- Consider what skills and development requirements will be necessary within our organisation to support compliance with procurement regulations. Support training requirements where required.
- Review internal processes and procedures in-line with any changes.
- Comply with any requests for external audits.
- Comply with City Building policy on Gifts, Hospitality, Payment and Benefits.
- Be aware of any stakeholder conflict of interest during tendering processes.

What Will The Outcome Be?

- Mitigation of opportunities for procurement challenge.
- Procurement activity will comply with statutory and regulatory requirements.
- Procurement documentation will be continually updated to reflect any new changes to the regulations.

7.2 To Deliver Savings and Best Value

Aims

To support City Building's aim in achieving procurement cost saving targets and delivering added value procurement. Promote the benefits of early engagement with procurement to our Business Divisions and other relevant stakeholders.

How We Will Do It

- Utilise management information and spend tools to target spend that can be positively influence by procurement.
- Award contracts on the "Most Economically Advantageous Tender" MEAT principle which is the best price to quality ratio.
- Maintain robust KPI's in contracts and apply these in contract management.
- Ensure adherence to requirements for regular supplier management information.
- Benchmarking, early market engagement and regular information from suppliers and potential suppliers on market conditions.
- At contract strategy stage identify any risks and opportunities.
- Robust commercial envelopes/pricing schedules during tender to guard against unforeseen additional costs at the evaluation stage and during the term of a contract. Look at alternative commercial models for best value and cost saving exercise eg early payment.
- Robustly challenge any contract price increase requests while acting in a fair manner.
- Target savings from all aspects of strategic procurement.
- Find value in choosing correct procurement route such as national and collaborative frameworks.
- Collaboration with City Building procurement and Business Divisions on business/work plan for early identification of procurements that will be required.

What Will The Outcome Be?

- Achieve targeted procurement cost savings.
- Use of added value models eg cost avoidance and contract management outputs.
- Evidence of the benefits of early engagement in terms of risks and opportunities.

7.3 Collaboration and Innovation

Aims

Collaborative and innovative procurement promotes product development and service delivery innovation. Collaborating with key stakeholders and suppliers allows the business to tap into new ideas, gather feedback, and co-create solutions. This leads to better outcomes and improved, leaner procurement activity.

How We Will Do It

- Use collaborative procurement contracts/requirements to drive increased demand to provide innovation better value for money.
- Identify innovation opportunities in the early stages of the procurement.
- Suppliers to advise any new innovations throughout the life-cycle of a contract.
- Regular contact with other service areas and operations on any innovations they identify that could add value to a contract.

What Will The Outcome Be?

- Cost-savings.
- Better supplier relations in terms of sharing knowledge and driving innovation which leads to improved efficiencies.
- Mitigation of risks associated with procurement as the business and the supply chain working together reduces the risk of disruptions, delays and quality issues.

7.4 Leaner, more Efficient and Effective Procurement Function

Aims

Make sure the business has an appropriately skilled procurement function. Remove any aspects of the procurement process that do not add value.

How We Will Do It

- Have standardised procurement documents for procurement opportunities to avoid duplication.
- Work with Procurement IT Tender Delivery Platforms and National Framework partners on quicker more efficient routes to market and for bidders to return tenders.
- Work with supply chain in relation to any IT Tools that may reduce timelines on tasks involved in the procurement eg e-invoicing.
- Remove any processes that don't add value to the procurement process or find a better suitable alternative process if this is a step that's required.
- Continually review commodity categorisation to ensure the procurements are aligned with Business Units and the service requirements of our members.
- Identify commodities that could be grouped together in a broader commodity category as opposed to individual tenders.
- Identify any procurement legislation that allows for a quicker and more efficient procurement eg direct awards or dynamic purchasing systems.

- Work closely with procurement partners.

What Will The Outcome Be?

- Leaner processes and improved standard procurement documentation.
- Reduced time and resource allocation for certain procurements.
- ICT improvements that not only benefit procurement but other business units.
- Strategic, robust commodity categorisation that supports ever-changing requirements and work streams.

7.5 Promote SME inclusion and Economic Growth

Aims

Make procurement activity attractive to SME's wherever possible. Collaboration with SME's can fuel economic growth by creating job opportunities and innovation.

How We Will Do It

- For large procurements assess whether the requirements could be split into smaller lots to allow for greater SME participation.
- Market engagement with local supply chain including SME's making them aware of future upcoming opportunities.

What Will The Outcome Be?

- Greater inclusion of SME's in terms of tenders received and contracts awarded.
- Increased growth and economic success of SME's within the City Building supply chain.

7.6 Promote and Deliver Sustainable Procurement Across City Building

Aims

To be compliant with the Procurement Reform Act 2014 and it's Sustainable Procurement Duty. To facilitate, support and promote the benefits of sustainable procurement eg (circular economy, whole life costing, green technologies, targeted recruitment, community enhancement).

To provide best value for City Building and other Public Organisations such as GCC and WHG, and secure wider social, economic and environmental benefits.

To promote and support our strategic objectives, key priorities and policies.

How We Will Do It

- Continue to support and improve access to procurement opportunities for SME's, supported businesses, co-operatives and third sector, and in particular, RSBI our in-house partner and one of Europe's most successful supported businesses.
- Continued staff training on sustainable procurement.
- Consider sustainability issues at strategy stage of procurement and continue to support key objectives of City Building's Community Benefits Policy in order to deliver added value.
- Continue to utilise the Scottish Government's Sustainability test for tenders.
- Implement sustainability as contract conditions where applicable.
- Engage with our partner steering groups on this subject.
- Use procurement to support Glasgow's climate plan.
- Continue to support City Building's policies linked to sustainable procurement.

What Will The Outcome Be?

- Continue to demonstrate and deliver sustainable benefits to all relevant procurement exercises in-line with the objectives of the business and key stakeholders.
- Compliance with all legislation in-line with sustainable procurement.
- Improved accessibility to contracts for SME's, Social Enterprises and other sociable entities and partners in line with our Social Enterprise Scotland Buy Social Pledge.

8 - Collaborative Procurement Approach

The Procurement Team already has a good track record of collaborative procurement, offering its frameworks for other contracting authorities to utilise and using external frameworks to maximise buying power. The Procurement Team has engaged with key partners in the areas where we work, most notably Glasgow City Council (GCC) Corporate Procurement Unit (CPU).

As an associate member of Scotland Excel via Glasgow City Council, City Building has access to a wide range of corporate and capital frameworks. There is excellent synergy with the frameworks on Scotland Excel and the works undertaken by City Building. This access to framework contracts has delivered efficiencies and financial benefit to City Building and provides a quicker route to market for certain requirements. This is especially important in the fast-paced environment City Building works in for urgent operational client requirements. Examples include specialist light fittings for high profile projects on tight work programmes or key procurements that involve compliance with legislation such as the Fire Safety and Smoke Alarm Regulations 2022.

City Building considers collaborative Frameworks and opportunities if identified as the most appropriate route to market and proven to deliver best value for City Building. Consideration of external Frameworks will form part of all procurement strategies. Opportunities will be reviewed on a project-by-project basis and this ongoing activity has resulted in City Building utilising Frameworks implemented by the following procurement organisations during this regulated procurement period. External frameworks utilised as well as Scotland Excel are noted below:-

- Crown Commercial Services
- Procurement for Housing
- Cirrus Purchasing
- ESPO
- YPO
- KCS
- Procure-Plus
- IT G-Cloud

City Building Procurement will also actively take part in collaborative Procurement/Supplier events including Meet the Buyer events, National Framework User Intelligence Groups (UIG's), Government White Paper Conferences and Procurex Scotland ran by BIP Solutions.

9 - City Building/Wheatley Housing Group - Joint Working Procurement Principles

City Building operates within a joint 50/50 ownership arrangement between Glasgow City Council (GCC) and Wheatley Housing Group (WHG).

Both parties continue to work to find any procurement synergies across each procurement team. Whilst in the main City Building Procurement provides the core construction commodities regular communication and meetings are undertaken to identify any collaborative approach in terms of services contracts and potential combined work streams.

Any collaborations will be in-line with the procurement policies of each business.

10 - Savings/Contract Generated Rebates and Community Benefits

The Procurement Team can lead in trying to drive cost-savings across the business. This is undertaken by robust contract management and key market engagement.

The role of the Procurement Team is to report to Senior Management the actual state of current markets/commodities and provide real-time updates in order for business-critical decisions to be made.

The procurement team will continue to monitor all commodity markets and provide clear and concise risks and opportunities.

The Procurement team also plays the leading role in the collection of contract rebates which generate revenue for the business on an annual basis. There is a clearly defined audited process for this between City Building Procurement and City Building Finance.

This is same for community benefits and again all benefits collected are recorded in-line with an audited process.

For community benefits this is an internal audited process between City Building Procurement and (CBIT) Customer Business Improvement Team to monitor monies

provided by suppliers. All community benefit contributions made are fully reported to City Building finance.

City Building Procurement will continue to deliver community benefits policy by:-

- Where applicable Continue to include Community Benefits clauses in contracts eg 0.5% on annual spend of contract.
- Welcome all supplier innovation on Community Benefits including training opportunities, apprenticeships and support of City Building Community Benefit Projects and Programmes.

Details of City Building's approach to Community Benefits can be found at Appendix 3.

11 – Fair Work First/Practices

In line with our Scottish Business Pledge accreditation, City Building is committed to Fair Work Practices and to the Scottish Government's policy for driving good quality and fair work in Scotland. It is the role of the Procurement Team to promote this with our supply chain.

City Building expects to contract with suppliers/contractors who can demonstrate commitment to maintaining a well-managed, motivated and properly remunerated workforce by promoting fair work practices.

Fair work practices may form part of any City Building tender evaluation for any appropriate contract.

City Building procurement will continue to support fair work first/practices by:-

- Continue to consider using this element as part of the tender evaluation process.
- Monitor via KPI's.
- Continue to promote fair work practices and the living wage with all of the supply chain.
- Conduct regular contact with procurement partners on this topic.

As part of this strategy the procurement team notes the latest SPPN/01/2024 from the Scottish Government provided in May which outlines an updated approach on this topic.

Details of City Building's approach to Fair Work Practices can be found at Appendix 4.

12 - Supported Businesses

City Building is committed to facilitating the involvement of supported businesses where applicable in its procurement activities.

City Building's procurement policy and processes is in line with the Procurement Reform (Scotland) Act 2014 and our social ethos of "Building a Sustainable Future".

On an annual basis via the Annual Procurement Report City Building will report on any procurements during the period that involve an award of contracts to supported businesses.

City Building operates Royal Strathclyde Blindcraft Industries (RSBi) its own supported business employing 250 people, a minimum 50% of whom have a disability. As a purpose-built high-tech manufacturer of bespoke products, this supported business is in effect our internal manufacturing division and therefore supports the needs of all manufactured elements within City Building's operational activities to the approximate value of £5million per annum.

City Building does have an existing agreement in place with Glen craft, Aberdeen for the supply and delivery of Bed Springs and has utilised Dovetail Enterprises, Dundee for the supply and delivery of doors and North Lanarkshire Industries for the supply and delivery of bedding packs.

We work with local Social enterprises such as Spruce carpets and Total Homes as part of our Scottish Welfare Fund Contract and our other contracts with Local Community Housing Associations. We continue to seek opportunities to encourage and support social enterprises to become part of our supply chain.

City Building procurement will continue to support supported businesses by:-

- Continue to identify opportunities where such enterprises can tender for work.
- Strategise procurement route in support of such enterprises if an opportunity exists for them to be involved in the procurement.

13 – Monitoring, Reviewing and Reporting on the Strategy

The strategy objectives will be monitored via an action plan and the annual procurement report.

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

- City Building Boards
- City Building Executive Management Team
- Team Procurement Group

The above groups will facilitate the escalation of any issues that may prevent the delivery of the desired outcomes.

City Building procurement will also engage with stakeholders to define further meaningful targets.

The delivery of the action plan will demonstrate the effective implementation of the City Building Procurement Strategy.

This strategy will be reviewed to ensure continued alignment with City Building objectives and priorities. Any significant changes will be reported in the first instance to the City Building Executive Team.

14 – Policies, Tools and Procedures

Processes and Procedures

City Building's Standing Orders Relating to Contracts and Procurement Manual apply to all contracts made by or on behalf of City Building for the execution of works, for the supply of goods and materials, or for the provision of services.

The Standing Orders Relating to Contracts are subject to the over-riding provisions of public procurement law and the application of guidance that may be issued from time to time.

The Standing Orders Relating to Contracts shall not be applied to procurement activity delivered by a central purchasing body which City Building has collaborated with or calls from a framework.

Policies

The majority of procurement activities will continue to support and promote relevant policies, within the following procurement processes and procedures:

- *Real Living Wage*
- *Health and Safety*
- *Equalities*
- *Environmental*
- *Community Benefits*
- *Sustainable Policy*
- *Corporate Social Responsibility*

How to do business with City Building

City Building are pleased to hear from new and existing suppliers who are interested in tendering for business. However we do not maintain an Approved List of Suppliers. Any company interested in conducting business with the City Building must be registered with and in a position to submit their responses using electronic tendering portals as detailed below:

Registering for Tender Opportunities

Public Contracts Scotland Tender (PCS-T)

<https://www.publictendersscotland.publiccontractsscotland.gov.uk/web/login.html>

Public Contracts Scotland (PCS)

<https://www.publiccontractsscotland.gov.uk/login.aspx>

15 - Work Plan

The Procurement Work Plan sets out the contracts to be undertaken by the Procurement Team.

This is a list of upcoming procurement activity including re-tenders, extensions, and new activity.

The procurement Team will deliver the goods, services and works required by the business by utilising existing contracts, new contracts tendered direct by the business and external frameworks.

The Work Plan is noted at Appendix 2.

16 - Lookahead 2024-25

City Building Procurement will continue to support the needs of the business as a support section for other areas in the next year. Now that the business plans have been signed off – 5 years for City Building, 3 years for City Building (Contracts) – City Building procurement will look to see where it can support in the delivery of these plans outlined. As well as procurements noted in the workplan there will likely be procurements required to support operations in terms of new education upgrades, the community hub in Baillieston, NRS Depot redevelopment as well as other works for both Glasgow Life and HSCP. Early engagement will be required with key stakeholders to enable City Building procurement to understand the full requirement/scope and to support in the delivery timescales for these projects.

The biggest procurement the procurement team undertakes for the business – the Construction and Trades Sub-Contractor Framework – has been live during the reporting period. It is hoped with the award of this estimated to be in May 2024, it will allow more resource and time to be allocated to other outstanding procurements.

It is also hoped in the next year the procurement team will grow by recruiting new members to the team. The recruitment of procurement staff at different levels has been particularly challenging for City Building and across the sector as a whole. The addition of new resources will allow a much more targeted approach to tackling the workplan. Furthermore, existing staff will be upskilled with more robust training programmes put in place so the procurement team is constantly evolving.

Appendix 1

Awards – Regulated procurements delivered in the last 12 months which are shown on the City Building contracts register.

Procurement/Contract Title	Awarded Value	Procurement Route	Award Date
Velodrome Lighting	£385,291	National Framework	March 2023
Elderpark Library Lighting	£72,168	National Framework	April 2023
Supply and Delivery of Disabled Adaptations	£600,000	National Framework	April 2023
Toryglen Football Centre Lighting Upgrade	£150,452	National Framework	August 2023
Provision of Microsoft Licenses and Related Services	£932,731	National Framework	September 2023
Supply of White Goods and Small Appliances	£10,364,484	Tender Process	September 2023
Emirates Sports Arena Lighting	£459,288	National Framework	November 2023
Supply and Delivery of Electrical Materials – Lot 1 – Cable and Cable Management	£1,731, 343	National Framework	December 2023
Supply and Delivery of Electrical Materials – Lot 2 – Wiring Accessories and Circuit Protection	£369,607	National Framework	December 2023
Supply and Delivery of Electrical Materials – Lot 3 – Heating and Water Heating	£1,842,595	National Framework	December 2023
Supply and Delivery of Electrical Materials – Lot 4 – Ventilation	£238,494	National Framework	December 2023
Supply and Delivery of Electrical Materials – Lot 5 – Safety Detectors and Thermostats	£2,036,055	National Framework	December 2023
Supply and Delivery of Electrical Materials – Lot 6 – Lamps	£135,574	National Framework	December 2023
Supply and Delivery of Electrical Materials – Lot 7 – Light Fittings and Accesories	£1,470,978	National Framework	December 2023

Appendix 2

Future Procurements (Work Plan)

Procurements expected to be undertaken in the next 48 months. It should be noted that further procurements may be undertaken but not yet confirmed. These will be driven by operational work plans and client requests.

Procurement/Contract Title	Estimated Value (Over 4 years)	Procurement Route	Estimated Delivery
Sub-Contractor and Trades Framework	£500m	Open Competition	2024
Supply and Delivery of Building Materials	£4m	National Framework	2024
Supply and Delivery of Specialist Ironmongery for Furniture Manufacture (RSBi)	£4.5m	Open Competition	2024
Supply and Delivery of RSBi Furnishing Materials (Including foams, fillings, fabrics and linens)	£3.5m	Open Competition	2024/25
Supply and Delivery of Plumbing Materials	£10m	National Framework	2024
Supply and Delivery of Gas Installation Materials	£8.8m	National Framework	2024
Supply and Delivery of Gas Maintenance Materials	£2.4m	National Framework	2024
Supply and Delivery of Timber Derived Products (Including Pine, Ply, Birch, OSB, CLS and Ply Doors)	£14m	National Framework	2024
Supply and Delivery of Worktops MFC, MDF, Edging, CMD	£1.5m	Open Competition	2024
Provision of Storage Facility and Services	£1.1m across both City Building and WHG	Open Competition/Joint Procurement with WHG	2025
Supply & and Delivery of Household Goods	£2m	National Framework	2024/25
Supply and Delivery of Public Relations, Marketing and Digital	£120,000	Open Competition	2024

Supply and Delivery of DGUs and Glass Associated Products	£1.2m	Open Competition	2024
Supply and Delivery of Fire Fighting Equipment	£200,000	National Framework	2024
Supply and Delivery of Decorating Materials	£1.2m	National Framework	2024
Supply and Delivery of PVCu Window and Door System Profiles, Materials and Associated Products	£1m	Open Competition/	2024
Supply and Delivery of General Ironmongery & Associated Items	£2.8m	National Framework	2024
Agency Labour & Recruitment	£6m	National Framework	2024/25
Vehicle Fleet Provision and Support Services	£12.5m	Open Competition	2025
Supply and Delivery of Flooring and Associated Items	£8.5m	Open Competition	2024/25
Provision of Statutory Audit and Financial Services	£300,000	National Framework	2024/25
Provision of Asbestos Survey Services	£200,000	National Framework	2024
Asbestos Air Testing and Analytical Services	£200,000	National Framework	2024
Fuel Cards	£450,000	National Framework	2025
Information and Communications Technology (ICT) Contracts			
IT Research	£100,000 (Over 3 years)	National Framework	2024
Remote Base Data Support	£150,000 (Over 3 years)	National Framework	2024
ICT Strategy & IT Operating Model Review	£180,000 (Over 2 years)	National Framework	2025

Community Benefits

City Building requests community benefits on a mandatory basis for tender opportunities.

City Building has a strong reputation for social values. At City Building where we are “Building a Sustainable Future”, we are providing skills to the workforce of tomorrow and generating true economic and sustainable benefits in our local communities and beyond.

We are committed to:

Delivering lasting employment opportunities to local people, including those with a disability and/or from minority groups.

Engaging directly with local community groups, organisations and other agencies to ensure we maximise opportunities to improve local areas and overall well-being.

Combining commercial success with socially and environmentally responsible practices by giving life changing opportunities to those far removed from the labour market.

Our strong commitment to sustainable development will ensure that we continue to leave positive and lasting legacies for future generations and inspire transformations in local communities.

City Building expects the supply chain partners to deliver a range of community benefits meeting City Building’s priorities in partnership with City Building, to maximise the added benefit from the contract.

Community Benefits where applicable may be mandatory on a Pass/Fail basis and will therefore not be evaluated as part of the tender evaluation. Community benefits will therefore be a contractual requirement and form part of the awarded contract. The successful bidder will be obliged to deliver their commitments. This element will be monitored continuously throughout the contract life and measured via KPI’s.

Bidders may have to commit to paying 0.5% of the annual income derived from this contract with City Building to Community Benefits the detail of which to be determined by City Building, acting reasonably, following constructive discussions with the successful bidder.

In tender opportunities City Building may ask Community benefits to be a Pass/Fail question.

Key Community Benefits over the period are:-

- **31 local communities benefitting**
- **£50,947 contributed to local charities**
- **98% of request for support approved**
- **1550 hours of volunteering donated**

Fair Work Practices

City Building committed to best value by:

- securing continuous improvement in the performance and delivery of its functions
- maintain an appropriate balance between quality and whole life cost
- having regard to efficiency, economy, effectiveness and equal opportunities and
- contributing to sustainable development

To help ensure best value in the performance and delivery of this contract City Building Glasgow expects to contract with an employer who can demonstrate commitment to maintaining a well-managed, motivated and properly remunerated workforce by promoting good workforce practices.

City Building has adopted policies which help to meet these requirements for its own workforce. This includes:

- supporting the Glasgow living wage by guaranteeing a minimum standard of income for all City Building Employees. For further information on Glasgow's living wage please see the following link at www.glasgowlivingwage.co.uk
- a wide range of staff training and development opportunities
- flexible working hours
- offering an employee assistance scheme
- a strong commitment to Modern Apprenticeships
- no inappropriate use of zero hours contracts
- a commitment to equality of opportunity, in recruitment and progression, for all and particularly underrepresented groups in the construction industry such as women, minority and ethnic and the disabled.

In a tender evaluation Fair Work Practices may equate a percentage of the award weighted criteria. This will be evaluated by an appropriate nominated City Building representative.

Glossary of Terms***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.

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 City Building, to give City Building the ability to accurately describe the primary business activities of its suppliers.

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 social, economic and environmental conditions into the delivery of City Building contracts.

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.

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).

Small and Medium-sized Enterprises (SMEs)

Enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding 50 million euro, and/or an annual balance sheet total not exceeding 43 million euro.

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.

Stakeholder

Any person or group, who has a vested interest in the success of the procurement activity, i.e. 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 organisations or associations.

Whole-life Costing

Whole life costing is a technique which takes into account the total cost of ownership of a product or service over its lifetime, from concept through to disposal including purchase, hire or lease, maintenance, operation, utilities, training and disposal.

Work Plan

List of upcoming procurement activity including re-tenders and new activity.