



DRAFT
Sustainable Procurement
Strategy
2025/2028

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Section 1 - Overview

Procurement plays a pivotal role in supporting the council's [Corporate Plan for 2023 to 2027](#) and will continue as a key enabling strand within the ongoing reform and continuous improvement of the council. This Sustainable Procurement Strategy sets out the vision, objectives, key priorities and actions which will direct and govern procurement activities across the council for 2025-2028. These reflect the key challenges and commitments of the council's Corporate Plan, in addition to supporting a variety of council strategies and national and local policies

The strategy relates to our overall spending approach, with specific focus on regulated procurements. Regulated procurements are defined as works contracts over £2million in value, and supplies and services contracts over £50,000 in value.

It shows our continued commitment to focus and promote robust and fair working practices within our supply chain and contracts, our aim to shape and influence innovative solutions and to ensure the council delivers ethically sourced goods, services and works across its commercial spend profile, whilst striving to support and create contract opportunities for more Argyll and Bute based suppliers, Social Enterprises, Co-operatives, Supported Businesses and Third Sector Organisations

Local businesses and the third sector play a valuable role in supporting the work of the local authority. The strategy aims to help remove the barriers often faced by smaller organisations with limited resources in bidding for work tendered by the council.

The Procurement, Commercial and Contract Management Team (PCCMT) has provided, and will continue to provide, support to local organisations by structuring tender opportunities, wherever possible, to enable local organisations to bid for council contracts and by building their capacity to respond to formal procurements through local Meet the Buyer and other training events, and through promotion of the Supplier Development Programme (SDP).

For this strategy to support the Corporate Plan and significant financial pressures faced by the council, we will explore digital and automation opportunities, strengthen existing strategic internal and external partnerships and further develop relationships between procurement, service areas, and collaborate further with our key suppliers.

We will continue to generate process efficiencies and further cash savings opportunities through rigorous challenge of all our purchasing decisions, continue to work more cohesively and collaboratively with our internal clients and external stakeholders to identify better ways of working and ensure best value is achieved for all commercial spend through improved contract management activity.

For this strategy, the council has five key strategic procurement objectives:

- ❖ Good governance.
- ❖ Value for money to support council's financial challenges.
- ❖ Empowering local suppliers, supporting community wealth building and local economic growth.
- ❖ Provide effective and efficient procurement for our stakeholders.
- ❖ Procurement to be a strategic partner for all our council services.

Section 2 - Introduction

- 2.1** This Sustainable Procurement Strategy sets out the vision, objectives, key priorities and actions which will direct and govern procurement activities for Argyll and Bute Council during 2025 to 2028.
- 2.2** In the face of significant challenges, including economic pressures, climate change, and evolving community needs, we recognise the power of procurement as a strategic tool. It is not just about buying goods and services; it is using our buying power to create more positive impacts on the economy, society, and the environment. Our strategy shifts from a transactional approach to a strategic, data-driven, and value-based one.
- 2.3** We aim to maximise the impact of public funds, ensuring that every pound spent contributes to sustainable solutions that address community needs. Sustainability is at the core of our public procurement efforts. We not only want to deliver efficient and cost-effective services but also, actively address poverty, promote social wellbeing, boost the local economy, and mitigate climate change.
- 2.4** The success of our Sustainable Procurement Strategy will be dependent upon having the right people, processes, and technology in place to support its implementation. It requires a shift in mind-set and behaviour, a commitment to professional development commitment and a focus on collaboration. Above all, we must adhere to our core principles of accountability, equity, legal compliance, strategic importance, sustainability, and value delivery.
- 2.5** These reflect both national and local policies and priorities, and includes our approach to, Suppliers' Fair Working Practices and Ethicality, Sustainability, Climate Change, Corporate Social Responsibility, Small and Medium-sized Enterprises (SMEs), Supported Businesses, and Third Sector organisations.
- 2.6** They recognise the current budget constraints and an increasing demand for goods, services and works.
- 2.7** Procurement is a key strategic driver to enable the business community and the communities we serve to adapt, diversify and flourish despite economic pressures. The present economic landscape has created unique but not insurmountable challenges for the area.
- 2.8** Procurement plays a pivotal role in supporting the council's Corporate Plan and will continue as a key enabling strand within the ongoing reform and continuous improvement of the council.

- 2.9** The Argyll and Bute Council Sustainable Procurement Strategy 2025/2028 relates to our overall procurement approach, with specific focus on regulated procurements. Regulated procurements are defined as works contracts over £2million in value, and supplies and services contracts over £50,000 in value.
- 2.10** This Sustainable Procurement Strategy has been prepared in response to the changing procurement agenda and the current financial climate. This strategy sets out the procurement aims and goals of the council for 2025/2028 and will be updated on an annual basis. These aims and goals reflect both national and local policies and priorities. Through adhering to the Sustainable Procurement Strategy, the council will manage and mitigate the potential risks associated with public sector procurement. Such risks include the potential for challenge from unsuccessful tenderers, the risk of not achieving best value for council services, and failing to support the council's strategic aims.

The council's vision "We are working together to attract people to live and work in the area, and to build a prosperous future for Argyll and Bute".

The following procurement vision and mission statements have been established to support the council's vision and to ensure the delivery of sustainable, effective and efficient procurement.

Our vision

To be recognised as a strategic partner to all council services, optimising a collaborative and innovative approach to support the economic, social and environmental needs of the residents of Argyll and Bute whilst delivering best value.

Mission Statement

To deliver procurement for our stakeholders to support the delivery of high quality, sustainable public services that empowers our communities, and supports economic growth. We are committed to sustainable procurement, ensuring best value is achieved whilst delivering sustainable outcomes to meet the needs of our communities in Argyll and Bute.

How Procurement Will Support Council Objectives

The Procurement Reform (Scotland) Act 2014, places a sustainability duty on the council, which requires us when we are carrying out a regulated procurement, to consider how our procurement process could:

- improve the economic, social environmental wellbeing within our area;
- facilitate the involvement of small and medium enterprises, third sector bodies and supported businesses in the process; and
- promote innovation.

This approach fits well with the council's own corporate priorities as detailed in our council's Argyll and Bute [Outcome Improvement Plan](#).

Argyll and Bute Council is working with our partner organisations to deliver this vision for our area: our economy is built on a growing population. In other words, we are working together to attract people to live and work in the area, and to build a prosperous future for Argyll and Bute.

The Outcome Improvement Plan sets out six outcomes that help us achieve our vision:

Outcome 1 - The economy is diverse and thriving

Outcome 2 - We have infrastructure that supports sustainable growth

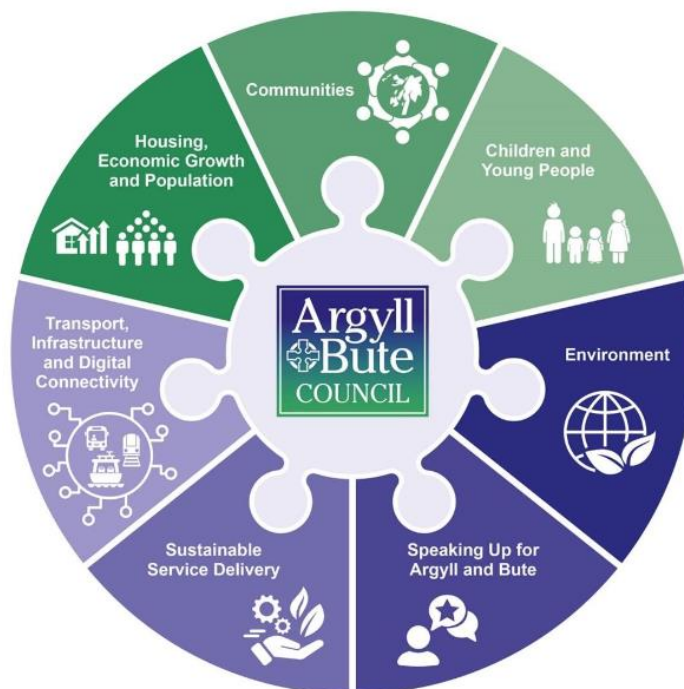
Outcome 3 - Education, skills and training

Outcome 4 - Children and young people have the best possible start

Outcome 5 - People live active, healthier and more independent lives

Outcome 6 - People live in safer and stronger communities

The council's priorities support the council in serving the interests of Argyll and Bute.



We are focused on creating and making the most of opportunities while continuing to deliver quality services.

In addition, the strategy aligns with the wider public sector policy objectives set out in the Public Procurement Strategy for Scotland.

This strategy, therefore, looks to put sustainability at the heart of our public procurement; using it to help deliver on our wider strategic vision and ambitions for Argyll and Bute, both in terms of our people and place.

By doing so, we hope to send out a clear message to the people of Argyll and Bute, our public partners and the business community, including SMEs and third sector organisations; that we are committed to using our procurement power, not only to deliver efficient and cost-effective services, but also to:

- continue working to address the impact of poverty
- promote and enhance social wellbeing and build resilience within our communities
- help grow our local economy, to create jobs for future generations
- help mitigate the impact of climate change and reduce our own carbon footprint

This approach will require a shift in mind-set and behaviour to move our public procurement from the transactional and reactive to a proactive, data driven strategic function. The strategy also acknowledges the need to ensure that we have the necessary professional procurement capacity and capability in place, together with the processes, and tools to ensure the best possible procurement service for Argyll and Bute.

As a Procurement Team, supported by our Scottish Public Procurement community, we have a key aim to ensure that the collective spending power of the public sector is used to deliver world class, value-adding collaborative procurement services, while enabling sustainable and inclusive economic growth. As such, this strategy is aligned to the Scottish Government’s published Public Procurement Strategy for Scotland. Its vision is to put public procurement at the heart of a sustainable economy to maximise value for the people of Scotland.

Within procurement we have outcomes outlined by the Sustainable Procurement Duty, which requires us to buy in a way which is:



These outcomes, which are supported by Scottish Government policies and guidance as well as sectorial and organisational policies and guidance, underpin and enable our work.

Section 4 – Strategy Rationale & Context

4.1 Our principal aim is to ensure the principles of public procurement - transparency, integrity, openness, fairness, non-discrimination, equal treatment, competition and accountability - underpin our procurement activity.

4.2 This strategy aims to build on the achievements and benefits derived from the council's previous Procurement Strategy 2021–2024, with a view to:

- All procurement opportunities are advertised, tendered and awarded electronically.
- All complex procurement exercises are supported by detailed sourcing strategy documents.
- Community benefits are considered for all procurement exercises above £100,000 for goods and services; and £2,000,000 for works.
- Sustainability considerations are included for all regulated procurements.
- If the market allows for it, for goods/services under £50,000 and works under £2million, SMEs and local suppliers are invited to bid for these contracts.
- Development of a robust, segmented contract management process.
- Using the power of procurement to deliver beneficial outcomes for the residents of Argyll and Bute, local businesses and the local area.
- Support the council's key strategies, climate plan and net zero targets.
- Make sure we comply with the new procurement regulations.
- Integrate Community Benefits Wish-list's within our community benefits process.
- Continue to promote the benefits of early procurement engagement and innovation.
- Build capacity and skills within the council to improve procurement, contract management and commissioning activity.
- Support procurement people of tomorrow.

The previous procurement strategy was closely aligned with the overall council plan and delivered many benefits and improvements over the period that it covered (2023 to 2024).

These benefits and improvements included:

- More commercially focused and category management further embedded within the council.
- Improved demand management with significant savings achieved.
- Supported the council's economic and financial challenges by achieving 74 procurement benefits over the period 2023/24.
- No legal procurement challenges – complied with all relevant and statutory requirements.
- More streamlined processes and procedures.
- More robust sourcing strategies and better value contracts.
- Improved strategic partnership working and early engagement with service areas.
- The creation of a community benefit wish list on the council's website.
- Fulfilment of our procurement work plans, including the delivery of tenders supporting special projects such as Lochgilphead Front Green Regeneration and Campbeltown Flood Prevention Scheme.

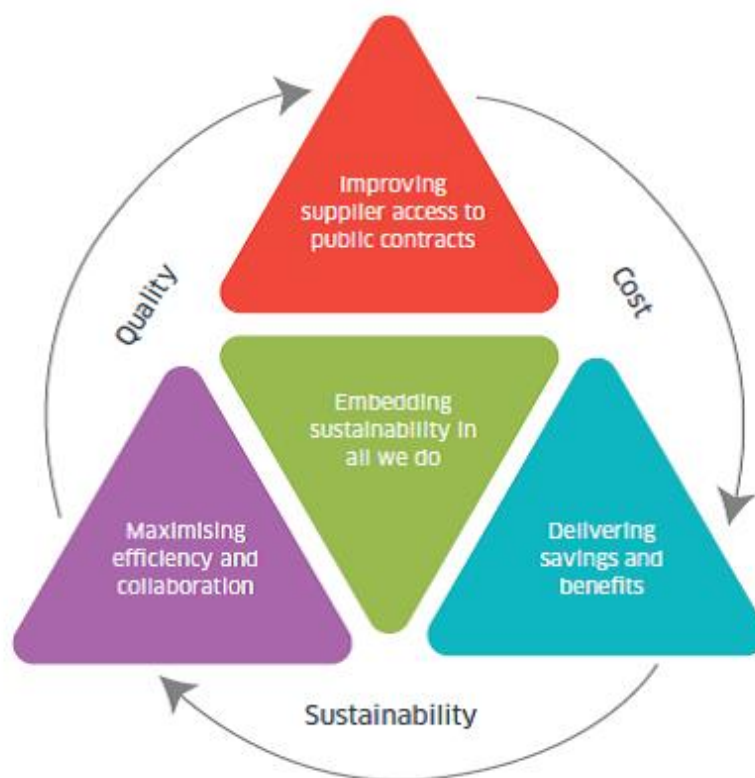
The council's Sustainable Procurement Strategy for 2025/2028 takes account of the Annual Procurement Report 2023/2024, which detailed the progress that the council has made since the previous strategy was published.

This allows us to reflect on the progress made as well as highlighting the opportunities and challenges now facing the council, and how procurement can support the organisations overall objectives.

We will continue to generate process efficiencies and real cash savings through rigorous challenge of all our purchasing decisions, continue to work more cohesively and collaboratively with our internal clients and external stakeholders to identify better ways of working. This enhances our focus and considers innovative procurement methodologies to achieve best value outcomes in service areas such as social care.

- 4.3** The council is mindful that the impact of procurement is far greater than this definition of a 'process' and our vision, objectives and principles as set out in this strategy illustrate the contribution that effective procurement arrangements can make to wide ranging socio-economic agendas. These include equality and diversity, a successful local economy, a thriving voluntary and third sector, environmental issues and value for money for Argyll and Bute residents.

- 4.4** Current external impacts are demographic changes within Argyll and Bute, managing expectations of stakeholders within reduced budgets, environmental challenges including upcoming changes in relation to waste management and carbon reduction to meet climate change targets, and the need to ensure our processes are in line with current best practice.
- 4.5** Internal impacts on this strategy and the council's PCCMT include the need to take account of the requirements of the Constitution, Corporate Plan and Outcome Improvement Plan, the provision of support to the service departments to meet their budgetary requirements, as well as the support provided to them to deliver transformational change in how they provide their services to the residents of Argyll and Bute.
- 4.6** The council will continue to deliver its procurement activities and meet the above opportunities and challenges in line with the Scottish Model of Procurement and the Public Procurement Strategy of Scotland:



5.1 Our strategic aims

The strategic aims of the Procurement, Commercial and Contract Management Team support the overall Argyll and Bute Council Corporate Plan 2023-2027, specifically to support the council in its mission to deliver our key priorities and make Argyll and Bute a place people choose to Live, Learn, Work and Do Business:

- People and Places - our core business as a council.
- Potential and Growth - turning opportunities into reality.
- Partnership and Action - everyone has a part to play in Argyll and Bute's success.

The team recognises the strategic importance of maximising the economic benefits from directing council spend to local businesses, in terms of benefiting the local economy to ensure it is growing, diverse and thriving.

To support delivery of these outcomes, the PCCMT will continue to facilitate participation from local contractors in the procurement process to increase opportunity for local spend, where possible, by:

- a. Considering lotting strategies for all contracts and, where appropriate, dynamic purchasing systems to enable local suppliers the opportunity to access council contracts. This will be documented in all contract strategies which will be prepared in advance of procuring all regulated contracts.
- b. If the market allows for it, for goods/services under £50k and works under £2million, SMEs and local suppliers will be invited to bid for these contracts.
- c. Simplifying tender documents to ensure the procurement process is proportionate and easy to navigate.
- d. Delivering an effective programme of supplier engagement and events across the region aligned to forthcoming contract opportunities, supporting our local small and medium sized businesses to meet their growth potential.
- e. Using community benefits clauses and approaches to help deliver additional benefits for the communities of Argyll and Bute.
- f. Promoting the living wage and wider fair work first practices.

Whilst it would not be acceptable to give preference to local businesses during any particular procurement, efforts will continue to be made to ensure that local businesses are given the opportunity to bid for our contracts and to have the greatest chance of being successful in winning council and other public sector business.

5.2 Our strategic objectives

For this strategy, the council has five key strategic procurement objectives:

- Good governance.
- Value for money to support council's financial challenges.
- Empowering local suppliers, supporting community wealth building and local economic growth.
- Provide effective and efficient procurement for our stakeholders.
- Procurement to be a strategic partner for all our council services.

5.2.1 Good Governance

Aims

- To ensure all procurement staff and council officers involved in the procurement process are fully aware of all aspects and impacts of the procurement rules and any other relevant regulations.

How we will do it

- Mandatory training for council officers involved in the procurement process (project leads, specification writers) including highlighting the requirement for project/ contract management, excellent communication skills, varying contracts, budget variances and social benefits that procurement must consider (for example, Equality and Fair Work First Practices).
- Ongoing training for procurement staff on changes to legislation and regulations.
- Adapt our internal procedures, processes and documentation, where required, to reflect any new legislative requirements.

What will the outcome be?

- Mitigation of the opportunities for procurement challenge.
- Procurement activity will comply with all relevant statutory and regulatory requirements.
- Procurement staff are confident in their understanding of procurement regulations and other relevant regulations.

5.2.2 Value for Money to support council's financial challenges

Aims

- Increase opportunities for commercial savings.
- Reduce the value of non-contract spend.

How we will do it

- Continue to target savings and procurement benefits from all aspects of the strategic procurement process (tender, contract and demand management, Purchase to Pay (P2P)).
- We will continue to develop our contract management framework as we understand that successful contracts depend on good contract management and good contract management depends on good supplier relations.
- Further embed and improve demand management within the contract management process.
- Ensure that suppliers provide regular management information on our usage of their contracts and incorporate this information into the contract management process.
- To work closer with our client departments to understand their needs, identify opportunities to reduce expenditure, control demand and improve process efficiencies.
- Continue to look for opportunities to collaborate in procurement with our public sector partners and benchmark to ensure that collaborations provide best value.

What will the outcome be?

- Assisting the council to meet budget savings targets.
- Increase contracted spend.
- Improved Contract and Demand Management.

5.2.3 Empowering local suppliers, supporting community wealth building and local economic growth

Aims

- To secure wider social, economic and environmental benefits for the local area and ensure those benefits are realised.
- Increased opportunities for local suppliers to help grow the local economy.

- Increased engagement and collaboration with suppliers and the SDP.
- To develop resilient local supply chains, providing clear advice and consistent approaches to procurement and community benefits, ensuring businesses are aware of, and are able to take advantage of, procurement opportunities supported by a programme of active and innovative supplier engagement and development support.
- To increase the knowledge and understanding of the benefits of sustainable procurement of all council staff who participate in the procurement process and make better use of the expertise within the council to ensure wider sustainable outcomes are achieved.

How we will do it

- We will analyse the supply chain in Argyll and Bute to identify specific areas of strength and opportunities to develop specific sectors, and work closely with the SDP to deliver effective supplier engagement to include online advice and guidance and targeted events relating to specific tenders to improve the capability of local businesses to bid for contracts.
- Optimisation of community benefits via contractual community benefits and the community wish-list - explore how procurement can support community wishes and priorities such as poverty reduction and improve equality.
- Continue to support the national meet the buyer event and to hold, at least annually, one council meet the buyer session and relevant tender talk session in conjunction with the SDP.

What will the outcome be?

- Increased opportunities for local businesses, co-operatives, Supported Businesses and Third Sector organisations.
- To secure wider social, economic and environmental benefits for the local area and ensure those benefits are realised.
- We will have supported small local businesses to access existing supply chains and increased their capability to successfully bid for contracts.
- Greater outcomes achieved for local communities.
- Community wish-list being delivered by contracted suppliers.

5.2.4 Provide Effective and Efficient Procurement for our Stakeholders

Aims

- Continue to deliver best value contracts.
- More streamlined and leaner processes.

How will we do it

- Review P2P processes and roles in conjunction with service areas.
- Engage with suppliers and stakeholders to identify how we can improve and streamline our processes and inform mobilisation and exit plans.
- Form closer working relationships with Scotland Excel, other local authorities, and our local Community Wealth Building Partners to benchmark processes and procedures.
- Streamline and standardise processes and documentation.
- Undertake a wider legal review of the council's terms and conditions to make the contract more flexible and appealing to suppliers/ contractors, reflecting volatile markets whilst mitigating the opportunity of risk for the council (e.g. insurance levels, price variations).

What will the outcome be?

- Meet the council's strategic needs.
- Seen as a Strategic Partner for council services.
- Increased opportunities for suppliers by streamlining the process.

5.2.5 Procurement to be a Strategic Partner for all our Council Services

Aims

- Procurement continues to be a key strand in the delivery of council strategies and policies.
- Build capacity and skills within the council to improve procurement, commissioning and contract management activity and support procurement people of tomorrow.
- Cross-service collaboration.

How we will do it

- Promote and create a better understanding of the procurement process and procedures across the council.
- Look to develop interactive methods of sharing data such as the contract register, contract plans and category workload tracker with customer service teams.
- Engage with HR colleagues to consider how we can promote procurement/ commissioning and contract management at career events with a view to grow our own professionals and succession planning.
- Increase understanding on what can be delivered under partnerships/grant funding and what is governed by the procurement rules.
- Continue to support the delivery of council strategy and policies, service teams to engage with procurement to ensure procurement actions are achievable within the scope of their project/requirement.
- Identify opportunities for joint procurement. Actively engage all services, including Education, Health & Social Care Partnership (HSCP), in strategic procurement planning.

What will the outcomes be?

- A better understanding and knowledge of procurement and contract management, including risk, throughout the council.
- Training and awareness sessions on sustainable procurement.
- Increased awareness of public sector procurement with young people at school career events.
- Procurement involved at strategic business case stage.
- Develop PCCMT operating model to implement “one council” approach to procurement spend.

5.3 Supplier Opportunities

We are pleased to hear from new and existing suppliers who are interested in tendering for business. Any enquiries can be sent to the corporate procurement inbox procurement@argyll-bute.gov.uk.

The PCCMT has developed a [supplier page](#) on the council’s website with useful tips and information as to how to bid for council contracts.

In addition, the council’s current [contract register](#) is available on the council website and gives visibility of current contracts and the corresponding end dates.

Any contracts requiring renewal, as well as any new requirements, will be advertised and tendered via the following e-tendering portals:

- Public Contracts Scotland Tender (PCS-T)
Regulated Procurement (Goods/Services >£50,000, Works >£2 million)
- Public Contracts Scotland (PCS)
Quick Quotes (Goods/Services <£50,000, Works <£2 million)

All Quick Quotes undertaken by the council will include an invitation to at least one SME and, if the market allows, at least one local supplier.

Any company interested in bidding for business with the council must be registered with Public Contracts Scotland (PCS), and be in a position to submit their responses using these portals.

The strategy objectives and the targeted outcomes will be monitored via an action plan detailed as follows:

5.4.1 Good Governance

Objectives Aims & Outcomes	Performance Indicators	Actions	Target Date	Owner
<p>Aim:</p> <ul style="list-style-type: none"> ○ To ensure all procurement staff and council officers involved in the procurement process are fully aware of all aspects and impacts of the procurement rules and any other relevant regulations. <p>Outcome:</p> <ul style="list-style-type: none"> ▪ Mitigation of the opportunities for procurement challenge. ▪ Procurement activity will comply with all relevant statutory and regulatory requirements. ▪ Procurement staff are confident in their understanding of procurement regulations and other relevant regulations. 	<p>No legal challenge</p>	<ul style="list-style-type: none"> ➤ Mandatory training for council officers involved in the procurement process (project leads, specification writers) including highlighting the requirement for project/ contract management, excellent communication skills, varying contracts, budget variances and social benefits that procurement must consider (for example, Equality and Fair Work First Practices). ➤ Ongoing training for procurement staff on changes to legislation and regulations. ➤ Adapt our internal procedures, processes and documentation, where required, to reflect any new legislative requirements. 	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	<p>SMT</p> <p>PCCMT Manager</p> <p>PCCMT Manager</p>

5.4.2 Value for Money to Support Council's Financial Challenges

Objectives Aims & Outcomes	Performance Indicators	Actions	Target Date	Owner
<p>Aim:</p> <ul style="list-style-type: none"> ○ Increase opportunities for commercial savings. ○ Reduce the value of non-contract spend. <p>Outcome:</p> <ul style="list-style-type: none"> ▪ Assisting the council to meet budget savings targets. ▪ Increase contracted spend. ▪ Improved Contract and Demand Management. 	<p>Savings for budget holders.</p> <p>Reduced expenditure.</p>	<ul style="list-style-type: none"> ➤ Continue to target savings and procurement benefits from all aspects of the strategic procurement process (tender, contract and demand management, P2P). ➤ We will continue to develop our contract management framework as we understand that successful contracts depend on good contract management and good contract management depends on good supplier relations. ➤ Further embed and improve demand management within the contract management process. ➤ Ensure that suppliers provide regular management information on our usage of their contracts and incorporate this information into the contract management process. ➤ To work closer with our client departments to understand their needs, identify opportunities to reduce expenditure, control demand and improve process efficiencies. ➤ Continue to look for opportunities to collaborate in procurement with our public sector partners and benchmark to ensure that collaborations provide best value. 	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	<p>PCCMT</p> <p>PCCMT</p> <p>PCCMT</p> <p>PCCMT/SMT</p> <p>PCCMT</p> <p>PCCMT</p>

5.4.3 Empowering Local Suppliers, Supporting Community Wealth Building and Local Economic Growth

Objectives Aims & Outcomes	Performance Indicators	Actions	Target Date	Owner
<p>Aim:</p> <ul style="list-style-type: none"> ○ To secure wider social, economic and environmental benefits for the local area and ensure those benefits are realised. ○ Increased opportunities for local suppliers to help grow the local economy. ○ Increased engagement and collaboration with suppliers and SDP. ○ To develop resilient local supply chains, providing clear advice and consistent approaches to procurement and community benefits, ensuring businesses are aware of, and are able to take advantage of, procurement opportunities supported by a programme of active and innovative supplier engagement and development support. ○ To increase the knowledge and understanding of the benefits of sustainable procurement of all council staff who participate in the procurement process and make better use of the expertise within the council to ensure wider sustainable outcomes are achieved. <p>Outcome:</p> <ul style="list-style-type: none"> ▪ Increased opportunities for local businesses, co-operatives, Supported Businesses and Third Sector organisations. ▪ To secure wider social, economic and environmental benefits for the local area and ensure those benefits are realised. ▪ We will have supported small local businesses to access existing supply chains and increased their capability to successfully bid for contracts. ▪ Greater outcomes achieved for local communities. ▪ Community wish-list being delivered by contracted suppliers. 	<p>Procurement spend with contracted suppliers (%)</p> <p>Contract awarded to local suppliers (%)</p> <p>Contracts awarded to SMEs (% of contracts awarded)</p> <p>Local suppliers bidding for business with the council (% of bids received)</p> <p>Tenders won by a local supplier where a local supplier has placed a bid (%)</p> <p>Increase the number of community benefits that are delivered through contracts we award locally.</p>	<ul style="list-style-type: none"> ➤ We will analyse the supply chain in Argyll and Bute to identify specific areas of strength and opportunities to develop specific sectors, and work closely with the SDP to deliver effective supplier engagement and improve the capability of local businesses to bid for contracts. ➤ Optimisation of community benefits via contractual community benefits and the community wish-list - explore how procurement can support community wishes and priorities such as poverty reduction and improve equality. ➤ Continue to support the national meet the buyer event and to hold, at least annually, one council meet the buyer session and relevant tender talk session in conjunction with the SDP. 	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	<p>PCCMT</p> <p>PCCMT</p> <p>PCCMT</p>

5.4.4 Provide Effective and Efficient Procurement for our Stakeholders

Objectives Aims & Outcomes	Performance Indicators	Actions	Target Date	Owner
<p>Aim:</p> <ul style="list-style-type: none"> ○ Continue to deliver best value contracts. ○ More streamlined and leaner processes. <p>Outcome:</p> <ul style="list-style-type: none"> ▪ Meet the council's strategic needs. ▪ Seen as a Strategic Partner for council services. ▪ Increased opportunities for suppliers by streamlining the process. 		<ul style="list-style-type: none"> ➤ Review P2P processes and roles in conjunction with service areas. ➤ Engage with suppliers and stakeholders to identify how we can improve and streamline our processes and inform mobilisation and exit plans. ➤ Form closer working relationships with Scotland Excel, other local authorities, and our local Community Wealth Building Partners to benchmark processes and procedures. ➤ Streamline and standardise processes and documentation. ➤ Undertake a wider Legal review of the council's terms and conditions to make the contract more flexible and appealing to suppliers/ contractors, reflecting volatile markets whilst mitigating the opportunity of risk for the council (e.g. insurance levels, price variations). 	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	<p>PCCMT</p> <p>PCCMT</p> <p>PCCMT</p> <p>PCCMT</p> <p>PCCMT</p>

5.4.5 Procurement to be a Strategic Partner for all our Council Services

Objectives Aims & Outcomes	Performance Indicators	Actions	Target Date	Owner
<p>Aim:</p> <ul style="list-style-type: none"> ○ Procurement continues to be a key strand in the delivery of council strategies and policies. ○ Build capacity and skills within the council to improve procurement, commissioning and contract management activity and support procurement people of tomorrow. ○ Cross-service collaboration. <p>Outcome:</p> <ul style="list-style-type: none"> ▪ A better understanding and knowledge of procurement and contract management, including risk, throughout the council. ▪ Training and awareness sessions on sustainable procurement. ▪ Increased awareness of public sector procurement with young people at school career events. ▪ Procurement involved at strategic business case stage. ▪ Develop PCCMT operating model to implement “one council” approach to procurement spend. 		<ul style="list-style-type: none"> ➤ Promote and create a better understanding of the procurement process and procedures across the council. ➤ Look to develop interactive methods of sharing data such as the contract register, contract plans and category workload tracker with customer service teams. ➤ Engage with HR colleagues to consider how we can promote procurement/commissioning and contract management at career events with a view to grow our own professionals and succession planning. ➤ Increase understanding on what can be delivered under partnerships/grant funding and what is governed by the procurement rules. ➤ Continue to support the delivery of council strategy and policies, service teams to engage with procurement to ensure procurement actions are achievable within the scope of their project/requirement. ➤ Identify opportunities for joint procurement. Actively engage all services, including Education, Health & Social Care Partnership (HSCP), in strategic procurement planning. 	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	<p>PCCMT</p> <p>PCCMT</p> <p>PCCMT</p> <p>PCCMT</p> <p>PCCMT</p> <p>PCCMT</p>

5.5 Mandatory Requirements of the Procurement Reform (Scotland) Act 2014 and Statutory Guidance Obligations.

The Act lays out some mandatory requirements which the procurement strategy must include. In particular:

5.5.1 Good Governance

Key Priorities	How the organisation intends to make sure that its regulated procurements will:	Council Response/Strategy Content	
1	Be undertaken in compliance with its duty to act in a transparent and proportionate manner		
		A	<p>The council's Standing Orders relating to contracts and procurements apply to all contracts made by or on behalf of the council for the delivery of works, the supply of goods and materials and the provision of services.</p> <p>All procurement activity undertaken must comply with the above process and procedures which secures compliance with the Act and Statutory Guidance.</p> <p>In addition to the above, the council engages fully with the Supplier Development Programme (SDP), to understand their organisational needs and share the council's procurement work plan.</p>
		B	PINs will be published on Public Contracts Scotland (PCS) for all appropriate regulated procurements in 2025/28.
		C	Consideration will be given within the initial Commodity Sourcing Strategy (CSS) to lotting all regulated contracts in 2025/28.
		D	We will offer alternative language formats when requested.
2	Payment of a living wage - to persons involved in producing, providing or constructing the subject matter of regulated procurements		
		A	Consideration will be given at the initial stages of individual regulated procurements to whether it is relevant to address living wage and fair work practices.
		B	Payment of the living wage will be monitored by contract management activity in relevant regulated contracts.

5.5.1 Good Governance

Key Priorities	How the organisation intends to make sure that its regulated procurements will:	Council Response/Strategy Content	
3	The use of community benefit requirements		
		A	Community Benefits Clauses will be included in regulated procurements as outlined in the Sustainable Procurement Strategy 2025/28.
		B	Report on the methodology of delivering community benefits that have been requested by our local communities.
4	Promoting compliance with health and safety at work, including how a supplier/ sub-contractor demonstrates compliance.		
		A	Health and Safety considerations will be included at all stages of regulated procurement processes in 2025/28.
		B	All regulated works procurements in 2025/28 will include reference to the current CDM (Construction (Design and Management)) Regulations.
5	Complying with the council's Sustainable Procurement Strategy in relation to the procurement of fairly and ethically traded goods and services.		
		A	The procurement of fairly and ethically traded goods and services will be considered within the CSS of all regulated procurements in 2025/28.

5.5.1 Good Governance

Key Priorities	How the organisation intends to make sure that its regulated procurements will:	Council Response/Strategy Content	
6	Food procurement		
		A	<p>Any regulated catering contracts carried out in 2025/28 will consider the following national guidance throughout the procurement process: 'Better Eating, Better Learning'; 'Beyond the School Gate'; 'Soil Association Food for Life Catering Mark'; 'Catering for Change: Buying Food Sustainably in the Public Sector'; and 'Becoming a Good Food Nation'.</p> <p>The council will continue to look for opportunities to include local and sustainable food wherever possible in schools, facilities, venues and to meet social care requirements.</p> <p>The council is committed to including health and wellbeing and animal welfare procurement requirements that promote the health, wellbeing and education of communities.</p> <p>Procurement requirements relating to food procurement focus on nutritional quality, health and wellbeing, minimising environmental impact such as packaging and sourcing, as well as the application of appropriate animal welfare standards in accordance with all relevant legislation.</p> <p>The council will ensure that procurement requirements relating to Fairly and Ethically Traded Goods and Services are applied in a relevant, proportionate and legally compliant manner.</p>
7	Comply with the sustainable procurement duty.		
		A	<p>Staff involved in the procurement process understand and positively contribute to achieving sustainable outcomes.</p> <p>The council is reassured that suppliers adhere to the principles of a Fair Work First Practice organisation.</p>
		B	<p>Inclusion of a mandatory sub-contracting clause in regulated procurements where relevant and proportionate.</p>
		C	<p>Promote sub-contracting opportunities to SMEs through promoting the use of PCS on the Council's website.</p>

5.5.1 Good Governance

Key Priorities	How the organisation intends to make sure that its regulated procurements will:	Council Response/Strategy Content	
7/contd	Comply with the sustainable procurement duty		
		D	Share knowledge and participate in events aimed specifically at local SMEs and third sector bodies, and Scottish suppliers, for example, by publicising Supplier Development Programme events and providing assistance with the tender process through Business Gateway.
		E	Review existing method of engaging with local supply base and engage with Communications Team and Business Gateway to target a wider audience of potential new suppliers, with the aim of increasing the number of new suppliers on our quick quote distribution list.

5.5.2 Value for Money to Support Council's Financial Challenges

Key Priorities	How the organisation intends to make sure that its regulated procurements will:	Council Response/Strategy Content	
8	Deliver value for money		
		A	<p>The successful delivery of this strategy.</p> <ul style="list-style-type: none"> ○ The application of procurement best practice and undertaking key strategic procurement activities. ○ Early market engagement. ○ By including appropriate lots to promote SME/Third Sector and local supplier participation. ○ Maximising the impact of each pound spent by including Community Benefit Clauses. ○ Evaluating on the most economic and advantageous criteria. ○ Utilisation of output specifications. ○ Challenging the need and demand management. ○ Robust contract management. ○ Application of effective commercial evaluation models.
9	Contribute to the carrying out of its functions and the achievement of its purposes.		
		A	<p>The delivery of this strategy will ensure procurement is delivered in a compliant, effective and efficient manner, provide a clear action plan for improvement and contribute to wider council objectives and priorities.</p> <p>By making sure there is early engagement and clear communication channels between the service departments and procurement will assist in achieving best value.</p> <p>This strategy will be monitored and reported as per the Monitoring, Reviewing and Reporting on the Strategy section of this strategy document, to make sure the key objectives are delivered and best value is secured.</p>

5.5.3 Empowering Local Suppliers, Supporting Community Wealth Building and Local Economic Growth

Key Priorities	How the organisation intends to make sure that its regulated procurements will:	Council Response/Strategy Content	
10	The provision of prompt payment – no later than 30 days after invoice by the organisation to a supplier and/or sub-contractor, or by a sub-contractor to a sub-contractor.		
		A	We will aim to meet the target of 95.5% per quarter of invoices paid within 30 days during 2025/28.
		B	Prompt payment clauses requiring a 30 day payment term are embedded within our contractual terms and conditions. Suppliers are required to apply the same terms and conditions with their sub-contractors who are delivering and supporting the council contract.
11	Consulting and engaging with those affected by its procurements.		
		A	Consultations with relevant stakeholder groups will be carried out at the CSS stage of regulated procurements in 2025/28, where relevant and proportionate.

5.6 Key Performance Indicators by which we will measure the success of the Action Plan are detailed in [Section 7](#).

5.7 The council's current Contract Plan can be found [here](#).

Section 6 – Procurement Strategy by Category

CORPORATE & EDUCATION

Scope/Key Spend Areas

The Corporate & Education category consists of the following areas:

- Education
- Corporate
- Information and Communications Technology (ICT)
- HR/Training
- Transport (including Bus, Air, Boats & Fleet)
- Catering & Cleaning
- Economic Development
- Travel & Accommodation
- Leisure & Sports

Within Corporate & Education, our overall strategy is to work with all relevant services to review existing contracts or identify new needs and schedule procurement exercises as needed. In doing this, we determine the most appropriate procurement route for the requirement and engage the market as early as possible dependant on the procurement route selected.

2025/28 Strategy

Analysis of the existing spend profile (financial year 2023/24) across the Corporate & Education Category has identified the volume of uncontracted suppliers as a priority areas of focus. The analysis breaks down as follows:

2023/24

Spend Type	Number of Transactions	Total value (£)	Number of suppliers	Average transaction value (£)	Total Percentage
Contracted	24629	£48.4m	211	£1,965.51	91.13%
Uncontracted	4414	£4.7m	386	£1,068.04	8.87%

Where resources allow, a combination of the following actions will be in our strategy to address this:

- To continue to support all services to source and purchase goods and services from national and CAT C contracts where possible.
- To continue to increase the remit of the Transactional Purchasing Team (TPT) and grow the team's procurement knowledge and skills to aid services in ensuring best value is achieved for all low value spend.

- To continuously review the eProcurement System (PECOS) to ensure catalogues and suppliers are up to date and available for use by both the TPT and service end users.
- Continue to review the system setup of PECOS, test new functionality as it becomes available/resource allows and implement to improve user experience where possible.
- To continue to work with all services to implement the No PO No Payment; eventually resulting in the stopping of all relevant manual batched payments and providing the PCCMT access to line item detail of all supplier spend.
- Continue to support Education Services with all procurement activity via the Education Purchasing Team to increase Education's volume of spend under contract.

Short/Medium Term Strategy

The short-term strategy for the procurement of goods and services within Corporate & Education over the next 2-3 years is:

- **Transactional Purchasing Team (TPT):** Continue to increase the volume of low value uncontacted spend directed to the TPT for sourcing. Increase volume of Invitation to Quotes (ITQs) processed and awarded via TPT to confirm best value is being achieved.
- **National Contracts:** As new national contracts become available, assess suitability and carry out Best Value review. If deemed appropriate, roll out to relevant users and on PECOS.
- **PECOS:** Promote the use of CAT C and collaborative contracts to achieve best value.
- **Contract Management:** Continue to undertake contract and supplier management meetings with key suppliers.
- **Catering Contracts:** Continue to assess the suitability of Scotland Excel frameworks in order to ensure best value is achieved, work proactively to identify and support local food and drink suppliers to bid for contracts, and explore opportunities to introduce dynamic procurement opportunities for food and drink where appropriate.
- **Cleaning Contracts:** Continue to utilise Scotland Excel frameworks in order to achieve best value and process efficiently.
- **ICT:** Continue to use available frameworks or tender as required.
- **Corporate:** Continue to utilise Scotland Excel and Scottish Procurement frameworks in order to achieve best value and process efficiently. Continue to work with the services to implement CAT C contracts as appropriate.

- **HR Contracts and Training:** Continue working with the service to consider ways of improving and streamlining the central delivery with maximum use of training contracts and frameworks. Work with HR to utilise available frameworks as far as possible.
- **Transport:** Continue to provide procurement support to the School and Public Transport and Strategic Transport Teams. Where possible, encourage and support transport operators to explore more sustainable modes of transport including electric vehicles and the use of alternative fuels.
- **Live Argyll:** Continue to provide procurement services as required.
- **Education:** Increase spend under contract, ensure competitive processes are undertaken where needed, and direct appropriate spend to national or collaborative contracts where appropriate.
- **Fair Work First:** Ensure the inclusion of Fair Work First questions covering the five criteria's for all regulated tenders.
- **Sustainability:** Ensure Sustainability and Community Wealth Building are considered at the sourcing strategy stage for all regulated tenders.

Longer Term Strategy

The longer term strategy for the procurement of goods and services within Corporate & Education over the next 3-5 years includes:

- **Collaboration:** Greater engagement with potential partnerships with consideration to more collaborative procurement working, shared services and outsourcing opportunities.
- **Catering and Cleaning:** Provide procurement support for Catering and Cleaning development projects. Ensure all procurement practices support the requirements laid out in the current Programme for Government, including forthcoming requirements expected as part of the Good Food Nation bill, the Community Wealth-building bill and the extension of universal free school meals. Explore opportunities for increasing the provision of organic or agro ecologically sourced food and drink across all food and drink contracts.
- **ICT:** Explore all available national collaborative contract opportunities.
- **Corporate:** Develop an overarching Corporate Category Strategy.
- **Transport:** Annually review the Passenger Transport Category Strategy. Expand the contract and supplier management process.

CONSTRUCTION & ENVIRONMENT

Scope/Key Spend Areas

The Construction & Environment category consists of the following areas:

- Construction Consultancy
- Construction Supplies
- Building Works & Services
- Infrastructure Works & Services
- Environment
- Marine Transport

An analysis of the existing spend profile within the Construction & Environment Category has identified a number of priority areas of focus. These key areas include:

- Major Projects – Procurement and contract management support will be provided to ongoing and upcoming projects, including the Rothesay Pavilion Regeneration project, Kilmory Business Park and Roads Depots Replacement (Lochgilphead, Islay and Dunoon).
- Statutory Maintenance Contracts – Providing procurement support for upcoming term contract and framework requirements.
- Rural Growth Deal (construction and infrastructure related themes) – Providing procurement support for both internal procurements and procurements undertaken on behalf of external organisations.

Short/Medium Term Strategy

The short term strategy for the procurement of works, goods and services within Construction & Environment over the next 2-3 years is:

- Continue to provide support in the achievement of the council's capital programmes.
- Continue to put in place framework agreements to cover core areas of spend across the council.
- Continue to provide procurement support as required for emergency responses i.e. due to extreme weather situations. This will include putting in place frameworks and processes to be followed in these circumstances to streamline appointments while complying with the procurement regulations.
- Procurement support will be provided for a Residual Waste procurement to comply with the end of 2025 municipal waste landfill requirements; we anticipate working with West Dunbartonshire Council on a joint procurement exercise for this.

- Continue to ensure adequate resource to support Major Projects and Rural Growth Deal programme procurements.
- Provide procurement support to Property Services to introduce a new General Maintenance Term Contract.
- Continuation of a pilot to increase the threshold for Property Services to carry out their own Quick Quotes via PCS (up to £5,000 for Consultancy Services and £10,000 for Works).
- Introduce a Building Consultancy Services Dynamic Purchasing System to further support SMEs and local contractors in accessing opportunities.
- Statutory Maintenance Term Contracts: The PCCMT will work with Property Services to introduce new Term Contracts to cover the council's statutory requirements in relation to compliance inspection and testing of building services in council facilities. This will be an ongoing process with separate unique contracts and specialist suppliers involved. Collaborative frameworks will be utilised where possible.
- Provide procurement support to Commercial Services in relation to the delivery of the new 2-18 campus on Mull.
- Provide procurement and contract management support for Economic Growth outcomes.

Longer Term Strategy

The longer term strategy for the procurement of works, goods and services within Construction & Environment over the next 3-5 years includes:

- With regards to Waste Management, changes in legislation will bring new requirements for the council (could also include requirements relating to Waste PPP (Public Private Partnership) contract handback in 2026) to be confirmed by the service.
- Provide procurement support to assist the Property Services team with increasing levels of contracted statutory maintenance spend from the current levels.
- Provide continuing procurement and contract management support to the Rural Growth Deal programme over the full 10 year period.

CARE, EARLY YEARS & HOUSING

Scope/Key Spend Areas

The Care, Early Years & Housing category consists of the following areas:

- Adult Services
- Children's Services
- Homelessness Services
- Early Years
- Aids and Adaptations

An analysis of the existing spend profile within the Care, Early Years & Housing category has identified key areas of focus.

The highest spend comes from the Health and Social Care Partnership (HSCP). The Integration Joint Board's (IJBs) Joint Strategic Commissioning Strategy (JSCS) informs the procurement priorities for the HSCP and anticipates the priorities of a National Care Service.

Following consultation, the IJB have agreed the following priorities:

- Choice and control & innovation
- Prevention, early intervention and enablement
- Living well and active citizenship
- Community co-production

In addition to this, key market messages have been published as follows:

- A shift to digital technology and increased use in telecare and telehealth.
- A move to different models of care at home and support services.
- Hospital avoidance and prevention.
- Support to unpaid carers.
- Promotion of health enabling and community co-production.
- Sustainability of workforce skills within key sectors of Argyll and Bute.
- Self-directed support.
- Engagement with our communities.
- Accessing transport.

In addressing these priorities the function of procurement and commissioning may look different. We anticipate a greater focus on equal partnership, community involvement (including supported people) and use of models that support co-production.

While we can't predict what new services will look like, we can expect that the following will be key areas of focus:

Argyll and Bute HSCP

➤ **Care at Home and Supported Living Services**

A local contract for Care at Home Services to older people is in place to 3rd November 2026. During the term of this contract, the HSCP will continue to develop its strategic direction for Care at Home Services in line with local and national priorities.

The HSCP is currently planning for the future of its Supported Living Contract for adults who have a learning disability and for those that require mental health support. A procurement process is expected to commence in 2025/26.

➤ **Responder Services**

The current contract for Responder Services ends March 2025. The future procurement of this service will be informed by the JSCS and the individual service strategies that have a focus on Technology Enabled Care (TEC), Adults and Older People.

➤ **Older People's Care Homes**

Work continues by Scotland Excel at a national level on the development of a new National Care Home Contract and it is our intention to continue using this. However, we must be aware of the continuing risk that negotiations will fail. In that instance, Argyll and Bute HSCP would require locally negotiated contracts and/or collaborative arrangements with other partnerships.

➤ **Adult and Children/Young People's Residential Placements (outside Argyll and Bute)**

The HSCP is continuing to work towards keeping more young people in Argyll and Bute. This may result in some related procurement activity in the term of this Strategy.

➤ **Children's Support Services**

Contracts for support in some areas of Argyll and Bute will come to an end on 31st March 2025. Any future procurement of these services will be aligned with the vision and priorities of the Children and Young People's Service Plan 2023-2026.

➤ **Community Based Substance Use Recovery Contract**

The current contract ends on 31st March 2025. A new contract will be developed that takes account of updates to local and national priorities, including the Argyll & Bute Alcohol and Drug Partnership's (ADP) Alcohol and Drug Strategy and Action Plan 2020–2023 and any future iterations.

➤ **Early Learning and Childcare Services**

Contracts are in place to August 2025 for the Scottish Government's policy of delivering 1140 hours of funded childcare to eligible children. In the term of this strategy, work will commence on the development of a new contract with a focus on maintaining sustainable provision and payment of a rate that reflects national policy priorities and enables payment of the real Living Wage to all workers delivering the funded requirement.

➤ **Housing Support and Homelessness**

Contracts are in place for Tenancy Support Services and Serviced Accommodation for people that are homeless or identified as being at risk of homelessness to 2025. In the term of this strategy, work will commence on the development of new contracts.

Short/Medium Term Strategy

The short term strategy for the procurement of goods and services within the Care, Early Years & Housing Category over the next 2-3 years is:

- PCCMT will be involved in the strategic planning work underway for Adult Services, in particular, for those areas that will influence the development of the Care at Home and Supported Living Service contracts.
- As stated above, Responder Services contract will come to an end March 2025. Work will therefore commence shortly on the planning/development of a procurement process for future service provision.
- The development of a new contract for a Community Based Substance Use Recovery Service is expected to take place to secure services from March 2025, when the current contract ends.
- The development of a new contract for Supported Living Services is expected to be developed in the term of this strategy.
- A sourcing strategy will be developed for future procurement of dementia services, including post diagnostic support.

General Activity:

- Continue involvement in the implementation of the JSCS and related work streams. This work will likely prompt reviews of specific service areas, and result in procurement process and/or redesign of contracted services.

- To comply with the Guidance on the Procurement of Care and Support Services 2016 (Best Practice), making use of the provisions of the Light Touch Regime (LTR), where appropriate, under the Public Contract (Scotland) Regulations 2015. The LTR allows consideration of wider factors when sourcing Health, Social Care and Education services and legitimises their influence in decision making. These wider factors allow procurement activity to take account of the strategic vision of the HSCP, for example, in relation to sustainability; improved outcomes; continuity; choice and affordability.
- To procure in a way that is in line with and sensitive to the expected national direction from the Scottish Government, the Feeley Review and the forthcoming National Care Service.
- While we await more information on the implementation of the National Care Service, we will continue to support customers in making best use of the procurement options available, ensuring that sourcing strategies balance the desire for longer term contracts; partnership working and co-production with procurement related risks.
- To ensure that Fair Work First criteria is implemented in all procurements and reflected in Contract Management activity in line with the guidance in [SPPN 6/2021](#).
- Sustainability: Ensure Sustainability and Community Wealth Building are considered at the sourcing strategy stage for all regulated tenders.
- To continue to undertake contract and supplier management activity with key suppliers.
- To improve communication with customers by developing and promoting guidance and reports in relation to procurement and contract management activity.
- To continue to review the terms and conditions for care services.
- To work with colleagues in the HSCP to ensure that contracts are in place to maximise the Self-Directed Support (SDS) options as far as possible and to support the HSCP in balancing the risks of choice and control against best value (including procurement regulations).
- To ensure that suppliers providing services to vulnerable clients manage their health and safety risks appropriately. This will be achieved via proportionate and relevant checks pre-contract award and as part of contract management.
- To continue to work with customers and involve and guide them in the Contract and Supplier Management process to ensure maximum benefits are realised from the contract.

Longer Term Strategy

The longer-term strategy for the procurement of goods and services within the Care, Early Years & Housing Category over the next 3-5 years includes:

- Develop and continue to review commodity sourcing strategy coverage for all high value/high risk procurements, ensuring that these strategies compliment National Direction and the strategic vision of customers.
- Continue active involvement in national activity lead by Scotland Excel and other relevant bodies.
- Continue to seek innovative solutions for compliant procurement processes for Services to the Person, e.g. flexible frameworks.
- Continue to provide procurement support advice and assistance to the relevant customers, in order to ensure that they are receiving best value quality services from its suppliers, delivered safely and without unacceptable risks to health.
- Through appropriate and proportionate procurement and contract management activity, we will contribute to the achievement of our customers' strategic vision.

Section 7 – Financial Analysis & KPI's

7.1 The council's total procurement spend in 2023/24 on supplies, services and works was £181.5 million, this is broken down by Category in the table below.

Table 1: Procurement Spend by Category for 2023/24

Category	Total Spend 2023/24
Construction & Environment	£68.75m
Care, Early Years & Housing	£59.60m
Corporate & Education	£53.12m
Total	£181.47m

7.2 The following table shows the council's spend in more detail by vCode Business Sector, a classification system appended by the Scottish Procurement Information Hub.

Table 2: Procurement Spend by vCode Business Sector for 2023/24

vCode Business Sector	Total Spend 2023/24
Social Care & Services	£52.42m
Construction	£45.70m
Facilities Management	£21.26m
Waste & Environmental Services	£12.95m
Travel & Accommodation	£7.08m
Other Goods & Services*	£5.62m
Financial Services	£5.52m
ICT	£5.44m
Utilities & Energy	£4.28m
Human Resources	£4.28m
Vehicles	£3.89m
Transport	£2.46m
Healthcare	£2.26m
Food, Beverage & Catering	£1.36m
Education	£1.33m
Business Support Services	£1.17m
Professional Services	£1.00m
Arts, Sport & Leisure	£0.56m
Security Equipment & Services	£0.55m
Public Sector Bodies	£0.49m
Legal	£0.41m
Data Not Available	£0.37m
Animals & Farming	£0.35m

Table 2: Procurement Spend by vCode Business Sector for 2023/24 /contd

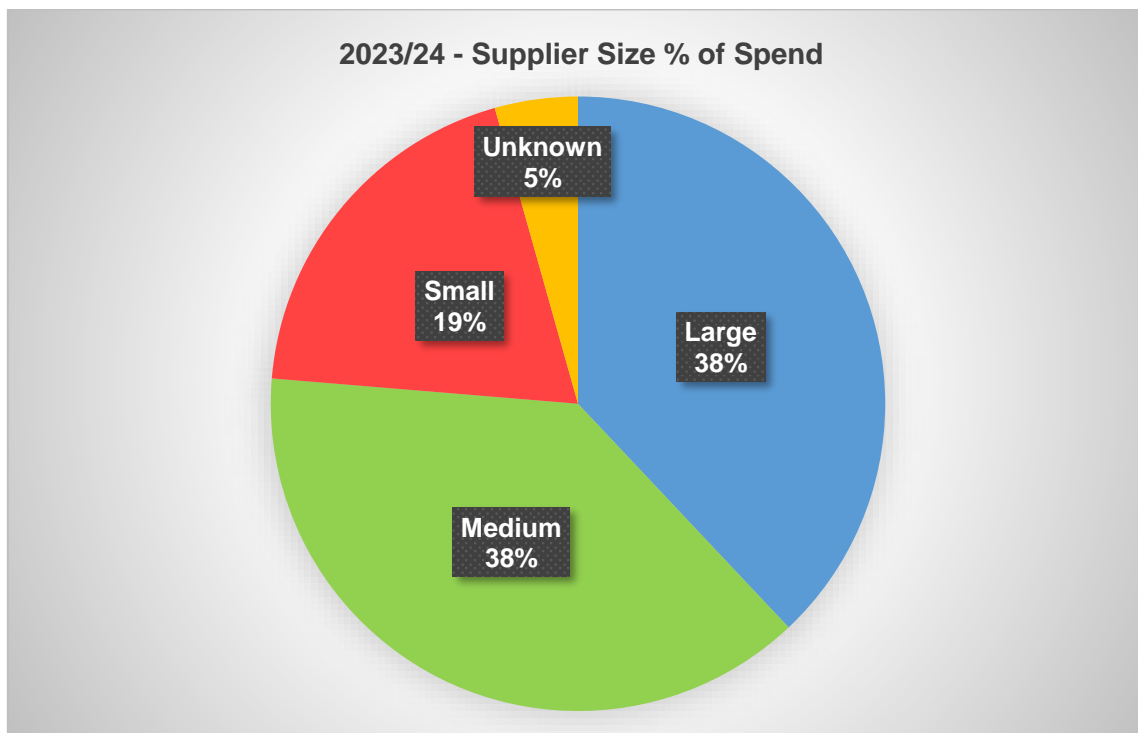
vCode Business Sector	Total Spend 2023/24
Manufacturing & Machinery	£0.22m
Stationery & Office Products	£0.14m
Marketing & Media	£0.11m
Personal Care	£0.10m
Mobile Communications Service Providers	£0.07m
Clothing	£0.03m
Retail & Wholesale	£0.02m
Charitable & Religious Activity	£0.02m
Laboratory	£0.01m
Total	£181.47m

- 7.3 The top 20 suppliers to the council account for **47.3%** of the procurement spend. The following table shows the top suppliers and spend for the year 2023/24.

Table 3: Spend with Top 20 Suppliers in 2023/24

Supplier Name	Total Spend 2023/24
ABC Schools Ltd	£17.45m
Renewi Argyll & Bute Ltd	£8.85m
Dawson Wam Ltd	£8.21m
Carr-Gomm Society Ltd	£7.19m
Hub North Scotland Ltd	£5.38m
West Coast Motor Services Co.	£4.87m
Robertson Construction Eastern Ltd	£4.79m
Enable	£4.60m
Geo-Rope Ltd	£3.34m
Hillhouse Quarry Company Ltd	£2.36m
Kiely Bros Ltd	£2.25m
DCF Joiners & Building Services Ltd	£2.23m
MacLeod Construction Ltd	£2.04m
BCA Insulation	£1.98m
Key Housing Association Ltd	£1.98m
Mckenzie Care Homes Ltd	£1.78m
Barr Environmental Ltd	£1.76m
Zurich Insurance Company	£1.72m
Carers Direct Ltd	£1.59m
Affinity Trust	£1.49m
Total Spend with Top 20 Suppliers	£85.86m

7.4 In 2023/24, spend with SMEs accounted for **57.7%** of procurement spend (where supplier size could be determined). The chart below shows the breakdown of spend with Small, Medium and Large companies for 2023/24.



7.5 In 2023/24, spend with our local suppliers accounted for **35.8%** of total spend. The table below details our total procurement spend with our local suppliers over the last four financial years.

Table 4: Procurement Spend with our Local Suppliers

Financial Year	Total Procurement Spend	Total Local Procurement Spend	%s
2022/23	£163,144,959	£60,856,127	37.3%
2021/22	£158,791,996	£47,083,238	29.6%
2020/21	£140,330,641	£45,674,534	32.6%
2019/20	£143,778,777	£41,587,083	28.9%

7.6 Key Performance Indicators:

Key Performance Indicators	Provisional 2025/28 Target
Procurement spend with contracted suppliers (%)	90%
Contracts awarded to local suppliers (%)	20%
Contracts awarded to SMEs (% of contracts awarded)	76%
Local suppliers bidding for business with the council (% of bids received)	20%
Tenders won by a local supplier where a local supplier has placed a bid (%)	N/A
Increase the number of community benefits that are delivered through contracts we award locally	N/A
Invoices paid within 30 days (%)	95.5%

8.1 IMPLEMENTATION

8.1.1 Consultation

The council will undertake relevant and proportionate consultation and engagement as part of the preparation of this Sustainable Procurement Strategy. This will help to ensure that our approach and strategy takes account of stakeholders' views and that stakeholders have the opportunity to engage and contribute to the development of the strategy. This will allow us to gain a better understanding of the needs of Argyll and Bute and to tailor our strategy to reflect those needs.

The key stakeholder groups identified for inclusion in this consultation are:

- Argyll and Bute Council Employees
- Argyll and Bute Councillors
- MP and Local MSPs
- Key Suppliers
- Community Planning Partners
- Other interested parties
- The general public

The full details of our consultation are included within a report to the council's Procurement Board; this covers what will be involved in the consultation, and the inclusion of feedback to the final strategy.

8.1.2 Approval of Strategy

The Sustainable Procurement Strategy will be approved in line with the council's standard process. After the consultation is complete, the draft strategy will be finalised and sent for approval by the Departmental Management Team, the Strategic Management Team, the Policy and Resources Committee, and Full Council.

8.1.3 Publication of Strategy

The council will publish this Sustainable Procurement Strategy on our website, and will notify Scottish Ministers of the publication of our strategy.

8.2 REVIEWING

The council will review this Sustainable Procurement Strategy annually. This will help to ensure that we maintain alignment of our procurement activity with our broader priorities and will allow us to revise our strategy where necessary.

8.3 REPORTING

The council will, as soon as reasonably practicable following the end of the financial year, prepare an Annual Procurement Report which will include:

- A summary of all regulated procurements completed in the year.
- A review of whether these procurements complied with this Sustainable Procurement Strategy.
- A statement detailing how it is intended that future compliance will be achieved where any procurements were found not to have been carried out in accordance with this Sustainable Procurement Strategy.
- A summary of any community benefit requirements imposed as part of a regulated procurement that was completed during the year.
- A summary of steps taken to facilitate the involvement of supported businesses in regulated procurements completed during the year.
- A summary of anticipated regulated procurements expected to commence in the next two financial years.
- Anticipated future procurements.
- Any other information as specified by the Scottish Ministers.

National Policies:

- [Equality Act 2010](#)
- [Equality Act 2010 \(Specific Duties\) \(Scotland\) Regulations 2012](#)
- [Organisation for Economic Co-Operation and Development](#)
- [Procurement and Commercial Improvement Programme \(PCIP\) – Overview](#)
- [Procurement Journey](#)
- [Procurement Reform Update \(SPPN 1/2016\)](#)
- [Public Contracts Scotland](#)
- [Public Contracts Scotland Tender](#)
- [Scottish Model of Procurement](#)
- [Scottish Procurement Information Hub](#)
- [Scottish Sustainable Procurement Duty](#)
- [Workforce Matters \(SPPN 1/2015\)](#)

Local Policies:

- [Community Benefits Clauses in Procurement Guide](#)
- [Corporate Plan 2023-2027](#)
- [Outcomes Improvement Plan 2024-2034](#)
- [Decarbonisation Plan 2022-2025](#)
- [Council Constitution](#)
- [Equality and Fairness](#)
- [Health and Safety Policy](#)

Tools

The council has embedded various tools within its Strategic Procurement Process to assist and ensure best value is achieved in its procurement activity. Utilisation of the tools also supports compliance with the Sustainable Procurement Duty. The key tools utilised by procurement are as follows:

- Scottish Government Procurement Journey
- Argyll and Bute Council's Procurement Manual
- Argyll and Bute Council's Supplementary Procurement Guidance
- Argyll and Bute Council's procurement templates catalogue.
- Procurement Team Contract work plan
- Scottish Government Sustainable Procurement Tools
 - Prioritisation Tool
 - Sustainability Test
 - Flexible Framework Assessment Tool
 - Life Cycle Impact Mapping
- Contract and Supplier Management Framework Tools
 - Contract Management Prioritisation Matrix
 - Community Benefits online page

Procedures

The council's Standing Orders Relating to Contracts (Standing Orders), the Scottish Government Procurement Journey and the council's Corporate Procurement Manual apply to all contracts made by or on behalf of the council for the execution of works, the supply of goods and the provision of services.

The Standing Orders are subject to the overriding provisions of United Kingdom and Scottish legislation. They are also subject to any UK Government and Scottish Government guidance on public procurement that may be issued from time to time.

The Standing Orders shall not apply to any contracts made on behalf of the council by Scottish Procurement, Scotland Excel or any other central purchasing body with whom the council has made arrangements for the award of works, supplies or services contracts on its behalf, save in respect of the reporting requirements prescribed in.

The council operates its service delivery programme against a defined set of policies and strategies.

As well as conforming to legislative aspects, the council maintains awareness of and an input into the broader aspects of policy making in public services and community development - often working in partnership with Government, other public bodies and the private sector.

The majority of procurement activities will continue to support and promote relevant council strategies and policies of which the majority are embedded within existing procurement processes and procedures. Current key strategies, policies and procedures are set out in [Plans and Policy | Argyll and Bute Council \(argyll-bute.gov.uk\)](https://www.argyll-bute.gov.uk/plans-and-policy).

Section 10 – Glossary

Term	Description
Annual Procurement Report	The Procurement Reform (Scotland) Act 2014 requires all contracting authorities obliged to publish a Procurement Strategy, to publish an Annual Procurement Report on its regulated procurement activities as soon as reasonably practicable after the end of its financial year.
Award	A decision to accept a tenderer's offer to supply/provide specified goods/services/works according to agreed terms and conditions, thereby creating a legally binding contract.
Best Value	The duty under the Local Government Act in Scotland 2003 to secure continuous improvement in the economy, efficiency and effectiveness with which they exercise their functions.
BPIs	Best Practice Indicators - A common, core set of National Procurement Best Practice Indicators (BPIs) were developed by the Scottish Government and designed to be applicable and useful to PCCMTs in all parts of the public sector in Scotland.
CAT C	At a national procurement level, Category C are local contracts for use by individual public bodies.
Category	A collection of commodities or services sourced from the same or similar supply base, which meet a similar consumer need, or which are inter-related or substitutable.
Category Management	Procurement approach used within Argyll and Bute Council to manage categories of spend to increase efficiencies and expertise.
CDM Regulations	Construction (Design and Management) Regulations 2015
Collaboration	Cooperative joint working with another public sector organisation.
Commodity Sourcing Strategy (CSS)	A document that shows the preparatory thinking that is done about a procurement process, including sustainability considerations, stakeholders to be involved, risks etc.
Community Benefits Clauses	Community Benefits Clauses provide a means of achieving sustainability in public contracts.
Contract Management	The process of monitoring the performance of a supplier to contract.
Contractor	The provider of any supplies, services or works under contract. Or, in the context of works, at any stage of the process.

Term	Description
Demand Management	To take costs out of an organisation by addressing the drivers for spend, aligning spend to business need and eliminating unnecessary consumption.
DMT	Departmental Management Team within Argyll and Bute Council
Dynamic Purchasing System	Dynamic Purchasing System (DPS) - Electronic system that can be established to purchase goods and services, similar to a framework agreement, but where new suppliers can join at any time.
Equality Duty	Compliance with the terms of the Equality Act 2010 and any guidance provided by the Scottish Ministers for local authorities to comply with the Public Sector Equality Duties.
Fair Work First	Fair Work First is the Scottish Government's flagship policy for driving high quality and fair work across the labour market in Scotland by applying fair work criteria to grants, other funding and contracts being awarded by and across the public sector, where it is relevant to do so.
Framework Agreements	An agreement or other arrangement between one or more contracting authorities and one or more economic operators which establishes the terms (in particular, the terms as to price and, where appropriate, quantity) under which the economic operator will enter into one or more contracts with a contracting authority in the period during which the framework agreement applies.
HSCP	Health and Social Care Partnership, also referred to as the Argyll and Bute Integrated Joint Board being the Integration Joint Board established by Order under Section 9 of Public Bodies (Joint Working) (Scotland) Act 2014.
ICT	Information and Communications Technology
IJB	Integration Joint Board
JSCS	Joint Strategic Commissioning Strategy. Argyll and Bute HSCP has developed a Joint Strategic Commissioning Strategy. The purpose of the Commissioning Strategy is to set out how the Partnership will put in place a sustainable and diverse health and social care service which meets current and future needs for our communities.
KPIs	Key Performance Indicators. Measurable value that demonstrates how effectively the council is carrying out procurements.

Term	Description
LTR	Light Touch Regime - Reference to the process for the award of a public contract for social and other specific services.
Net Zero	<p>No longer adding to the total amount of greenhouse gases in the atmosphere.</p> <p>Greenhouse gases include carbon dioxide (CO₂) and methane. CO₂ is released when oil, gas and coal are burned in homes, factories and to power transport. Methane is produced through farming and landfill. These gases increase global temperatures by trapping the sun's energy.</p>
Notice	Advert
PCCMT	Procurement, Commercial and Contract Management Team within Argyll and Bute Council
PCIP	<p>Procurement Commercial Improvement Programme</p> <p>Assessment Annual assessment of public sector organisations that focuses on the policies and procedures driving procurement performance and the results they deliver.</p>
PCS	Public Contracts Scotland - The national advertising portal used to advertise all Scottish Government goods, services or works contract opportunities.
PCS-T	Public Contracts Scotland-Tender - The national eTendering system.
PECOS	Professional Electronic Commerce Online System – cloud based purchase to pay system used by Argyll and Bute Council.
PIN	Prior Information Notice - Early notices on PCS to advise of the intention to advertise later.
PPP	<p>Public Private Partnership</p> <p>Is a partnership between local government and private companies to provide services to the community.</p>
Procurement Exercise	Full end to end procurement exercise documentation from strategy development to contract and supplier management.
Procurement Function	The business management function that ensures identification, sourcing, access and management of the external resources that an organisation needs or may need to fulfil its strategic objectives.

Term	Description
Procurement Journey	Revised public procurement toolkit with guidance and templates on the procurement process or Construction manual when appropriate. The Procurement Journey will be enhanced on an ongoing basis with feedback from users and any other identified good practice guidance and tools, where appropriate, to ensure a standardised approach to the supply base.
Procurement Manual	Internal Argyll and Bute Council operational procurement guide.
Procurement Strategy	The Procurement Reform (Scotland) Act 2014 requires contracting authorities with significant procurement expenditure in the next financial year to publish a procurement strategy setting out how they intend to carry out regulated procurements, or review the current strategy and make appropriate revisions.
P2P	Purchase to Pay Process - Entire supply chain process, from goods receipt to payment process.
Quick Quote	Procurement method for lower value tenders, where the Invitation to Quote/Invitation to Tender is sent to a set distribution list of suppliers rather than being publically advertised.
Scotland Excel	Scotland Excel is the Centre of Procurement Expertise for Scotland's local government sector.
Scottish Procurement	Directorate within the Scottish Government, carrying out procurements on behalf of the Scottish public sector.
SDS	Self-Directed Support
Services/ Supplies/ Works	<p>A public service contract is a contract having as its object the provision of services.</p> <p>A public supply contract is a contract having as its object the purchase, lease, rental or hire purchase with or without an option to buy, of products.</p> <p>A public works contract is a contract having as its object a building or civil engineering project or piece of work.</p>
Small Medium Enterprise (SME)	<p>The category of micro, small and medium-sized enterprises (SMEs) is made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding £36m and/or an annual balance sheet total not exceeding £18m.</p> <p>Companies House accounts guidance - GOV.UK (www.gov.uk)</p>
SMT	Strategic Management Team within Argyll and Bute Council

Term	Description
Social Enterprises	Businesses whose primary objectives are social or “more than profit”.
Specifications	The part of the invitation to quote or invitation to tender which details the nature and quality of the goods, services or works.
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.
Standing Orders	The set of rules governing the procurement and financial regulations with which the council must comply, in terms of the Local Government Scotland Act 1973.
Supplier	An entity who supplies goods or services.
Supplier Development Programme	A business support initiative using training and information to improve the competitiveness of local businesses.
Supply Chain	All activities, resources, products etc. involved in creating and moving a product or service from the supplier to the procurer.
Supported Business	A supported business’ primary aim is the social and professional integration of disabled or disadvantaged persons. At least 30 per cent of the employees of those businesses should be disabled or disadvantaged.
Sustainability	In relation to procurement, sustainability involves understanding the potential environmental, social and economic impacts that are a result of purchasing decisions.
Tender	An offer, or bid, by a tenderer in response to an invitation to tender (ITT) or a mini-tender in a framework agreement.
Third Sector	The third sector includes charities, social enterprises and voluntary groups; delivers essential services, helps to improve people's wellbeing and contributes to economic growth.
Value for Money	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.
Whole Life Costs	The costs of acquiring goods or services (including consultancy, design and construction costs, and equipment), the costs of operating it and the costs of maintaining it over its whole life through to its disposal – that is, the total ownership costs. These costs include internal resources and overheads.

Section 11 – Strategy Ownership & Contact Details

- 11.1** The Argyll and Bute Council Procurement, Commercial and Contract Management Team are part of the Legal and Regulatory Support Services team which sits within the Customer Services Directorate.
- 11.2** The Procurement, Commercial and Contract Management Team works with the council's services and suppliers to develop contracts and procedures to deliver Best Value.
- 11.3** The team is responsible for the procurement of works, goods and services for all council departments; and for developing procurement processes, procedures, strategies and policies in line with national best practice.
- 11.4** If you have any queries in relation to this strategy, please contact:
- Anne MacColl-Smith, Manager, Procurement, Commercial and Contract Management Team
 - Procurement@argyll-bute.gov.uk