PROCUREMENT STRATEGY FOR FINANCIAL YEAR 22/23
PROCUREMENT STRATEGY

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1. PURPOSE

This document sets out Procurement Office, road map strategy for the period of 2018 to 2023 and sets our objectives through the Balanced Scorecard for FY2022/23, which is reviewed and updated annually.

The University has a non-pay expenditure of c£320m across goods and services from external providers each year. The University of Glasgow Court requires the institution to be fully compliant to procurement regulations. All spend is required to deliver best value for money in compliance to agreed budgets.

2. PROCUREMENT OFFICE ROLE

To provide professional, qualified procurement expertise, advice and services for all spend with external suppliers; in compliance with legislative requirements including the Public Contract (Scotland) 2015 Regulations, the Procurement Reform Act 2014, the Procurement (Scotland) Regulation 2016 and the University Procurement Policy.

We will procure all Goods, Services and Works, with high ethical standards by applying principles of sustainable procurement. Sustainable Procurement is a process whereby the University meets its needs for Goods, Services and Works in a way that achieves value for money on a whole life cost basis, generating benefit not only to the University, but also with consideration to Social, Economic and Environmental factors.

3. UNIVERSITY STRATEGY 2020-2025

World Changers Together: World Changing Glasgow 2025.

The Strategy 2025 responds to four major challenges facing higher education and wider society:

- Building a sustainable future
- Creating a fairer society
- Reimagining the learning experience
- Diversifying the student body

The University’s vision is to be The World-Changing University. Our purpose is transforming lives through ideas and actions. Our mission is to bring a community of world changers together.

The future holds innumerable challenges for our sector, our society and our world and we will have to adapt and change what we do and what we offer if we are to navigate these successfully. Our strategy and approach may evolve as the landscape changes, but our values will remain constant:

- Ambition & Excellence
- Curiosity & Discovery
- Integrity & Truth
- An Inclusive Community
The strategy supports the long-term realisation of our vision by recognising the fundamental importance of a culture of open cooperation and is articulated across three themes:

- Community: people centered, globally engaged
- Connectivity: collaboratively minded, digitally enhanced
- Challenges: solution focused; impact oriented

Key to the realisation of our vision is our continuing success within the six strategic pillars of a world-changing University:

- World-Class Research
- Outstanding Teaching
- Lasting Impact
- Global Perspective
- Life-Changing Experiences
- Inspiring People
4. HOW THE PROCUREMENT TEAM ALIGNS WITH THE UNIVERSITY STRATEGY

This provides the strategic intent from the University Vision, Values and Key Themes and demonstrates how the Procurement Office contributes and supports the University Strategy 2020-2025: World Changers Together, as a team and individually.
5. OBJECTIVES

To support the University to achieve its strategic vision and its day-to-day operation by delivering professional procurement solutions to our stakeholders who include management, academics, researchers and students through our 8 core values that are fully embedded in all aspects of our service:

1. Governance
2. Compliance with Regulations
3. Efficiency and Effectiveness
4. Sustainable Procurement
5. Risk Management
6. Stakeholder engagement
7. Performance
8. Brand Professionalism

5.1 Governance

We will commit to support the delivery of the University of Glasgow Strategy 2020-2025: World Changers Together. We will maintain and enhance the Procurement Policy. We will maintain and enhance the Procurement Strategy.

TARGETS

- Clear alignment of the Procurement Strategic Intent with the University Vision, Mission and Strategic Objectives.
- Review / refresh of the Procurement Policy.
- Review / refresh of the Procurement Strategy and notify the Scottish Ministers.
- Review / refresh of the Contract & Supplier Relationship Development (C&SRM) Policy.
- Annual review / refresh of Procurement’s Balanced Scorecard.
- Annual review / refresh of Road Map.
- Annual review / refresh of Modern Slavery Act 2015 Statement.
- Publication of the Annual Procurement Report on the Procurement Office web page and notify the Scottish Ministers.

5.2 Compliance with Regulations Objectives

We will deliver a best-in-class professional service with quality output compliant with policies and ethics and Procurement legislation and regulations. To provide guidance to key Stakeholders to achieve best practice and improve governance.

TARGETS

- Compliance with rules and regulations, Public Contracts (Scotland) Regulations 2015, the Procurement Reform Act 2014, and the Procurement (Scotland) Regulations 2016.
- Measure against target of 95% compliant spend to rules and regulations (Monthly compliance dashboard Report).
- Review/refresh of all policies and procedures as required to capture new regulations and SPPNs.
- 100% completion of annual declaration form for use of Contractors for personal use by all Procurement team.
• 100% completion of online anti-bribery act training by all Procurement team.
• All conflict of interest recorded and registered on the Core portal.
• Modern Slavery Act 2015 statement included in Procurement Policy and published on web page.
• 24-month tender activity plan communicated through Annual Procurement Report.
• Publication of the Annual Procurement Report on the Procurement Office web page and notify the Scottish Ministers.
• Publication of the University Procurement Contracts register on the Procurement Office web page.
• Publish all tender requirements on the Public Contract Scotland (PCS) portal and Find a Tender Service.

5.3 Efficiency and Effectiveness Objectives

To create an environment in which the University obtains the best possible value for money for all non-pay expenditure and increase Framework / Contract compliance. To create, communicate and embed contractual Framework / Contracts Agreements that are fit for purpose. To create a benchmarking opportunity across a key, spend area.

TARGETS
• Total savings benefit of £5m, measurement aligned to Scottish Government’s Procurement Benefit Reporting Guidance (Savings code BT1).
• Total saving benefit of £1.5m measurement aligned with the University i.e., old cost versus new cost (Savings code BT1R).
• Category Strategies for FY21/22 for all spend areas.
• Annual declaration on the private use of Contractors completed by all Procurement team.
• Training on anti-bribery and corruption online completed by all Procurement team.
• Effective training / guidance for all Purchasing Officers.
• Effective training / guidance for all Purchasing Card holders.
• Effective monitoring on risk for all strategic Suppliers.
• Promote Framework Agreements and Contracts that are in place / maintained, that provide as a priority easy, simple, cost-effective route to market.
• Collaborative engagement on transformation programmes including the P2P project.

5.4 Sustainable Procurement Objectives

To apply principles of responsible / sustainable procurement across all spend. Integrate Circular Economy, Corporate Social Responsibility, Fair Work First, Community benefits, Supported Businesses, Sustainability Code of Conduct, CIPS, Anti-bribery & Corruption, ethical sourcing, environmental, climate and circular economy considerations across procurement practices. To positively contribute to the University Climate Change targets.

TARGETS
• 100% compliance with Code of Conduct Sustainable for all tenders greater than £50k
• Promote Living Wage Compliance.
• Promote FairWork First.
• Engagement and promote Electronic Watch.
• Annual completion of the Marrakech Categorisation.
• Annual review / refresh of the DEFRA Tool.
• Ringfence spend to engage with Supported business.
• Measure and monitor Social Value / Community Benefits where appropriate.
• Support annual review / refresh of the Modern Slavery Act 2015 Statement.
• Sustainability Training for all Procurement team as required.
• 120 high risk Suppliers measured through EcoVadis Sustainability Programme.
• Support Multiplex our Programme Delivery Partner (PDP) to ensure all Tier 1 Contractors are validated through EcoVadis sustainable rating.
• Share best practise Sustainable Procurement Programme across Government and other Public Sector Organisations.
• Take account of climate and maximise the use of circular economy approaches in all Procurement activity.
• Collaborative engagement with budget holder and Procurement in the early development stages of projects to enable decisions on whether to buy; what you buy and how you buy.
• Support and encourage transitioning to ultra-low emission fleets, renewable energy and heat, and low carbon buildings and materials in all tenders where appropriate.

5.5 Risk Management Objectives

We will champion risk management ensuring that we effectively manage, monitor and control all internal and external supply chain risks.
To create a supplier risk profile for key strategic suppliers.
To create a commodity and category risk matrix.

TARGETS
• Communication and provide training for the online Procurement Dashboard, capturing all spend across the University.
• Pre-alert warning on financials for all key strategic agreements through Dun & Bradstreet.
• Quarterly reports created for the Executive Director of Finance measuring compliant spend.
• Monthly Procurement expenditure reports to be communicated to all Heads of Finance, Colleges, Schools, Institutes and Services areas.
• Effective management of Risk Register for the Procurement team aligned with the University format.
• Effective management and monitoring of Procurement Policy Exception (PPE) forms.
• Actively monitor contract expiry to ensure agreement coverage for key, complex and critical spend across the organisation.
• Completion of Freedom of Information (FOI) requests on time.

5.6 Stakeholder Objectives

We will work in collaboration with our key stakeholders both internal and external government bodies to provide procurement solutions to achieve agreed target aligned with procurement policy.
To provide effective service on processing Purchasing Cards across the business.
Effective interface and engagement with Suppliers.
Effective interface and engagement with Internal Stakeholders.

TARGETS
• Annual engagement with Heads of College by Head of Procurement.
• Annual meetings with Heads of Finance regarding budgets for their area of responsibility.
• Deliver Procurement training to Purchasing Officers, as required.
• Deliver Purchasing Card training for all new requests.
• Request Procurement survey feedback from stakeholders on all published Find a Tender Service completed in FY 21/22.
• Creation of Tailored College Performance at A Glance (PAAG) reports across all areas communicated quarterly sent to all Heads of Finance.
• Effective engagement and consultation with all Colleges/Services on the Procurement Strategy document.

5.7 Performance Objectives

We commit to measure, manage and improve key strategic supplier performance to ensure value assurance is delivered as per Tender commitment. To create a supplier leader board based on performance for key strategic suppliers. To setup supplier workshops on performance management. We commit to measure, monitor and improve the University of Glasgow’s PCIPS ratings. We commit to measure the individual performance of the Procurement Team members.

TARGETS
• 30 key strategic suppliers monitored through our Contract & Supplier Relationship Management (C&SRM).
• Establish a Supplier Leader Board for Estates and Commercial Services.
• Maintain or enhance Ranked No.1 for PCIPS.
• Maintain or enhance CIPS Procurement Excellence standard award.
• 100% completion of annual Performance and Development Review (P&DR).
• 100% completion of annual skills audit template per individual team member.
• 100% completion of all audits targeted for spend less than £25k.

5.8 Brand Professionalism Objectives

We will build our credibility and enhance our reputation acting with integrity as a professional Procurement Team. Individual CIPS qualification for all Category Managers. Continuous Development of the Procurement team to enable delivery of Procurement best practices. Understand clear annual performance targets.

TARGETS
• Positive engagement to achieve MCIPS for all Category Managers.
• Creation of individual development plans for all Procurement team members.
• Positive engagement and participation at all Finance team meetings.
• Positive engagement and participation at all Estates Operational Management meeting.
• Positive engagement and participation at all Sustainable Working Groups meetings.
• Positive engagement and participation at all Glasgow Student Village (GSV) Operational meetings.
• Positive engagement and participation at all College Finance and Purchasing HUB meetings.
• Positive engagement, support and contribution to the P2P project.
6. EXPENDITURE DATA

The University of Glasgow spends c£320m per annum, with 100% of all spend processed through the finance system “Agresso”.

Principal operations
Study and research are grouped into four Colleges which are made up of broadly related Schools and Research Institutes. The Colleges are:

- College of Arts.
- College of Medical, Veterinary and Life Sciences.
- College of Science and Engineering.
- College of Social Sciences.

University Services which include Estates & Commercial Services has the largest budget.

FY21-22 Non-pay Expenditure Data

100% of spend processed through Agresso
7. ROAD MAP

The University of Glasgow Procurement Office contributes significantly to the University Strategy of being the World Changing University. The Procurement Office “Road Map” sets out 3 key phases to achieve excellence.

<table>
<thead>
<tr>
<th>Phase 1 2018-2020</th>
<th>Phase 2 2020-2022</th>
<th>Phase 3 2022-2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer of Choice</td>
<td>Leadership and Influence in HE Sector</td>
<td>High performance Procurement team recognised globally</td>
</tr>
<tr>
<td>Continuous Development of Procurement Team Skills</td>
<td>All Category Managers MCIPS</td>
<td>Effective Leadership with potential to provide Consultancy Services</td>
</tr>
<tr>
<td>Support Organisational Change to Maximise Efficiency and Effectiveness</td>
<td>Maximise Efficiency &amp; Effectiveness and Value for Money</td>
<td>Excellence Efficiency and Effectiveness for all non-pay expenditure</td>
</tr>
<tr>
<td>Embed Sustainable Procurement through CIPS Sustainability Rating</td>
<td>EcoVadis Sustainability Rating with 100 Suppliers identified as high risk</td>
<td>Excellence Sustainable Review CIPS Award Status</td>
</tr>
<tr>
<td>Re-validation of CIPS Procurement Excellence Standard Award January 2018</td>
<td>Maintain or enhance CIPS Procurement Excellence Standard Award</td>
<td>Increased Remit and Opportunities for Procurement Team</td>
</tr>
<tr>
<td>Embed Category Management</td>
<td>Deeper Category Knowledge</td>
<td>Effective Agile Leaders</td>
</tr>
<tr>
<td>Embed C&amp;SRM &amp; Supplier Workshops</td>
<td>Maintain or enhance No.1 Ranked PCIPS rating</td>
<td>Agile Procurement structure to align with the University Vision</td>
</tr>
<tr>
<td>External Focus including: networking, training, conferences</td>
<td>Enhanced Reporting</td>
<td>Excellence Procurement Brand / Professionalism</td>
</tr>
<tr>
<td>Improved Reporting</td>
<td>Leaders in implementing Brexit Impact</td>
<td>Excellence Reporting</td>
</tr>
<tr>
<td>Understand and Mitigate Brexit Impact</td>
<td>Opportunity for potential secondment</td>
<td>Excellence subject matters experts on BREXIT impact on Procurement</td>
</tr>
<tr>
<td>Engagement with HUB’s for lower risk tendering to allow focus on Strategic Category Management</td>
<td>for HUB PURCHASING OFFICER(s) within the Procurement team</td>
<td>Excellence collaboration and alignment with HUB structure</td>
</tr>
<tr>
<td>Embed Stakeholder Mapping</td>
<td>Effective Leadership for Stakeholders</td>
<td>Excellence Relationship Management</td>
</tr>
<tr>
<td>Embed Supply Chain Mapping</td>
<td>Deeper Knowledge of Sub-Contractors</td>
<td>End to End Supply Chain Mapping</td>
</tr>
<tr>
<td>Refresh Contract Agreements</td>
<td>Market Leading Contract Agreements</td>
<td>Excellence Contractual Agreements</td>
</tr>
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</table>

2 YEARS 2 YEARS 1 YEAR
8. UNIVERSITY STRUCTURE

Stakeholder Engagement

University Services

<table>
<thead>
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<th>University Services</th>
<th>Strategy &amp; Planning</th>
<th>External Relations</th>
<th>World Changing Glasgow Transformation</th>
<th>Finance</th>
<th>Human Resources</th>
<th>Estates</th>
<th>Commercial Services</th>
<th>Research and Innovation Information Services</th>
<th>Hunterian Museum and Art Gallery</th>
<th>Student &amp; Academic Services</th>
</tr>
</thead>
</table>

9. PROCUREMENT INFORMATION COMMUNICATION TECHNOLOGY (ICT) Strategy

All spend is processed through the finance system Agresso. The Procurement Office ICT Strategy.

<table>
<thead>
<tr>
<th>Information Share information about:</th>
<th>Communication Internal and External Communication:</th>
<th>Technology IT Toolkits:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procurement Office Web page</td>
<td>Vision</td>
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<tr>
<td>Policy</td>
<td>Mission</td>
<td>E-Procurement Paraballis</td>
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<td>Strategy</td>
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<td>Tender Viewer</td>
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<td>Procedures</td>
<td>Public Contract Scotland</td>
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<td>Processes</td>
<td>APUC SharePoint</td>
<td>EcoVadis Sustainability Rating</td>
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<td>Contracts Register</td>
<td>G-Cloud</td>
<td>Hunter</td>
</tr>
<tr>
<td>Procurement Training</td>
<td>The Scottish Government</td>
<td>Dun &amp; Bradstreet</td>
</tr>
<tr>
<td>Information for Suppliers</td>
<td>Gov. UK (Crown Commercial Service)</td>
<td>Construction line</td>
</tr>
<tr>
<td>Documentation Control Templates</td>
<td>APUC</td>
<td>Public Contracts Scotland</td>
</tr>
<tr>
<td>Guidance</td>
<td>Procurement web page</td>
<td>Qlikview Procurement Dashboard online</td>
</tr>
</tbody>
</table>

10. PROCUREMENT STRATEGIC SOURCING JOURNEY >£25K

All spend >£25k is procured by the Procurement Office. The procurement strategic sourcing journey demonstrates the process conducted by all Procurement team members to ensure we will:

- Comply with the Public Contract (Scotland) 2015 Regulations, the Procurement Reform Act 2014, the Procurement (Scotland) Regulation 2016 and any other Directives.
- Take account of climate and circular economy considerations in all Procurement activity.
- Deliver open honest fair and transparent competition.
- Deliver the most economically advantageous tender (MEAT).
- Reduce the administration burden for all stakeholders during the tender process.
- Drive the right solutions to support the University’s vision.
- Deliver maximum Efficiency and Effectiveness, value for money that is the optimum combination of whole life cost and quality to meet the end user’s requirement.
- Promote eProcurement transaction process as appropriate.
Procurement Office will review this document annually and in line with the University of Glasgow’s Strategic Vision. For any questions or further information relating to this document, please contact Procurement Office at procurementhelpline@glasgow.ac.uk.
11. HOW WE PAY

NO PURCHASE ORDER NO PAYMENT

Payment terms and practices
It is our policy to pay all suppliers in accordance with agreed payment terms as set out in their contractual agreement or the University of Glasgow Purchase Order (PO). Standard payment terms will be made within thirty (30) days of receipt of a valid invoice by the University on the basis of:

1. Accurate & timely invoices
2. Valid Purchase Order number on each invoice
3. VAT on all invoices where applicable
4. E-invoicing capability as a minimum PDF invoices for all Suppliers (Target XML).

Estates & Commercial Services payment process

Applications, Invoicing and Payment Terms

The Contractor will be required to submit applications for payment in arrears for works completed to the satisfaction of the University in accordance with the Terms & Conditions. All applications for payment are to be agreed prior to submitting invoices. Value Added Tax, where applicable, shall be shown separately on all invoices as a strictly net extra charge. Each invoice shall be uniquely identified and shall specify the following minimum information:

MANDATORY
• Account Number
• Reference number
• ITEM Reference No. in pricing schedule
• Charges and total due including a deduction for any applicable discounts
• Total value excluding VAT
• Grand total

Invoices without all relevant information will not be processed. Payment will be made to the Contractor within 30 days of receipt of a valid application supplemented with an invoice.

12. LIVING WAGE EMPLOYER

The University of Glasgow is proud to be an Accredited Living Wage employer. This means:
- We are committed to paying all employees at least the Living Wage.
- We ensure that all casual workers engaged directly by the University are paid at least the Living Wage.
- We have set up our procurement procedures to ensure that we engage with contractors and potential contractors to encourage them, as far as possible, to also pay the Living Wage to people regularly working on our premises.
13. ELECTRONICS WATCH

The University is a member of Electronics Watch. Electronics Watch is an independent monitoring organisation that assists public sector buyers to meet their responsibility to protect the labour rights of workers in their global electronics supply chains more effectively and less expensively than any single public sector buyer could accomplish on its own.

14. SOCIAL VALUE / COMMUNITY BENEFITS

For every procurement over £4m, the University will consider how it can improve the economic social or environmental wellbeing of its area through inclusion of community benefit clauses, to assist with achieving sustainability in contracts’ activity, including targeted recruitment and training, small business and social enterprise development and community engagement. Where possible, relevant and proportionate, and where they are considered not to have a negative impact on the delivery of value for money, such clauses may be included in regulated procurements valued at below £4m.

15. HEALTH & SAFETY

Promoting compliance by contractors and sub-contractors with the Health and Safety at Work etc. Act 1974 (c.37) and any provision made under that Act.