**The Structure**

At a fairly early stage, procurement was recognised within the Governance Structure of the Glasgow and Clyde Valley (GCV) City Deal as a key area critical to the successful delivery of the City Deal.  There was an opportunity for member authorities to work collaboratively for the benefit of both their region and private sector to implement procurement in an efficient and effective way.  This is the 1st time that the 8 local authorities have worked in this way and this new Legal and Procurement Support Group (LPSG) will aid delivery of the City Deal vision, whilst recognising the need to take cognisance of their own authority’s governance structures and stakeholders.

By understanding the concept of Gross Value Added (GVA) and leveraging procurement’s role to support the 21 programmes, the LPSG realised by reflecting the latest economic thinking, we could support opportunities which impact all facets of the procurement process.

**The Vision**

Our collaborative vision is to be acknowledged for being straight forward, user friendly authorities to do business with. By adopting best practice in all our dealings we can clearly communicate with suppliers what we need to achieve in unison.

The financial constraints faced by member authorities are well publicised. The LPSG works tirelessly within our procurements to get projects on time and on budget whilst understanding GVA and the role we can play on maximising. We continue to undertake early stage supplier engagement, promoting the recycling of the billion pound economic investment as far as possible within the GCV region then we could assist in economic growth and therefore unlock future tranches of CD funding, securing more contract opportunities and further ensuring these opportunities are widely communicated to all businesses within the region to tender for.
 **The Strategy**

The first required output of the Group was to develop a GCV Procurement Strategy, now formally approved by all 8 councils.

1.  As City Deal Governance success centres on an increase in regional economic activity which results in more taxes being paid to the treasury benefiting our region and both Governments. The measurement for this increase in economic activity across the entire region will be Gross Value Add (GVA) which will have strict measurements and targets to be accomplished before funding and grants will be released.  At present, the procurement programme is looking to tender a large proportion of the £1.3 billion pound investment within the first 3 – 5 years.

2.  By working in Partnership – we have developed our first programme to alert suppliers of anticipated current and future procurements. We will avoid member authorities overloading the market with tenders and competing for scarce resources. Our approach will also establish our competitive advantage for efficiencies and cost savings via economies of scale.

3.  A Unified Approach – For the first time, local authorities have collaborated to advertise all CD contracts on PCS under one “CD” umbrella. Several tenders totalling over £100m have already been let. New contractual wording has devised to oblige awarded 1st Tier suppliers their requirement to also advertise their sub contracts on PCS and to mentor and support local sub contractors via community benefits if required. The LPSG will continually promote opportunities to the region’s SMEs and convey willingness to engage with voluntary and not for profit organisations where applicable.

We recognise clarity and consistency in our supplier engagement will lead to the best tender responses.  Our vision promotes the need for suppliers highest innovative and creative input to deliver the best processes, design and performance. These innovations or diverse designs can give the best and most efficient solutions available and develop standards across the industry creating economic growth in the designated area. These expectations will be filtered down the entire supply chain, helping to grow labour market skills and raising quality, delivery and performance benchmarks, benefiting all stakeholders.

City Deal suppliers will require to engage with stakeholders including effected communities in new, innovative ways, not just be expected to deliver goods, works and services. Well thought out communication with effected communities and businesses can play a part in a smooth transition during regeneration and investment works and can provide insight that is beneficial to all be effected by the works.

4.  Shared Policies – 8 member authorities for the first time have come together to establish common ground on identified policies to deliver commonality across issues such as Community Benefits, The Living Wage within Fair Work Practices and the SME Agenda. This steamlines our approaches with you whilst capitalising on the benefits brought to the region.

5.  Shared Tender Documents.  – we want lessen the barriers faced by many suppliers by creating user friendly, customer focused documents and provide transparency, simplification and standardisation for all buyers and suppliers where we can. We want suppliers having to bid for more than one local authority tender to feel they are experiencing the same process.

6.  Sustainability – The local authorities recognise that they must continue to drive sustainable development, not just for the environment, but for Social and Economic benefits too.  We will work together to ensure that value for money works, goods and services are awarded with a balanced consideration for social, ethical, environmental and economic impacts and to do this, we will use the latest sustainable tools and checklists in order to implement this.

**What does this mean to you?**

There will be a variety of opportunities from roads, bridges and improved transport infrastructure, quay walls, remediation, construction, public realm works, design and architectural consulting services and other professional services.

It is also expected that these works will kick start other development opportunities within the Glasgow and Clyde Valley Region as a result of the increase in GVA.

Therefore by planning our approach to supplier engagement and tendering we will :

a) Communicate Clearly and consistently

b) Advertise all opportunities on PCS under “City Deal” to make us a one stop shop.

c) Promote 2 way engagement all through our dealings to allow innovation and creativity.

d) Map out our activities collaboratively and we aim never to overload the market.

e) Place new obligations on 1st tier contractors and how they engage with City Deal sub contractors and SMEs and promote community benefits throughout the supply chain.
f) Work with suppliers to convey that successful creativity and innovation and raising standards can positively influence GVA when harnessed within the GCV region.

g) Work together as member authorities to establish common ground within our tenders throughout the supply chain in relation to “Fair work practices / Community Benefits / SME Events”, all having a potentially positive impact to GVA.

h) Expect successful suppliers delivering City Deal contracts to embrace the social, ethical, environmental and economic ethos of the City Deal and deliver a range of community benefits relevant to the contracts. Guidelines and support will be issued from the Legal and Procurement Support Group and relevant key stakeholders to tenderers, providing a clear message of what is required.

**Opportunity**

Collectively we will procure £1.1billion of works goods and services using government resources to create additional economic activity and the scale of the deal has been described as a “once in a generation investment”.

In addition, there is a range of life science, business support and labour market schemes to act as a key driver to the economy which over the life of the City Deal, will create an additional 29,000 jobs across the city region and furthermore 15,000 construction jobs with an expected £3.3 billion of private sector funding to flow through our economy.

**What’s next?**

1. Ensure you are Registered on Public Contracts Scotland and keep an eye on the City Deal Banner as Tier 1 awarded suppliers will be advertising their sub contracts there also.

2. Register with the Supplier development programme.

3. Attend our supplier engagement events publicised via the Supplier Development Programme.

4. Realise the need for creativity and innovation, the city deal is about massive improvement to bring in new housing, business, jobs and economic growth, the better our suppliers are, the better our achievements will be for all.

5. Engage with fair work practices.  There is much information about how to do this, the Scottish business pledge can inform you the benefits of fair work practices and we need you to realise that tenders now evaluate how you engage with key matters.

Our aim is to get you thinking before the tender opportunities start to appear within the PCS website, to realise that behind the procurement, we have to support the aims and objectives of the City Deal Programme and secure further tranches of funding by creating the economic conditions which will promote GVA.  We need to ensure you realise the need for creativity and innovation at every stage of the procurement and contract management process to deliver products and services which will boost the economy and the surrounding environment and think outside the box when it comes to community benefits and the promotion of The Living Wage and other Fair Work Practices Matters.