

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

24th October 2017

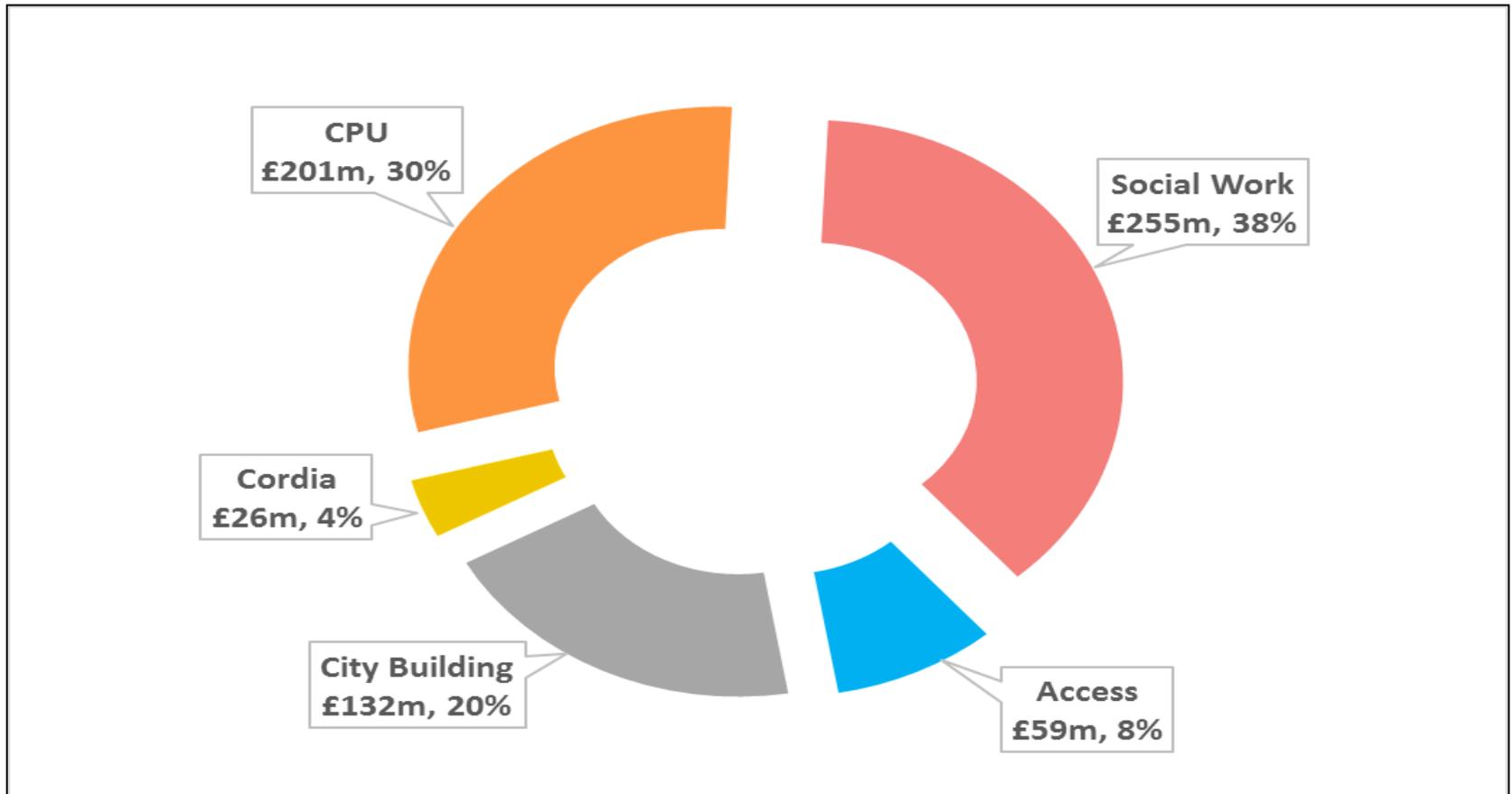
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GCC Procurement Landscape

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



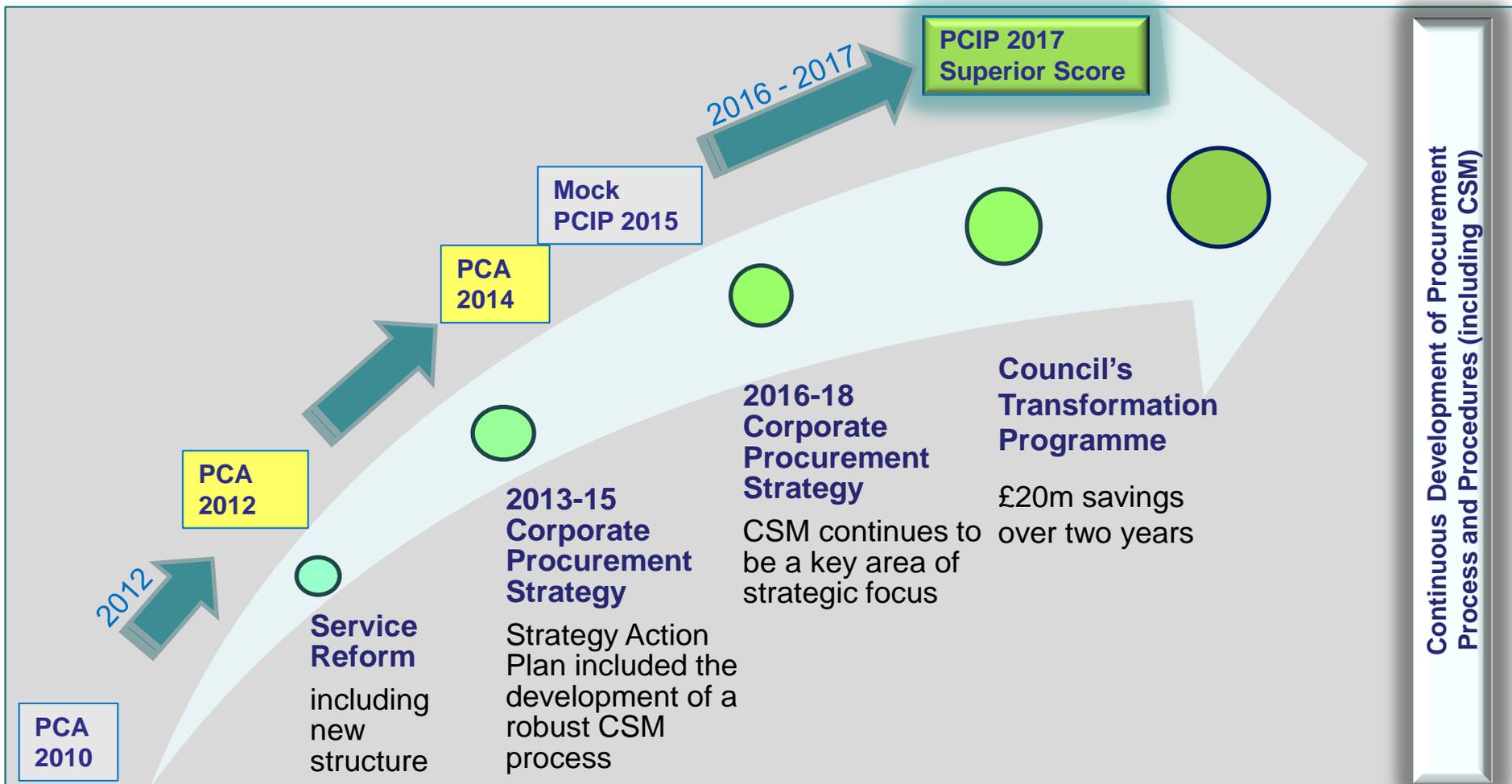
£37M
Works

- **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

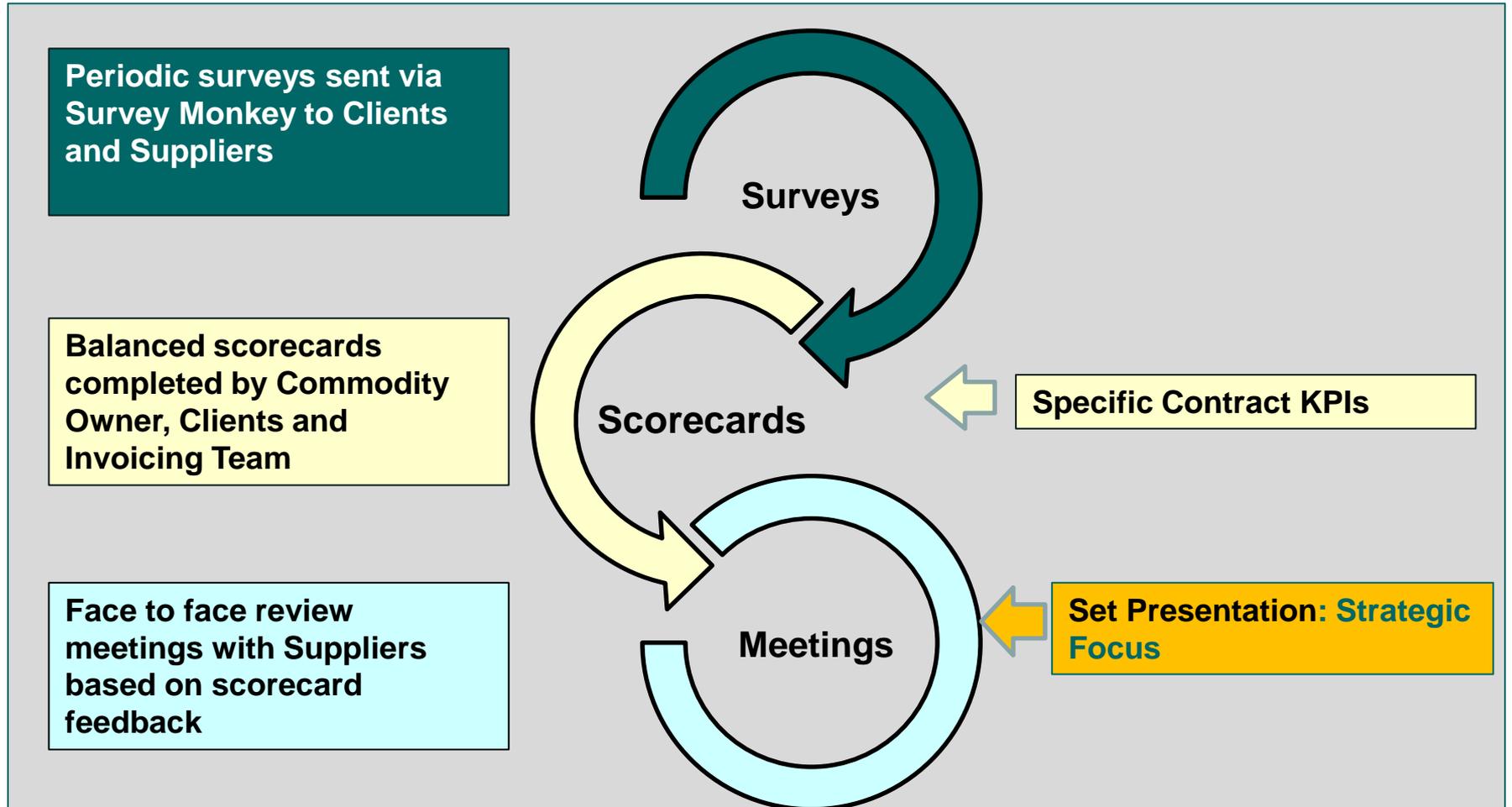
GCC's CSM - 5 year Journey



Glasgow's CSM Segmented Approach

	Strand 1	Strand 2	Strand 3
	Business as Usual (CMAT)	Demand Management (Transformation Savings Team)	Community Benefits (Voluntary)
Key Considerations	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

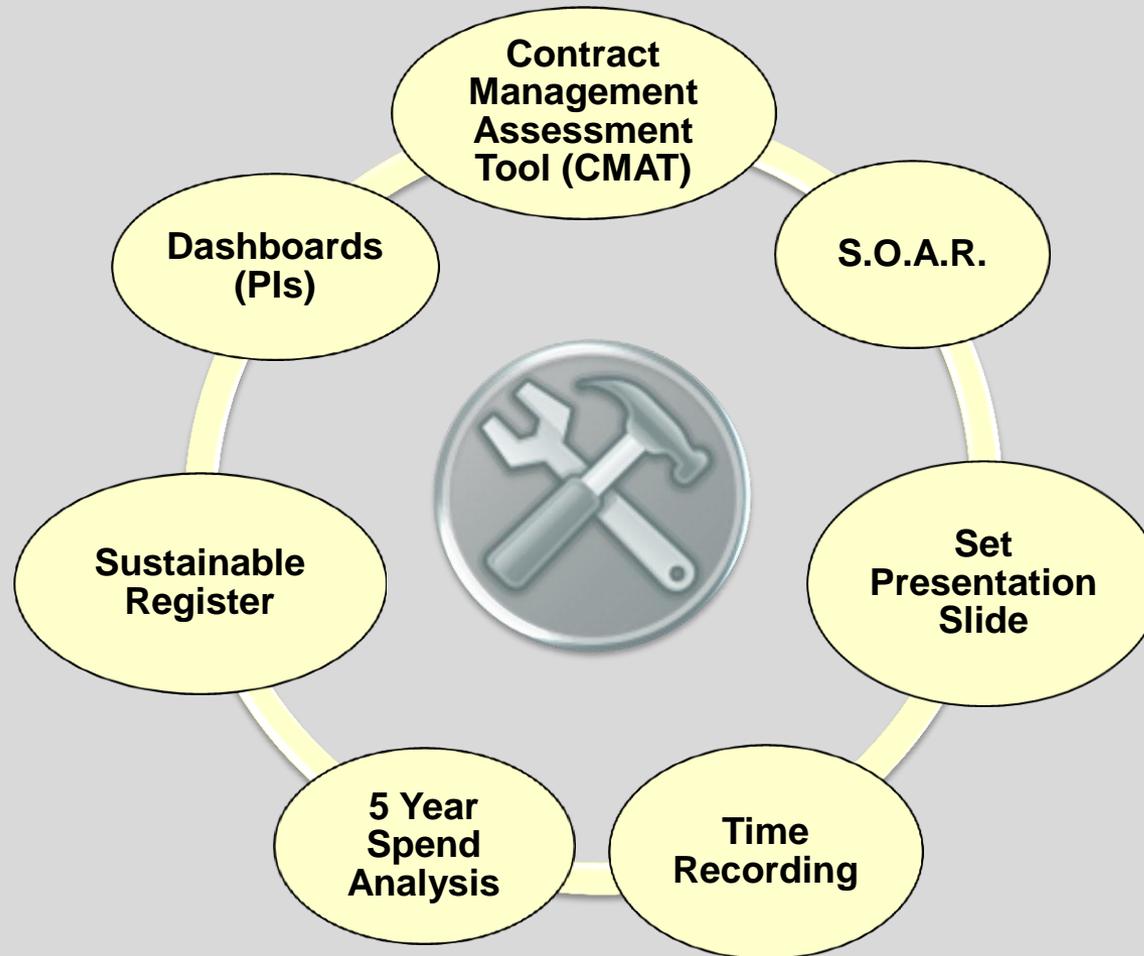
- **Governance Board (Strategy/Dashboards)**
- **S.O.A.R. Process**
- **Centralised Point for Clients (Intranet)**
- **Procurement Board (Savings)**

CSM Outcomes

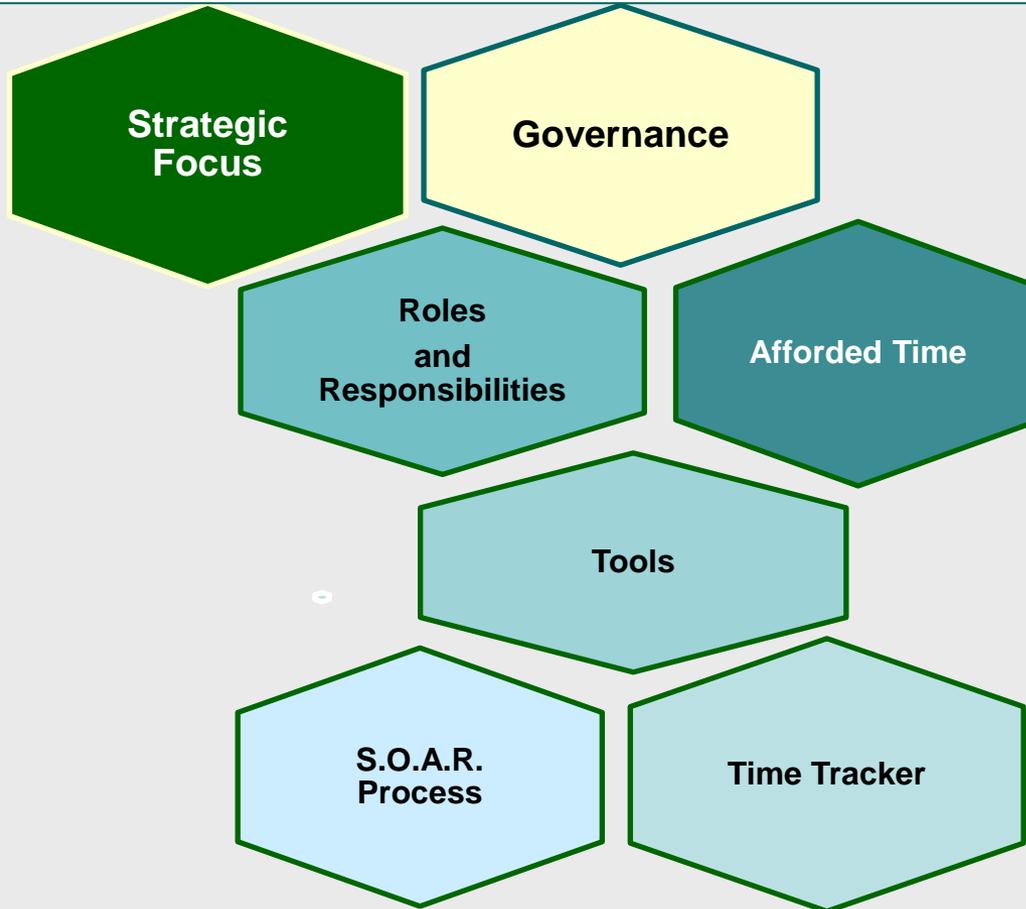
Contract	Mechanism	Outcome
Security and Safety	Innovative Solution; Demand Management; Savings; Infrastructure Review	Hourly Rate Review; Equipment Replacement; Infrastructure Review
Vehicle Maintenance	Innovative Solution; Demand Management; Savings	Kerbing Band and Premier Tyre Pilot; Maintenance Schedule 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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