PROCUREMENT STRATEGY
FOR FINANCIAL YEAR 2018/19
PROCUREMENT STRATEGY

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1. PURPOSE

The University has a non-pay expenditure of £200m across goods and services from external providers each year. The University of Glasgow Court requires the institution to be fully compliant to EU procurement regulations. All spend is required to deliver best value for money in compliance to agreed budgets. This document sets out Procurement Office, roadmap strategy for the period of 2018 to 2023 and sets our objectives through the Balanced Scorecard for FY2018/19, which is reviewed and updated annually.

2. OUR ROLE

To provide professional, qualified procurement expertise, advice and services; for all spend with external suppliers; in compliance with the Public Contract (Scotland) 2015 Regulations, the Procurement Reform Act 2014, the Procurement (Scotland) Regulation 2016 and any other EU Directives. We will procure all goods, services and works, with high ethical standards focussed on social, economic and environmental considerations by applying principles of sustainable procurement. As part of our role we will:

- Develop, promote and implement appropriate procurement strategy, category procurement strategies and procedures.
- Deliver maximum value for money (VFM) the optimum combination of whole life cost and quality to meet the end user's requirement.
- Maintain or enhance PCIPS ranked No.1 performance assessment.
- Maintain or enhance Chartered Institute of Procurement and Supply (CIPS) Corporate Certification valid until 01/2018.
- Maintain or enhance CIPS Sustainable Procurement Review GOLD Award valid until 03/2019.
- Identify high risk categories through both Marrakech and DEFRA.
- Measure and monitor high risk Suppliers through CIPS Sustainability Index (CSI) rating.
- Measure and monitor that modern slavery and human trafficking is not taking place in any parts of the University’s supply chain.
- Advertise all tender opportunities greater than £25k on Public Contracts Scotland portal (including mini-competitions and quick quotes).
- Compliance to Sustainable procurement duty.
- Embed relevant and proportionate sustainability requirements in the development of frameworks and contracts.
- Promote and engage in the implementation of relevant technology solutions, including e-procurement, to minimise purchase to pay costs.
- Create and embed optimum procurement strategies across the University in consultation with stakeholders.
- Engage effectively with Centres of Expertise, Scottish Government and APUC in relation to issues of policy, practice, information sharing and collaboration.
- Act as a central point of contact for University staff and our external suppliers in relation to all procurement and supply chain related topics.
- Embed Contract & Supplier Relationship Management (C&SRM) with key strategic suppliers and mitigate supplier risk to the University.
- Maintain a comprehensive Contract Register.
- Maintain Procurement Policy Exception Register.
- Maintain Procurement Tender Register.
- Maximise Community Benefits where appropriate and measure and monitor result.
• Measure and report procurement performance, including Best Practice Indicators (BPIs).
• Co-ordinate training development of procurement officers and Purchasing Card holders.
• Conduct market engagement and research.
• Compliance to Supplier Charter.
• Compliance to General Data Protection Regulation (GDPR).
• Compliance to Equality Act 2010 and Scottish Public Sector Equality Duty.
• Compliance to Bribery Act 2010.
• 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.
• Promote Fairtrade.
• Promote Workforce Matters (Living Wage) in alignment to statutory guidance.
• Promote and enable where possible, supported businesses and SMEs to share and grow in the market.
• Fully support internal audit of devolved responsibility of spend less than £25k, external audit of suppliers for compliance to contracts, and audits of the Procurement Office by internal auditor PWC, and/or external funders to the University.
• Key role as a member of University Sustainability Working Group.
• Key role as a member of University Finance management team.
• Key role as a member of the Glasgow Student Village (GSV) Operations Board.
• Key role as a member of the Estates and Commercial Services Efficiency Programme meetings.
• Key role as a member of the Operational Board meetings between University of Glasgow and Multiplex.
• Leading procurement role in University’s capital programme circa £530m investment (2015 – 2025).
• Mandatory use of the APUC Code of Conduct for all tenders greater than £50k.
3. UNIVERSITY STRATEGY 2015-2020

Inspiring People – Changing the World
In 2015 the University published its current 5-year strategy, Inspiring People – Changing the World. The strategy articulates a vision for the University – to be a world-class, world-changing university, complementing the University’s mission to bring inspiring people together and create a world class environment for learning and research, empowering staff and students alike to discover and share knowledge that can change the world. The strategy is articulated across three key sections:

People: the University wants to be regarded among the very finest higher education institutions in the world. For that to happen, it needs to attract the best of the best – staff and students alike. The people section details the University’s strategy to attract world-class staff and talented students from every corner of the globe, and connect with the finest minds worldwide through international partnership and cooperation.

Place: The University wants to provide an internationally excellent environment which inspires its staff and students as world-class learners, researchers and professionals. The place section details its vision for world-class supporting infrastructure realised through cutting edge facilities, best in class systems and outstanding professional support functions.

Purpose: The University exists to discover world-changing knowledge and then share it with students and society at large. The purpose section articulates its vision for internationally excellent teaching, globally significant research, and local and global civic engagement that has tangible benefits and impact for communities. Inspiring People identifies 9 primary and 13 secondary key performance indicators (KPIs) to assess the University’s progress and performance over the 2015 – 2020 strategic period. The KPIs encompass research, the student experience, internationalisation, staff satisfaction, financial health and efficiency of the estate.

University commenced its Campus Development Programme in 2017 to invest £530m over the next 10 years.

Implementation: The ambitions of our strategy require a step change in our culture and the way we work. We have created three key work streams, each led by a member of senior management, and drawing on staff resources across the University, to drive the strategic change necessary to secure our world-class status.
4. SPEND DATA

The University of Glasgow spend c£200m 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.
5. ROAD MAP

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

<table>
<thead>
<tr>
<th>EMBED</th>
<th>LEADERSHIP</th>
<th>EXCELLENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Phase 1 2018-2020</strong></td>
<td><strong>Phase 2 2020-2022</strong></td>
<td><strong>Phase 3 2022-2023</strong></td>
</tr>
<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>Embed Sustainable Procurement through CIPS Sustainability Rating</td>
<td>CIPS SI Rating Sustainability Targets increased to 80%</td>
<td>Excellence Sustainable Review CIPS Award Status</td>
</tr>
<tr>
<td>Support Organisational Change to Maximise Efficiency and Effectiveness</td>
<td>Maximise Efficiency &amp; Effectiveness</td>
<td>Excellence Efficiency and Effectiveness for all non-pay expenditure</td>
</tr>
<tr>
<td>Re-validation of CIPS Corporate Certification January 2018</td>
<td>CIPS Corporate Certification GOLD 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>UoG Annual Procurement Conference</td>
<td>Excellence Procurement Brand / Professionalism</td>
</tr>
<tr>
<td>Improved Reporting</td>
<td>Enhanced Reporting</td>
<td>Excellence Reporting</td>
</tr>
<tr>
<td>Understand and Mitigate Brexit Impact</td>
<td>Leaders in implementing Brexit Impacts</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>Opportunity for potential secondment 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>
</tbody>
</table>

2 YEARS | 2 YEARS | 1 YEAR
6. STRATEGIC INTENT

This provides the strategic Intent from the University Vision, Values and Strategy and demonstrates how the Procurement Office contribute and support the Glasgow 2020 Vision as a team and individually.

7. 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
7.1 Governance

We will commit to support the delivery of the University of Glasgow Strategic Plan 2015-2020. 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.
- Annual review / refresh of the Procurement Policy
- Annual review / refresh of the Procurement Strategy
- Annual 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.
7.2 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 EU regulations
To provide guidance to key Stakeholders to achieve best practice and improve governance.

TARGETS
- Compliance with EU rules and regulations, Public Contracts (Scotland) Regulations 2015, the Procurement Reform Act 2014, and the Procurement (Scotland) Regulations 2016.
- 95% compliant spend to EU rules and regulations (Monthly compliance dashboard Report).
- Annual review/refresh of all policies and procedures to capture new regulations and SPPN’s.
- 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.
- 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 Procurement Office web page and notify the Scottish Ministers.

7.3 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 £6m, measurement aligned to Scottish Government’s Procurement Benefit Reporting Guidance.
- Direct cost saving for BT1R code of £1.5m measurement is old cost versus new cost.
- Category Strategies for FY18/19 for all spend areas.
- Annual declaration of use of Contractors completed by all Procurement team.
- Training on anti-bribery and corruption online completed by all Procurement team.

7.4 Sustainable Procurement Objectives

To apply principles of sustainable procurement across all spend. Incorporate Corporate Social Responsibility, Fair Trade, Community benefits, Living Wages, Supported Businesses, Sustainability Code of Conduct, CIPS, Anti-bribery & Corruption, ethical sourcing and environmental considerations across procurement practices

TARGETS
- 100% compliance with Code of Conduct Sustainable for all tenders greater than £50k
- Promote Living Wage Compliance.
- Promote Fair Trade.
• Engagement and promote Electronic Watch.
• Annual completion of the Marrakech Categorisation.
• Annual review / refresh of the DEFRA Tool.
• Ring fence spend to engage with Supported business.
• Measure and monitor Community Benefits where appropriate.
• Support annual review / refresh of the Modern Slavery Act 2015 Statement.
• External Sustainability Training for all Procurement team.
• 100 high risk Suppliers measured through CIPS Sustainability Index.
• Support Multiplex our Programme Delivery Partner (PDP) to ensure all Tier 1 Contractors are validated through CIPS Sustainable Index Rating.
• Share best practise Sustainable Procurement Programme across Government and other Public Sector Organisations.

7.5 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
• Create, embed 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 DNBi.
• Quarterly reports created for the Finance Committee measuring compliant spend.
• 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, critical spend across the organisation.
• Completion of Freedom of Information (FOI) requests on time.

7.6 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 Purchase 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 OJEU tenders completed in FY 18/19.
• Creation of Tailored College Performance at a Glance (PAAG) reports across all areas communicated quarterly.
7.7 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 Development (C&SRM).
- Establish a Supplier Leader Board for Estates and Commercial Services.
- Maintain or enhance Ranked No.1 for PCIPS.
- Maintain or enhance CIPS Corporate Certification Standard.
- Maintain or enhance CIPS Sustainable Procurement Review GOLD 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.

7.8 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 & Commercial Services Efficiency meetings.
- 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 and participation at all Operational Board meetings between University of Glasgow and Multiplex on a quarterly basis.
### 8. UNIVERSITY STRUCTURE – Stakeholder Engagement

**University Services**

<table>
<thead>
<tr>
<th>Infrastructure</th>
<th>Front Line</th>
<th>Administrative Services</th>
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<tbody>
<tr>
<td>Estates and Buildings</td>
<td>Student Services</td>
<td>Human Resources</td>
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<tr>
<td>IT Services</td>
<td>Library</td>
<td>Governance and Planning</td>
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<tr>
<td>Campus Services</td>
<td>Learning and Teaching Centre</td>
<td>Research Support Office</td>
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<td>Marketing, Recruitment and International Office</td>
<td>Research Strategy and Innovation Office</td>
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<td></td>
<td>Careers Service</td>
<td>Finance</td>
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<tr>
<td></td>
<td>Janitorial and Security Services</td>
<td>Communications and Public Affairs</td>
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<td></td>
<td>Sport and Recreation Services</td>
<td>Development and Alumni Office</td>
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<td>Disability Service</td>
<td>Health, Safety and Wellbeing</td>
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<td></td>
<td>Hunterian Museum and Art Gallery</td>
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<td></td>
<td>Centre for Open Studies</td>
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</tbody>
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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>
<td>Agresso</td>
</tr>
<tr>
<td>Policy</td>
<td>Mission</td>
<td>E-Procurement Paraballis</td>
</tr>
<tr>
<td>Strategy</td>
<td>Values</td>
<td>Tender Viewer</td>
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<tr>
<td>Procedures</td>
<td>Public Contract Scotland</td>
<td>Spike Cavell</td>
</tr>
<tr>
<td>Processes</td>
<td>APUC SharePoint</td>
<td>CIPS Sustainable Index Rating</td>
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<tr>
<td>Contracts Register</td>
<td>G-Cloud</td>
<td>Hunter</td>
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<tr>
<td>Procurement Training</td>
<td>The Scottish Government</td>
<td>DNBi</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>Procurement Dashboard online</td>
</tr>
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</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 EU Directives.
- 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 University’s vision.
- Deliver maximum Efficiency and Effectiveness, value for money (VFM) 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

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. Fair Trade

Glasgow is the second University in Scotland to achieve Fairtrade status. In line with our policy on sustainability, and our commitment to principles of fairness and equality, the University is committed to supporting, promoting and using Fairtrade goods and has worked hard to achieve accreditation. Fairtrade foods are served at all meetings hosted by the University and the student unions and a wide range of Fairtrade products are available and prominently displayed throughout the University.

14. 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.

15. 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.