

Glasgow's Improvement in Strategic Contract and Supplier Management (CSM)

24th October 2017

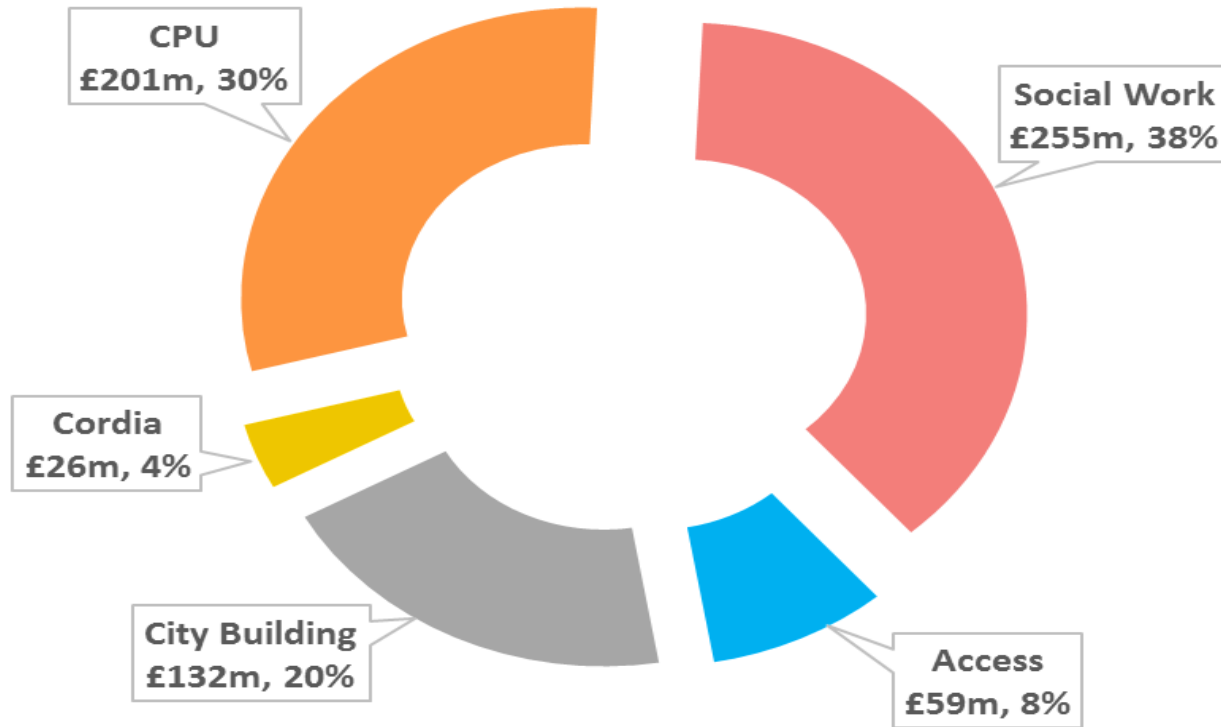
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GCC Procurement Landscape

Commercial Spend by Procurement Group (FY 16/17) - £672M



GCC and Council Family Spend Profile (FY 16/17) – £672M



£147M
Goods



£415M
Services



£102M
Works

- **UTILITIES AND FUEL £37M**
- **BUILDING MATERIALS £21M**
- **FOOD AND WATER £12M**
- **AIDS £10M**
- **PLANT HIRE £9M**

- **ADULT SUPPORT £95M**
- **CARE HOMES £84M**
- **FACILITIES MANAGEMENT £55M**
- **CHILD SUPPORT £53M**
- **REFUSE/WASTE £28M**

- **CONSTRUCTION AND TRADES CONTRACTORS £108M**
- **DEMOLITION / DISMANTLING SERVICES £1M**

Glasgow City Council - Spend Profile (FY16/17) - £476M



£56M

Goods



£383M

Services



£37M

Works

➤ **UTILITIES & FUEL**
£28M

➤ **VEHICLE**
SERVICES/PARTS
£5M

➤ **ROAD**
MATERIALS £3M

➤ **VEHICLE**
PURCHASE £3M

➤ **PLANT HIRE £2M**

➤ **ADULT SUPPORT**
£95M

➤ **CARE HOMES**
£84M

➤ **FACILITIES**
MANAGEMENT
£54M

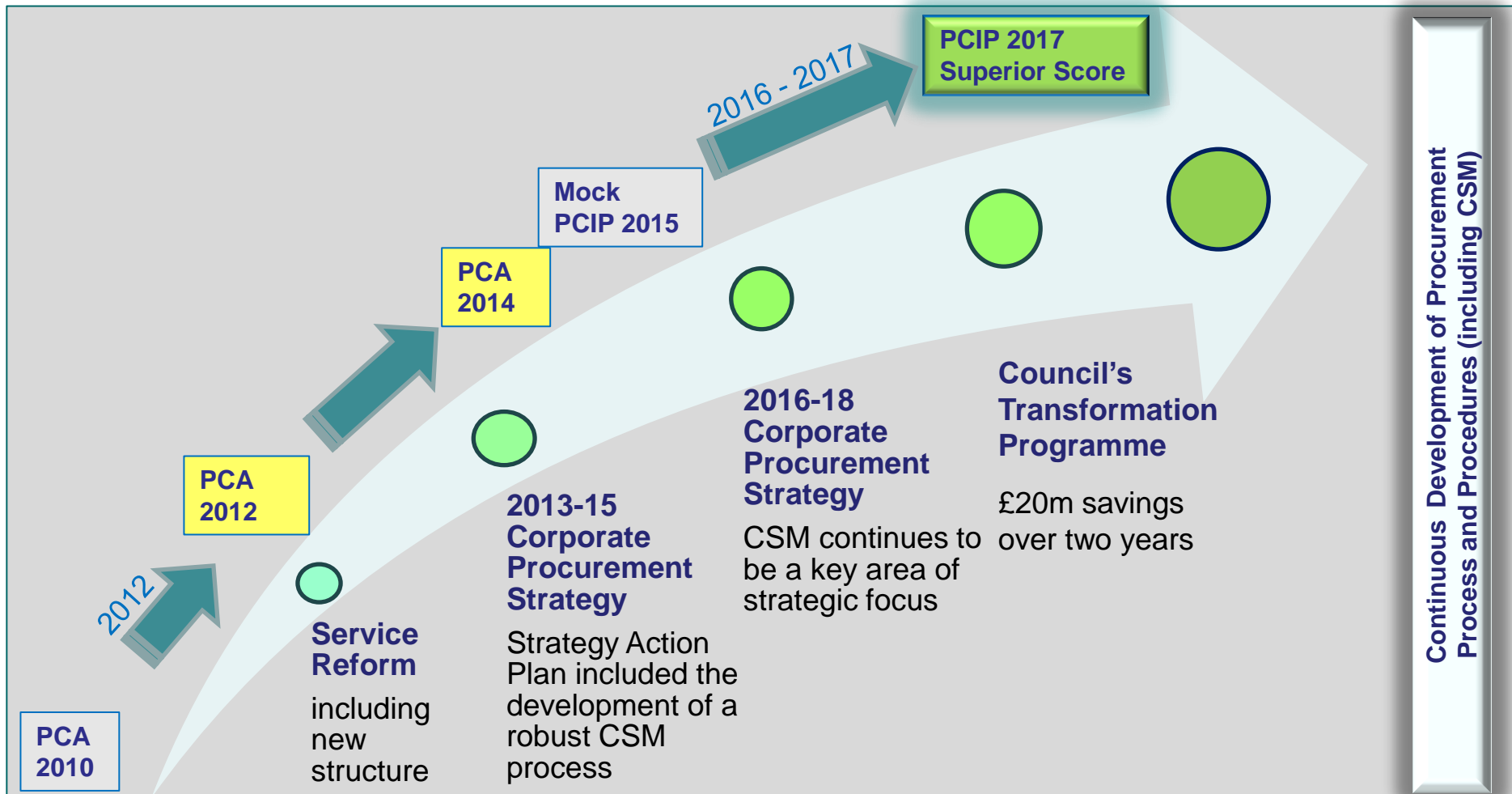
➤ **CHILD SUPPORT**
£53M

➤ **REFUSE/WASTE**
£28M

➤ **CONSTRUCTION**
AND TRADES
CONTRACTORS
£37M

➤ **DEMOLITION/**
DISMANTLING
SERVICES £1M

GCC's CSM - 5 year Journey

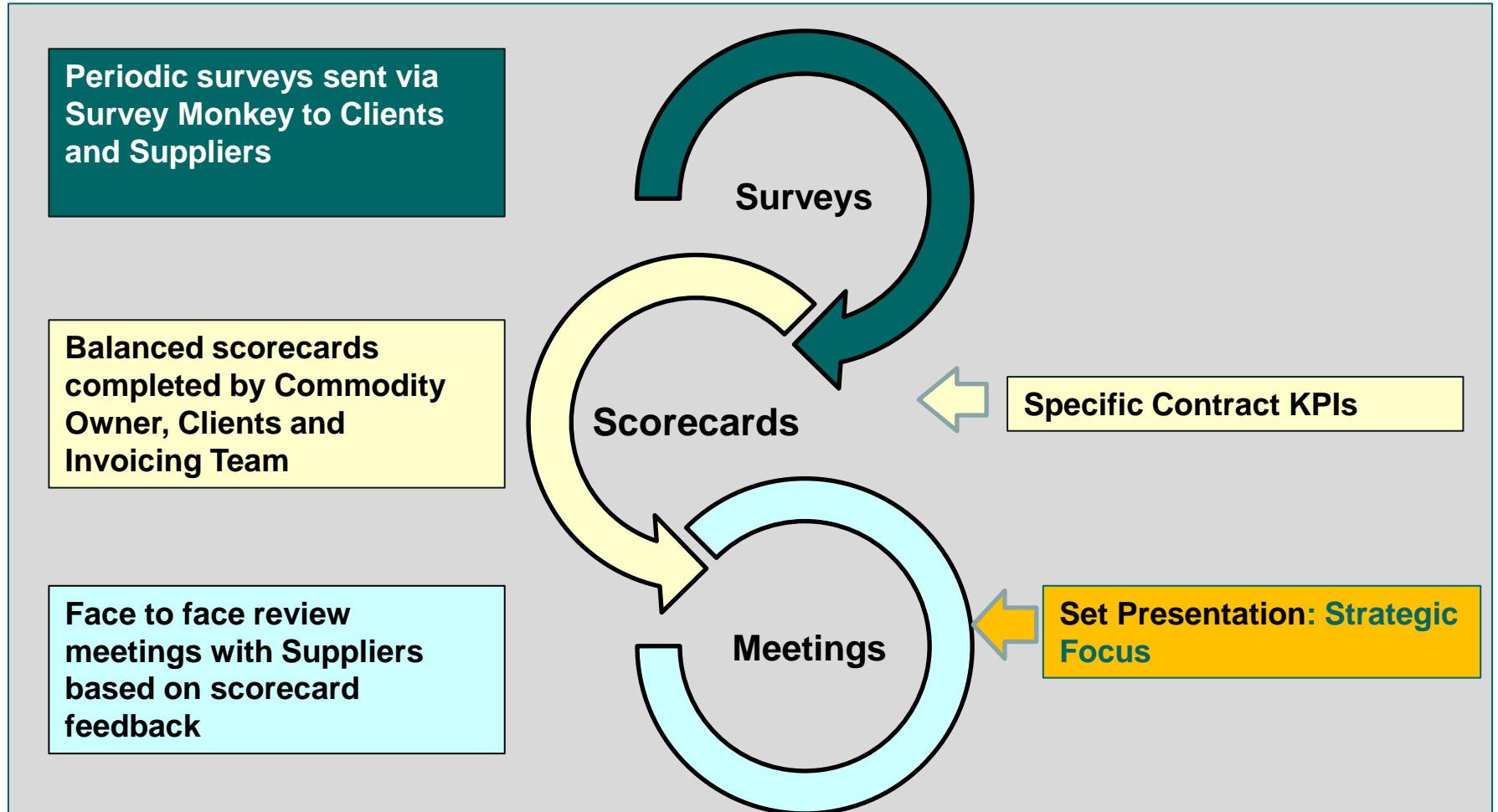


Glasgow's CSM Segmented Approach

Key Considerations

Strand 1	Strand 2	Strand 3
Business as Usual (CMAT)	Demand Management (Transformation Savings Team)	Community Benefits (Voluntary)
Contract Value	Five Year Spend Analysis	Existing Contracts without Community Benefits
Political/Reputational Risk	Increase in Trends of Spend	Contract Value / Period remaining
Market Factors	Changes in Market Conditions	Supplier overall spend
Complexity		
<u>Targeted Outcomes</u> Savings, Community Benefit Outcomes, Demand Management Opportunities, Re-engineering Opportunities, Innovative Solutions, More Efficient P2P		

CSM Monitoring Process



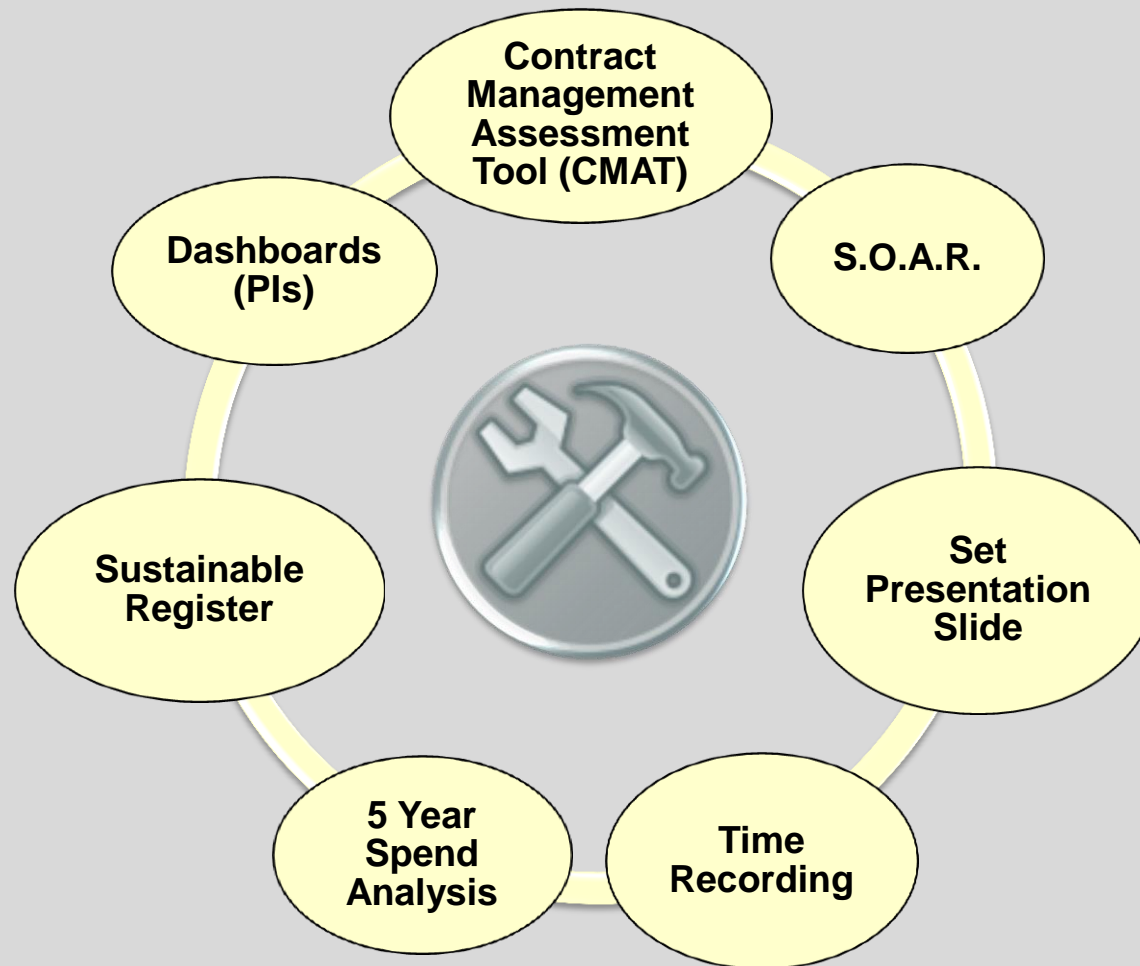
CSM Reporting Process

- **Governance Board (Strategy/Dashboards)**
- **S.O.A.R. Process**
- **Centralised Point for Clients (Intranet)**
- **Procurement Board (Savings)**

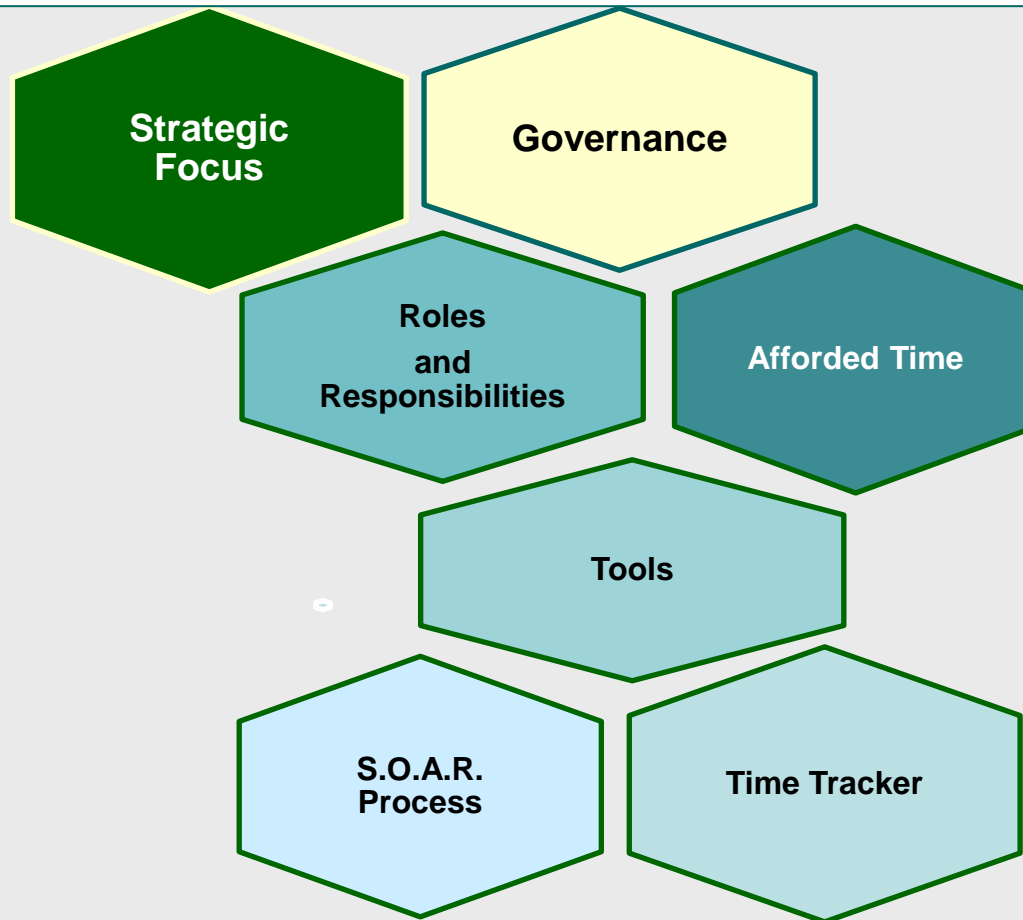
CSM Outcomes

Contract	Mechanism	Outcome
Security and Safety	Innovative Solution; Demand Management; Savings; Infrastructure Review	Hourly Rate Review; Equipment Replacement; Infrastructure Review
Vehicle Maintenance	Innovative Solution; Demand Management; Savings	Kerbing Band and Premier Tyre Pilot; Maintenance Schedule Review
Cash Collections	Innovative Solution; Demand Management Savings	Cash Machine Replacement; Changed Uplift Schedules; Account Management – Credit Process
£19m procurement savings target over two years Year 1 - target of £9m - delivered Year 2 - target of £10m - on track		

CSM Tools



CSM Key Elements



Any Questions?



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