Corporate Procurement Strategy
2025 – 2030

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Annual Review of Procurement Strategy 2025-26

In accordance with the Procurement Reform (Scotland) Act 2014, public bodies are required to publish a Procurement Strategy and undertake a review on an annual basis. The undernoted content details the review undertaken following close of financial year 25-26 and was documented in the corresponding Annual Procurement Report (Section 14 refers).

Section of Procurement Strategy	Update in content	Rationale/Context
Strategic Driver 1 – Community Wealth Building incorporating Sustainable Procurement (Environmental, Economic, Social and Ethical considerations) SME and Third Sector Organisations Access to Public Contracts including Local Supply/Supply Chain	Addition of reference to 'consortium bidding' within bullet: Undertake pre-market engagement to inform procurement strategy and tender structure *including opportunities for consortium bidding*.	Acknowledgement of consortium bidding not being prevalent in council tenders, though not discouraged.
Appendix A – response to specific commitments to adhere to specific requirements of the Procurement Reform (Scotland) Act 2014 How our procurements will be conducted in a transparent and proportionate manner	Technical addition to reference 'Find a Tender Service' for framework call-offs from UK Frameworks	Legislation has updated with additional requirements imposed on devolved bodies.
Appendix B – Strategy Delivery Plan - Strategic Driver 1 1.2 - Increase the scale and range of community benefits achieved	Addition of: 'Work with colleagues in other service areas to explore how community benefits from procurement can contribute to corporate pieces of work such as Life Chances Plus, Skills Academies, Construction Pathways, Anti-Poverty etc.	Continued evolvement and expansion of pro-active approach to achieving varied and meaningful community benefits.
Appendix B – Strategy Delivery Plan - Strategic Driver 1 1.3 – SME and Third Sector Organisations Access to Contracts, and Local Procurement	Addition of: 'Consider opportunities for consortium/co-operative bidding and sign-post available support/resources from Supplier Development Programme	Cross-referenced to 14.2.1

	and Co-operative Development Scotland to potential interested parties. Also, minor amendment to replace reference to Reform and Recovery groups to 'Economy and Community Wealth Building Board' in reference to continued active participation with this activity.	Minor update to reflect current Board title.
Appendix B – Strategy Delivery Plan - Strategic Driver 1 1.4 – Social/Ethical – Fair Work Practices/Fair Work First	Addition of 'Adherence to commitments associated with the 'Buy Social Pledge': • Recognising Fair Work for All • Environmental Impact for a Sustainable Tomorrow • Supporting Social Enterprises • Prompt Payment • Ethical Business • Measuring Positive Impact	To reflect the pledge that the council made in July 2025
Appendix B – Strategy Delivery Plan - Strategic Driver 1 1.5 – Climate Crisis and Environment	Minor amendment of narrative to include use of the WARPit Portal: 'Promote and champion reuse, repair and recycling of goods whilst scoping requirements, rather than default being to buy new, e.g. through the WARPit Portal.' Minor amendment to narrative around potential Climate training for procuring officers.	To reflect the technical solution now available to aid this agenda. To acknowledge corporate plans for climate training for officers.
Appendix B – Strategy Delivery Plan - Strategic Driver 3 3.5 – Effective governance, improved compliance and ensuring best practice utilised and best value achieved.	Inclusion of 'Review of the Contract Standing Orders (Scheme of Tender Procedures, due 2026).	Formality
Appendix B – Strategy Delivery Plan - Strategic Driver 3 3.6 - Continuous Improvement	Addition: Consideration of the use of Artificial Intelligence (AI) within the procurement process – both from the buyer	Evolving technological advances

	and supplier point of view. Identification of potential risks and deploy appropriate mitigations etc.	
Appendix B – Strategy Delivery Plan - Strategic Driver 4 4.2 – Effective Procure to Pay (P2P Processes and Data)	Implementation of a new Procure-to-Pay team focusing on Subject Matter Expert activity for Oracle Cloud and to drive improvement activity associated with the wider process.	To reflect new activity in the team
Appendix B – Strategy Delivery Plan - Strategic Driver 4 4.3 - Effective Risk Management	Addition to reference to SOC (deter, detect, disrupt and dismantle) Addition of off-payroll working (IR35) and Umbrella organisation legislation	Clarification on wording Area of increased focus and compliance review.

Given the strategy term will be at its mid-point during 2026/27, a top spend supplier analysis will be undertaken and included in the 2026/27 strategy review.

Foreword

Procurement is essential to keeping all our local services, and their support functions, running. And in an organisation as large, diverse and complex as ours, it is always challenging – particularly as public service finances come under increasing pressure.

The scale of our operations makes Fife Council a significant buyer of goods and services. With an annual spend of some £600m, the purchasing decisions we make have a huge impact on the local economy, as well as on the quality of services we provide. As such, working to an effective procurement strategy is critical to achieving our ambitions for Fife and creating a successful, confident and fairer place where everyone has the opportunity to thrive.

It's our duty to get best value from this public money and that means much more than looking for lowest cost, although financial management is always key.

By choosing wisely, and increasingly working in partnership with our supplier network, we can make our spend work harder for our communities.

By using local companies as our primary suppliers or as part of the supply chain wherever possible, we will support local jobs and economic growth. By encouraging businesses we work with to pay the Real Living Wage and requiring them to deliver social value, like training programmes or environmental projects, as part of our contracts, we support improving health and wealth in our communities. And by making ethical choices with suppliers who value sustainable practices and products we will play our part in addressing the impacts of climate change.

Over the next 5 years, this procurement strategy will support the council as we keep working to improve lives with quality, sustainable services, while working in new and more efficient ways.

Cllr Altany Craik
Spokesperson Finance, Economy & Strategic Planning

Executive Summary

Approaching procurement through a community wealth building lens and the Sustainable Procurement Duty, we aim to:

- Ensure as much of Fife Council's procurement spend is spent with local Fife businesses as possible.
- Reduce environmental impacts from procurements.
- Deliver community benefits from contracted suppliers.
- Encourage payment of the Real Living Wage from contracted suppliers.
- Ensure that procurement arrangements comply with relevant health and safety, data protection and cyber security (not exhaustive) legislative and regulatory requirements as appropriate.
- Where appropriate, collaborate with others to maximise efficiencies and improve outcomes.

To facilitate delivery of the above, four 'strategic drivers' have been identified that will be progressed during the period of the strategy, these are as follows:

- **Strategic Driver 1**
  Community Wealth Building incorporating Sustainable Procurement (Environmental, Economic, Social and Ethical considerations)

- Strategic Driver 2
  Compliance and Supporting the Council's Financial Challenges

- Strategic Driver 3
  Corporate Strategy, Development and Continuous Improvement of the Procurement Function

- Strategic Driver 4
  Effective Procurement Policy, Guidance and Tools

Form and Content

This strategy sets out how we plan to carry out our procurements for the next 5 years. It reflects obligations as a contracting authority, and some broader enablement of council and national priorities and aims. It addresses policy and legal context associated with public sector procurement in Fife Council and identifies ‘Strategic Drivers’ (key areas of strategic focus), aligned to corporate and national priorities, along with planned activity to achieve positive and measurable outcomes.

There are some specific minimum requirements that must be included in our Procurement Strategy, so these have been tabled in Appendix A
Mandatory requirements of the Procurement Reform (Scotland) Act 2014 and Statutory Guidance Obligationsto adhere to this requirement but recognise that there is often some overlap with the main body of the strategy.

A draft Strategy Delivery Plan has been appended in Appendix B to illustrate some key pieces of work that will be undertaken to progress the Strategic Drivers.

Fife Council's Organisational Objectives

Plan for Fife 2024-2027

The Fife Partnership has a vision for Fife as a place where communities really matter, where people set the agenda and contribute to how change is being delivered.

With fairness at the heart of everything, our aim is for Fife to be a place of connected communities, where people thrive, have enough money, and contribute to a sustainable and attractive environment.

In 2017 we set our ten-year ambitions for Fife. These remain our long-term ambitions. Review work undertaken in 2021 sharpened our focus on three main priorities and following further review in 2024, Fife Partnership Board retained those commitments for the 2024-2027 period.

In the face of social and financial challenges we will continue to provide good quality, sustainable services that meet the needs and concerns of our communities and make things fairer across Fife.

We're focussing on:

- helping people escape poverty and driving out inequalities
- building community wealth and growing our local economy
- protecting Fife from the impact of climate change



Plan for Fife Priorities 2024-27 | Our Fife - Creating a successful, confident and fairer Fife

Another 2 key strategies that this document aligns to is the Fife Economic Strategy, and the Climate Fife 2024 Strategy.

National Context

Public Procurement Strategy: 2023 to 2028

The Scottish Government published the national Public Procurement Strategy for Scotland 2023 to 2028 in April 2023. The Ministerial Foreword from Mr Arthur (Minister for Community Wealth and Public Finance) states 'We must use public spending power to make Scotland a better place to live, work and do business. How we procure goods, works and services should promote inclusive economic growth, create fair opportunities for all, and accelerate our just transition to a net zero economy.'

The vision within the document is 'Putting public procurement at the heart of a sustainable economy to maximise value for the people of Scotland'.

The strategy structure is aligned to the National Performance Framework with outcomes outlined by the Sustainable Procurement Duty, which requires us to buy in a way which is:

- **Good for businesses and employees**
- **Good for society**
- **Good for places and communities**
- **Open and connected**

These outcomes are in alignment with many aspects of this Procurement Strategy and are referenced against the relevant strategic drivers to illustrate this.



References (Scottish Government, Public Procurement Strategy for Scotland 2023 to 2028)

Legal Framework

Public procurement activity in Scotland is governed by a legislative framework including the following:

- The Public Contracts (Scotland) Regulations 2015
- Utilities Contracts (Scotland) Regulations 2016
- Concessions Contracts (Scotland) Regulations 2016
- The Procurement (Scotland) Regulations (implementation of Procurement Reform (Scotland) Act 2014 (activity from these regulations is often referred to as 'Regulated Procurement')
- Case Law

Note – the legislation for UK Government Public Procurement is going through reform. The UK Procurement Act 2023 received Royal Assent in October 2023. New Regulations will be implemented to bring the Bill into effect. This **will** not apply to Scottish public bodies but will apply to UK based organisations operating in Scotland.

It is anticipated that the Scottish Government shall notify Scottish public bodies of any technical impacts or provide guidance on any relevant aspects of the changing legislation, such as using a UK contracting authority's framework agreement.

Public Sector Procurement/Collaboration including use of National Frameworks

The Public Procurement Strategy for Scotland 2023 to 2028 states that collaboration is an enabler which 'will assist us in achieving our shared goals and anchoring our success in communities, people and organisations. Strengthening collaboration and engagement across the Public Procurement landscape will allow consistent approaches where practical and facilitate the development and sharing of best practice'.

Scottish Procurement and Property Directorate (SPPD)

As a Scottish public body, Fife Council benefits from a range of national public sector agreement contracts that have been let by SPPD, specifically the National Collaborative Procurement Division (Procurement function within Scottish Government). These are known in the Scottish public procurement profession as Category A contracts, and are for goods and services that are required across the wider public sector, with markets that lend themselves to a national arrangement, e.g. utilities, stationery, IT consumables and providers etc. Fife Council procures from these frameworks when it is deemed that it is best value to do so.

The SPPD also provide a range of tools and guidance to help public bodies carry out procurement activity efficiently, and to improve and enhance their procurement capability. The Procurement Journey and Construction Procurement websites are the main source of procurement best practice guidance for the Scottish public sector.

In addition to the best practice guidance available on the Procurement Journey, the SPPD produce the following:

- Statutory guidance covering procurement strategies and annual reports, the sustainable procurement duty, community benefit, tenders and award of contracts.
- A series of guides to help embed sustainability into procurement processes
- Procurement policy notes (SPPNs) and Construction Procurement Notes which provide advice on current policy issues.

Scotland Excel

Scotland Excel was established in 2008 following a fundamental review of public sector procurement in Scotland. (Review of Public Procurement in Scotland: Report and Recommendations). One of the recommendations was that sectoral Procurement

Centres of Expertise be created to promote collaboration and develop capability.

Scotland Excel provide a range of services for its members as follows:

- Collaborative contracts (known as Category B contracts, for goods and services at Local Government sector level, let on a national basis)
- Scotland Excel Academy (Professional Learning & Development)
- Procurement & Consultancy Services (Supplementary Cost)
- Promoting public sector procurement best practice and continuous improvement activity, including industry and category specific insight, and facilitation of the national Procurement Commercial Improvement Programme.

Scotland Excel is governed by a joint committee and was formed under section 57 of the Local Government (Scotland) Act 1974 to carry out a range of procurement functions on behalf of councils and associate members.

At the end of Q4 2022/23, Scotland Excel's contract portfolio consisted of 69 frameworks valued at £2bn covering a wide range of goods and services.

Others

There are many other procuring bodies who provide frameworks for wider public sector, or sector specific use. Fife Council would need to satisfy itself of the eligibility of use of any such framework and consideration would be documented as part of individual contract strategies.

Fife Council Procurement also engages with its counterparts in the Fife Partnership organisations, as well as other councils. Networks are well established and collaborative activity in relation to policy and process as well as from a procurement activity point of view continues to evolve.

Procurement in Fife Council (Operating Model)

Since the last Procurement Strategy was written (implemented in 2019), the Procurement function has undergone a period of transformation. The aims of the Transformation Programme were to deliver financial savings of over £16m over a three-year period, and to upskill the procurement workforce. This project was delivered successfully with outcomes exceeding targets set. The team now has an enhanced structure in place and continues to report financial and non-financial benefits as well as providing compliance with its regulated procurement activity. Performance and progress against strategic objectives are reported via the Annual Procurement Report each year.

The last 5 years have seen some unprecedented challenges with external impacts, and as a result, there are some shifts of focus in relation to some strategic objectives. Effective procurement and has played a significant role in response to previous emergency situations, and will strive to continue to provide innovative, effective and efficient responses to support positive outcomes and policy aspirations.

We fully recognise that the council faces a number of challenges for the foreseeable future, including continuing budget reductions whilst having to deliver a more diverse service than ever. We must undertake a commercial approach to our procurement activity whilst adhering to the principles of public procurement: transparency, integrity, openness, fairness, non-discrimination, equal treatment, competition and accountability. These principles underpin our procurement activity whilst ensuring value for money and securing financial and non-financial benefits for our considerable third party spend, which exceeds £600m per year.

Fife Council has a semi-centralised procurement operating model, with procurement authority for goods and services up to regulated value delegated to all council services, and for construction related works, and works related services delegated to specific services within the Place Directorate (often referred to as DPA – Delegated Procurement/Procuring Authority). Authority levels and associated governance and process is documented in the Council Standing Orders, the Scheme of Tender Procedures. The Scheme of Tender Procedures were last reviewed in 2023 and require review at least every 3 years. For the purposes of this strategy, DPA are considered an extension of the Procurement function, and are committed to supporting council aspirations in relation to their procurement activity.

The corporate procurement team is currently aligned to category areas of spend, with Category Managers being expert in their respective areas, and a conscious decision to specialise and align to the market (suppliers) rather than service areas of the council, providing a holistic approach to the range of goods, service and works that the council buys.

The procurement spend is currently split into the following categories:

- Corporate and Facilities Management
- Construction
- Environment and Fleet

- Social Care
- Travel & Transportation

Further detail of the scope within these categories can be found here Category Trees.

Procurement and Commercial Improvement Programme (PCIP)

PCIP is a national approach designed to support and encourage the continuous improvement of procurement and commercial practices. It provides a means of measuring and reporting on the procurement and commercial capability of organisations. This is done through the provision of evidence, based around a series of set questions. The PCIP is facilitated via Scotland Excel, the Local Authority Centre of Procurement Expertise, on behalf of the Scottish Government.

Fife Council will continue to engage positively with the programme and shall design procedures and processes in accordance with this as it is based on best practice in the sector. It is anticipated that the PCIP programme shall be run every 3 years, with first assessment of refreshed programme completed in March 2024.

Regulated Procurement

Procurement activity is considered ‘Regulated’ for goods and services with a value of over £50,000 and for works with a value over £2million.

Scottish Ministers have published Statutory Guidance under the Procurement Reform (Scotland) Act 2014 (the Act) and specifically covers the following:

- Procurement strategies and annual procurement reports (section 20 of the Act)
- Sustainable procurement duty (section 10 of the Act)
- Community benefit requirements in procurement (section 26 of the Act)
- Selection of tenderers and award of contracts (section 29 of the Act)
- Procurement for health and social care services (section 13 of the Act)

This guidance is utilised when developing policy and process for all related procurement activity.

Our Council Standing Orders, the Scheme of Tender Procedures ensures that all procuring officers follow the regulated procurement procedures.

Our Procurement Review Board (PRB) was set up to ensure application of all relevant governance alongside delivery of commercial excellence throughout all regulated procurement activity. The PRB allows for a structured governance regime to understand the scope of a market opportunity, through a review of the procurement report and associated contractual documentation as appropriate, to ensure that all steps have been undertaken and appropriate commercial rigor applied. The PRB has brought consistency across all areas of procurement, via peer review and through the effective review and approval of all procurement opportunities.

Internal governance associated with regulated procurement activity is well established within Fife Council but is always subject to continuous improvement, with further detail provided throughout this strategy.

Spend/Contract Profile

This strategy covers procurement activity facilitated by Fife Council itself. This might include activity on behalf of Trusts/Arm's Length External Organisations but is not extended to their organisations respectively as governed policy or practice. Any procurement that these organisations undertake independently are bound by respective legislation and are committed to supporting local policy agendas such as laid out in this strategy document. Fife Council Procurement remains available to assist with any activity in relation to procurement policy or practice to ensure compliance and best value is achieved.

Fife Council's procurement spend is significant, with £628m being reported for financial year 2023-24.

Top 25 suppliers (by spend) (Financial Year 23-24)

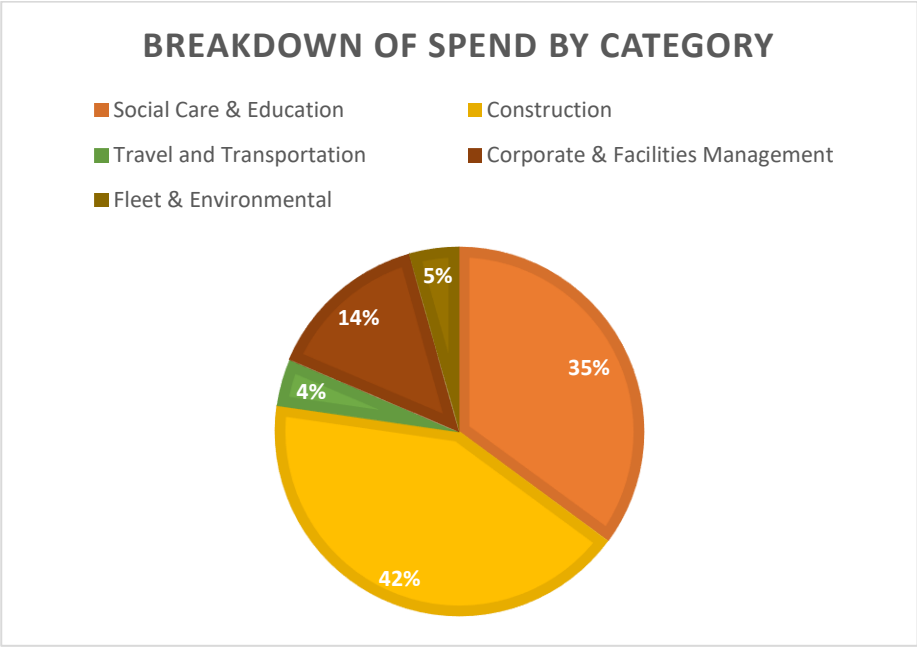
Supplier	Payment Location	23/24 Spend	Main Activity
HUB East Central Scotland Limited	Scotland (not Fife)	**£60.93m**	Dunfermline Learning Campus
EDF Energy	Outwith Scotland	**£21.59m**	Electricity
Homes Care Group Limited	Outwith Scotland	**£15.29m**	Social Care (Adults & Older People)
Richmond Fellowship	Scotland (not Fife)	**£15.01m**	Social Care (Adults & Older People)
Robertson Partnership Homes	Scotland (not Fife)	**£13.44m**	Affordable Housing
Abbotsford (Raith Manor)	Fife	**£12.74m**	Social Care (Adults & Older People)
HC1 Limited	Outwith Scotland	**£9.92m**	Social Care (Adults & Older People)
Fife Scottish Omnibuses Ltd T/A Stagecoach East Scotland	Outwith Scotland	**£9.57m**	Local and School Bus services
Pinnacle Schools (Fife) Ltd.	Outwith Scotland	**£9.39m**	Public Private Partnership 1 (PPP1)

Supplier	Payment Location	23/24 Spend	Main Activity
			2 secondary schools, new primary school, sports hall and all-weather pitch.
Emblem Schools Ltd	Scotland (not Fife)	**£8.88m**	Public Private Partnership 2 (PPP2) construction of 3 primary schools and community facility, replacement of 3 primary schools and new combined campus.
Fife Resource Solutions	Fife	**£7.93m**	ALEO - Waste Management Services
Scottish Autism Hilton House	Fife	**£7.55m**	Social Care (Adults & Older People and Children and Families)
Bell Group Limited	Outwith Scotland	**£7.19m**	Painting & Decorating, Window Installations, Kitchen Installations
Real Life Options	Outwith Scotland	**£6.73m**	Social Care (Adults & Older People)
GMC Ventures Ltd	Scotland (not Fife)	**£6.47m**	Affordable Housing
Kingdom Support & Care	Fife	**£6.35m**	Social Care (Adults & Older People)
McTear Contracts Ltd	Outwith Scotland	**£6.34m**	Heating Installation Services and Gas Servicing; Bathroom Installations
Moffat Electrical Project Ltd	Fife	**£5.95m**	Electrical Installations, Testing and PV Installations
Totalenergies Gas & Power Limited	Outwith Scotland	**£5.53m**	Natural Gas
First Endeavour LLP	Scotland (not Fife)	**£5.52m**	Affordable Housing
Newlay Civil Engineering	Outwith Scotland	**£5.26m**	Transportation Works contractor
Scottish Fuels	Scotland (not Fife)	**£5.10m**	Liquid Fuels
Network Rail Infrastructure Ltd	Outwith Scotland	**£4.58m**	Leven Rail Bridge

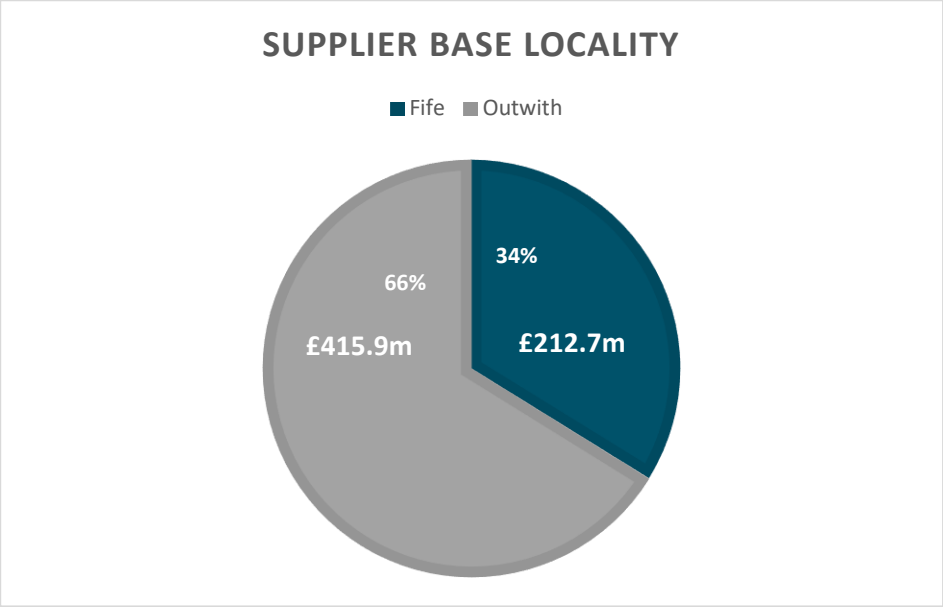
Supplier	Payment Location	23/24 Spend	Main Activity
William Yule and Son Ltd	Fife	**£4.55m**	Food – Chilled, Frozen and Ambient Products
Lister House (Fife) Ltd	Fife	**£4.44m**	Social Care (Adults & Older People)
Hub East Central (Levenmouth) Ltd	Scotland (not Fife)	**£4.25m**	Non-Profit Distribution Contract (Levenmouth Academy)
Total – top 25 suppliers		**£278.78m**	**(44% of total spend)**

Directorate	Procurement Spend £m	% of overall spend
Health & Social Care	**£196.96m**	31%
Place	**£196.37m**	31%
Educational Services	**£126.20m**	20%
Communities	**£90.96m**	14%
Finance & Corporate Services	**£18.12m**	3%
Corporate	**£0.05m**	0%

The following chart illustrates the approximate scale of spend by category, with the highest areas being Construction and Social Care.



The following chart illustrates that 34% of the procurement spend in 2023/24 was with Fife based organisations. This statistic is based on postcode of payment address and does not reflect the full impact of the council's spend locally. The procurement team have undertaken further work to identify 'part-local' suppliers where significant local impact is recognised, such as businesses with depots/branches operating within Fife and/or staff employed from Fife. Similarly, if our suppliers have extensive supply chain operations within Fife, these organisations are considered 'part-local' also. Further information is reported annually in our Annual Procurement Reports.



Our contract register is continually updated and routinely published on the 'Doing Business with Us' area of the Fife Council website. A summary of the planned regulated procurements commencing in the next financial year (and beyond) is published with our Annual Procurement Report and this 'pipeline' is also routinely updated and published as a separate publication. There are inevitably additional procurement exercises required that don't feature on the pipeline but will be reported for the preceding financial year in the Annual Procurement Report as required.

In June 2024, there were 425 contracts (either live or completed in financial year) on the Contract Register. These contracts equate to approximately £484m (77%) of the council's procurement spend per annum (£2bn in their total contract period).

Fife Council Procurement Strategic Drivers

- Strategic Driver 1
  Community Wealth Building incorporating Sustainable Procurement (Environmental, Economic, Social and Ethical considerations)

- Strategic Driver 2
  Compliance and Supporting the Council's Financial Challenges

- Strategic Driver 3
  Corporate Strategy, Development and Continuous Improvement of the Procurement Function

- Strategic Driver 4
  Effective Procurement Policy, Guidance and Tools

Each of the strategic drivers shall be introduced and linked into corporate and national objectives, with a summary of key activity that is committed as part of this strategy. Appendix B
Strategy Delivery Plan provides some more detail and this shall be updated annually as part of the refresh and through the Annual Procurement Reporting process.

Strategic Driver 1
Community Wealth Building incorporating Sustainable Procurement (Environmental, Economic, Social and Ethical considerations)

Context and Aims

With consideration of the Scottish Procurement Policy Note, Public procurement – taking account of climate and circular economy considerations: SPPN 3/2022, it is recognised that public procurement spend should support climate and circular economy considerations.

The Public Procurement Strategy for Scotland 2023 to 2028 states *'Maximising the impact of procurement with strong community engagement and development to deliver social and economic outcomes as a means to drive wellbeing by creating quality employment and skills'.*

Before a contracting authority buys anything, it must think about how it can improve the social, environmental and economic wellbeing of the area in which it operates, with a particular focus on reducing inequality.

It must also consider how its procurement processes can facilitate the involvement of SMEs, third sector bodies and supported businesses, and how public procurement can be used to promote innovation.

Link to Council and/or National Objectives

Plan 4 Fife: Community Wealth Building, Leading Economic Recovery, Addressing the Climate Emergency

Community Wealth Building Anchor Charter and CWB Action Plan

Public Procurement Strategy for Scotland 2023 to 2028

National Performance Framework – Sustainable Procurement Duty Outcomes:

- Good for businesses and their employees
- Good for places and communities
- Good for society

Fife's Economic Strategy 2023-2030: – Supporting Businesses and Delivering skills, training and fair employment.

City Region Deals

Climate Fife 2024 Strategy and Action Plan – Procurement is a supporting enabler for many elements of this strategy.

Food4Fife Strategy

How will we do it?

Use of Sustainable Procurement Tools

The Scottish Government Sustainable Procurement Tools shall be utilised where relevant to do so, to help identify and address how the specific procurement activity can optimise opportunities associated with the economic, social and environmental outcomes.

Community Benefits

One of the objectives in the Fife Economic Strategy is to 'Increase the scale and range of community benefits achieved through public sector procurement expenditure'. This also features as an ambition through Community Wealth Building activity.

Community Benefits can have a positive and direct impact on the local economy and communities through the generation of local jobs, improved infrastructure, or funding for community groups.

Community Benefits may involve (but is not limited to):

- Taking on new employees or apprentices from the local authority area
- Offering supported training or work experience for people furthest from the labour market
- Committed supply chain opportunities for local businesses, supported businesses, SMEs, social enterprises, etc.
- Providing career events and engaging with schools and colleges
- Providing volunteer days to support local charities and community groups
- Donating to local causes.

We shall continue to include community benefit clauses in procurement exercises, where relevant and proportionate to do so. We shall also seek additional voluntary community benefits where feasible and appropriate.

To maximise opportunities around community benefits, as well as to provide a more cohesive steer for procurement professionals, we shall develop a 'Community Benefits Framework' in conjunction with the Community Wealth Building project work, as well as a more practical toolkit. In addition, opportunities around the systems and interaction with the communities and suppliers shall be explored with an aim of simplifying processes and allowing positive, transparent engagement and delivery.

SME and Third Sector Organisations Access to Public Contracts including Local Supply/Supply Chain

Fife Council is committed to continue to improve access to public contracts for SMEs, the third sector and supported businesses, and utilise local contractors where this represents best value. Where possible/appropriate we will:

- Structure content of contracts to reduce barriers for smaller organisations.
- Consider lotting of contract requirements.
- Include qualitative questions that require details on the tenderers sub-contract and supply chain arrangements, with emphasis on local supply chain and/or supported business opportunities being maximised.
- Reserve contract opportunities for Supported Businesses (and encourage contractors to utilise within their supply chain).
- Undertake pre-market engagement to inform procurement strategy and tender structure including opportunities for consortium bidding.

- Seek feedback during pre-market engagement and also post-tender to identify any opportunities for future improvement.
- Continue to explore/promote any supply chain opportunities throughout the lifetime of contracts, through positive contract and supplier management.

We will continue to advertise all regulated procurement opportunities on the Public Contracts Scotland website, and work with Economic Development and the Supplier Development Programme to identify awareness of the portal within the potential supply base in Fife and deliver support for businesses with the public procurement processes.

We shall look to engage more effectively with the third sector to strengthen strategic commissioning links.

Fife Council will support national and local Meet the Buyer events and shall explore options around more structured supplier engagement for businesses who wish to engage with Fife Council procurement activity.

We shall continue to pursue opportunities with Tier 1 contractors, such as making better use of advertising portals to advertise sub-contract opportunities to local businesses. It is hoped that the Build Fife programme to support local businesses to build their capabilities and capacity to take on larger pieces of work will continue to grow.

We shall monitor unregulated procurement activity to identify any local opportunities, and we shall continue to make effort to provide a comprehensive forward plan of future regulated procurement activity to support local development of our supply base.

We shall continue to improve our data and reporting by identifying where there is a positive local impact, but the postcode of the supplier is not based in Fife. This could include suppliers that have depots or branches and therefore providing employment within Fife or are utilising Fife suppliers in their supply chain. These suppliers shall be categorised as ‘part-local’ to provide supplementary narrative to our spend based on postcode.

Fair Work Practices including Payment of the Real Living Wage

Fife Council is committed to advancing the Fair Work First criteria for its own employees, but also recognises the significant spend we have with external suppliers.

Fife Council is an accredited Living Wage employer and as part of this accreditation, we must be able to demonstrate our efforts to promote fair work with our contracts also. As such, Fair Work First is extended to our procurement contracts.

Fife Council will strive to ensure that the Real Living Wage is paid (as a minimum) in public contracts where:

- Fair Work First practices, including payment of the Real Living Wage is relevant to how the contract will be delivered.
- It does not discriminate amongst potential bidders.
- It is proportionate to do so, and
- The contract will be delivered by workers based in the UK.
- In all cases, Fife Council encourages all suppliers to pay a minimum of the Real Living Wage to their employees.

To implement the above, payment of the Real Living Wage will be mandated if appropriate and is included in the wider Fair Work First strategy and considered for inclusion in all regulated procurements. It is policy to mandate a meaningful Fair Work First qualitative criteria in all regulated contracts and include a minimum quality

score within these criteria, and only by exception would not feature, for example if conducting a framework call-off and Fair Work has already been catered for as part of framework stage, or if new criteria is not permitted in a call-off exercise.

We shall encourage suppliers to become Living Wage accredited to demonstrate their commitment.

In cases where there is no commitment to pay the Real Living Wage, we shall ascertain the reasons for this and continue to monitor and push for positive improvement on position via contract and supplier management.

We shall report on the status of contractor's commitment of payment of a minimum of the Real Living Wage.

We shall apply the Construction Charter and The Ethical Care Charter commitments to relevant procurement activity.

Climate Crisis and Environment

We shall ensure that our procurement strategies are based on informed decisions by engaging early with suppliers to create innovative solutions to positively respond to the climate challenge; eliminating waste throughout the supply chain where possible; and act in a way that will secure net zero emissions through a Just Transition and promote a circular economy.

Procurement activity will be required to support some of the actions from the Climate Fife 2024 Strategy, such as the following:

Buildings

- Decarbonise our buildings
- Energy efficiency works
- New construction projects to deliver low in use energy consumption
- Affordable Housing built to Silver Plus Standard, EPC B rating and have zero-emissions heating systems

Low Carbon Energy

- Renewable projects, low carbon fuel
- Zero Waste – support re-use scheme

Transport and Travel

- Electric vehicle charging stations
- Infrastructure improvements
- Business Travel
- Green fleet transformation

Nature and Land

- Biodiversity projects
- Protecting and supporting our communities
- Maintenance of road drainage network
- Climate Literacy training

Business, Skills and Jobs

- Support local businesses to accelerate transition to net zero
- Support the Food4Fife partnership

We shall investigate opportunities for key individuals to undertake Climate Literacy training.

Use of the Sustainable Procurement Tools shall help inform environmental issues/outcomes which could include (but not limited to):

- Consideration of reuse/repair/recycle etc.
- Carbon reduction opportunities - specifications
- Whole-life costing
- Ongoing consultation with Scottish Government, Fife Partnership, Climate Change & Zero Waste colleagues and other procurement groups to progress Scope 3 emissions and how they would be managed within a procurement environment.

Procurement shall continue to provide applicable input to the 'Public Bodies Duties Report' (PBDR) as part of fulfilment of the Council's 'Public Sector Climate Change Duties'.

Category Specific areas of focus for Sustainable Procurement (not exhaustive)

Construction

Construction Services have developed a carbon and building strategy that will see opportunities for carbon reduction built into the design process. The strategy places a focus on opportunities where early discussions in the design process can help determine what carbon reductions can be achieved through delivery of our Capital Plans. This includes Modern Methods of Construction (MMC), Passivhaus, air tightness and embracing new technology.

Affordable Housing Teams are working to meet Scottish Government guidelines addressing areas of sustainability such as Fuel Poverty, carbon dioxide emissions and energy for thermal comfort and artificial lighting. Council Teams are currently in the process of refreshing Design Guides for Affordable Housing to ensure Fife Council deliver upon these goals.

Opportunities to explore the use of Project Bank Accounts are being considered by our Affordable Housing Teams to ensure the supply base are paid promptly. Construction contract terms and conditions used by Fife Council e.g. SBCC and NEC4 have prompt payment mechanisms built in.

In relation to existing housing stock, the Scottish Housing Quality Standard (SHQS) and Energy Efficiency Standards for Social Housing (EESSH) requires a range of components and criteria to comply with basic energy efficiency requirements, such as insulation (loft/cavity wall/external) and heating efficiency. It is anticipated that the EESSHH standards will be increased and replaced by Social Housing Net Zero Standard – core to these standards will be a focus on increasing 'clean heat' at the point of use, e.g. no gas or oil boilers and a greater reliance on electric or district heating. Options around alternatives to gas boilers are being explored and a structured approach to choosing the best technology for the tenants and our statutory requirements is essential.

Fife Council Construction areas encourage the use of local suppliers through the use of Quick Quotes under £2m and where the reduction carbon can be delivered through either shortened supply chains or using technology, such as use of drones in place of scaffolding for high level inspections.

Any opportunities for positive sustainable outcomes in relation to Tier 1 contractors, such as use of SME and local supply chain shall continue to be pursued.

Corporate and Facilities Management (Priority Area – Food)

Fife Council has agreed the Food4Fife 5-year strategy with a procurement pillar that promotes healthy and planet friendly diets and the increase of locally procured climate and nature friendly food. Procurement will work with other key Services within the Council to identify where food swaps can be made, identify potential producers and support development to allow their integration into the supply chain. Sustainable food procurement will be a key driver within any new food related contracts.

Procurement will work with Scotland Excel to help establish strong and resilient supply mechanisms supporting local producers as well as supporting sustainable food procurement activity.

Procurement is working with the Council Catering Team to develop Primary School menus to include ethically sourced products. Food data now includes tracking information to identify its origin (where possible) in an effort to increase what can be procured locally. Fresh fish is served in Care Homes, this fish is Marine Council

approved with fish sourced locally. Where possible, the fresh meat we include in our contracts is ‘Red tractor’ approved and UK sourced Procurement also provide support to local community groups to find ways to support local food banks and community pantries and food support groups by offering a means of providing food to the groups through existing supply chains.

Fleet & Environment

The Fleet Category team will work alongside colleagues in Fleet Operations to progress the decarbonisation of the council’s fleet, seeking alternative fuelled vehicles where appropriate, and working with colleagues in Roads and Transportation on the Vehicle Charging Infrastructure Project to increase the Council’s electric charging infrastructure to accommodate additional electric and other alternative fuelled vehicles.

The team will also work alongside Fleet Operations (and other stakeholders) to manage and review the Fleet Replacement Programme on an ongoing basis to ensure Capital Funds allocated meet Best Value for the Council. The Team will continue to promote the payment of at least the Real Living Wage in all our contracts and Frameworks and work to enhance local provision and encourage suppliers to consider local supply chains.

Social Care

The Social Care Category Team, in conjunction with lead client Services, will continue to promote local supply chains where this best meets the requirements of persons supported through our Contracts.

We will continue to promote Fair Work and Ethical Commissioning through our tendering and CSM processes and will also continue to work with Fife H&SCP, Scottish Care, Care at Home and Supported Living providers to further develop and sustain the Care at Home Collaborative and the Supported Living Collaborative, which focus on sustainable, ethical commissioning practices and Fair Work.

Travel and Transportation

The Travel & Transportation team has, for many years, encouraged SMEs to participate in tendering for transport contracts. This has been successful in stimulating competition for contracts and encouraging growth of bus, coach and taxi operators alike. The team will continue to pursue potential new operators to join our Frameworks and Dynamic Purchasing Systems.

The major focus of the team has, and will continue to be, addressing the Climate Emergency and reducing emissions from transport contracts. All operators who wish to participate in Fife Council contracts are mandated to be members of the ECO Stars Scheme, which encourages and helps operators of buses, coaches and taxis to run fleets in the most efficient and environmentally friendly way. Tenders now use an operator's ECO Stars rating in the evaluation process.

Bus contracts have also been mandated to use a minimum engine type of EURO V from August 2024 and EURO VI from August 2028. This alone will reduce carbon dioxide emissions by 3% and nitrogen oxide emissions by 9% to 2028, becoming 3% and 92%, respectively, thereafter.

The team has pushed Community Benefits in all contracts, with an estimated £20k being delivered by contractors to local causes each year, focussing particularly on foodbanks, mental health and domestic abuse organisations.

What will the outcomes be?

Improved reporting position – target of continued increase of spend with Fife businesses and target of 50% of contracts awarded to Fife businesses (note, both might not be comparable year on year due to types of contracts being let).

Increase of contractors committed to paying a minimum of the Real Living Wage to their employees.

Increase of the scale and range of community benefits achieved through public sector procurement expenditure.

Increased inclusion of specifications for more sustainable requirements and award criteria that includes sustainable outcomes.

Strategic Driver 2
Compliance and Supporting the Council's Financial Challenges

Aims

Through effective procurement, Fife Council aims to achieve financial savings and benefits by minimising non-contract spend and avoiding unnecessary costs through robust market understanding and innovative commercial opportunities, whilst maximising economies of scale and reducing resource efforts through collaborative activities.

Opportunities for any alternative approaches to delivery of contracts should also be pursued if there are potential efficiencies to be gained.

Link to Council and/or National Objectives

Best Value

Budget setting process, Service Change Planning etc.

Public Procurement Strategy: 2023-2028 – Good for Businesses and their Employees (Contract Management)

How will we do it?

Category Managers shall develop and implement Category Strategies to consolidate the position of the procurement spend within their respective category area. These strategies will explore data, market positioning, risks and emerging issues etc., as well as identification of affected stakeholders and potential financial savings opportunities. This can include reduced cost opportunities as well as cost avoidance and income generation.

The team shall continue to target savings opportunities through demand management activities, by rationalising and standardising products/services, pursuing areas of opportunity for alternative approaches and monitoring of contract and non-contract spend, ensuring that best value is achieved. Retrospective reviews of orders will be routinely undertaken to support compliance and identification of opportunities. We shall also continue to carry out ongoing proportional contract management to ensure the right outcomes are delivered and that the performance of contracts is maximised.

We shall develop and maintain strong relationships with stakeholders to ensure alignment and support for procurement opportunities.

We shall undertake proactive monitoring of supply chain impacts to mitigate potential disruptions or impacts and explore any opportunities that might arise.

Opportunities for collaboration shall continue to be explored to maximise efficiencies where appropriate to do so.

What will the outcomes be?

- Increased compliance and contract spend
- Continued delivery of financial savings and benefits

Strategic Driver 3
Corporate Strategy, Development and Continuous Improvement of the Procurement Function

Context and Aims

Fife Council aims to develop a robust and resilient procurement function that supports strategic objectives, drives continuous improvement and ensures effective governance and compliance across all procurement activity.

Link to Council and/or National Objectives

Compliance with Legislation, Local Governance and emerging national policies/aspirations.

Best Value

Enabling Strategic Driver, underpinning successful delivery across all elements of the Strategy (both local and national).

Public Procurement Strategy for Scotland 2023 to 2028
Procurement Capability

How will we do it?

We shall look to enhance the awareness, knowledge and understanding of procurement throughout the council, further embedding Procurement as a strategic partner within the organisation. Procurement should be considered a key enabler in delivering council strategies, policies and projects, whilst being essential to drive procurement compliance and best value.

We shall enforce compliant practice that supports policy and ensure that those undertaking procurement activity are equipped to do so. Development of training for the wider council shall be considered to increase the positive procurement impacts and maximise opportunities as well as compliance. Continued promotion of opportunities associated with the refresh of the Contract Standing Orders, Scheme of Tender Procedures shall be pursued, such as use of Quick Quotes to selected prospective suppliers for lower value procurements.

More comprehensive forward plans shall be sought from Directorates and Services to allow more effective resource planning and pro-active responsiveness of a service. This shall include areas that are subject to conflicting priorities.

In addition, we shall continue to forward plan our resources, by utilising the corporate strategies and tools provided by Human

Resources Service and deploy our ‘grow our own’ strategy by recruiting Modern Apprentices, as well as exploring other opportunities, utilising the ‘Procurement People of Tomorrow’ Programme, and by promoting the procurement profession as a career.

The Public Procurement Strategy for Scotland states:



Procurement Capability

People are key. We must ensure the Procurement profession is developing individuals and teams. As well as attracting, developing and retaining new and existing procurement talent. Leadership is essential.

Comprehensive training plans shall continue to be embedded and rolled out as appropriate, utilising the Scottish Government’s Procurement Development Framework as a tool for baseline assessment of key competencies.

Effective governance shall continue to evolve, with ongoing use of the formalised Procurement Review Board.

Continuous improvement shall continue to be the promoted culture within the function, empowering staff to contribute to progression of identified opportunities. Sharing of best practice shall continue to be encouraged and promoted accordingly, providing recognition and motivation to the team.

Learnings and opportunities from the March 2024 Procurement and Commercial Improvement Programme assessment shall be progressed as appropriate, alongside sharing of best practice that was identified and we commit to participating in future programmes as required.

What will the outcomes be?

- Ensure compliance and best value.
- Capable procurement teams.
- Increased use of Quick Quotes for non-regulate/non-contract procurement requirements.
- Reduction of non-contract spend.
- Reduction of unplanned procurement activity and/or spend due to not being involved early.
- Customer satisfaction
- Planned procurements to run on time, renewed before expiry etc.

Strategic Driver 4
Effective Procurement Policy, Guidance and Tools

Context and Aims

Fife Council aims to have ambitious policies in place that support corporate and/or national objectives.

Comprehensive guidance, templates and procedures are required to be in place to facilitate and enable operational teams to undertake their professional activity and achieve positive outcomes aligned with policy objectives.

Robust, fit-for-purpose systems and associated processes are also necessary and require to be effectively used to enable accurate reporting.

Link to Council and/or National Objectives

Compliance with Legislation and Local Governance

Best Value

Enabling Strategic Driver, underpinning successful delivery across all elements of the Strategy (both local and national).

How will we do it?

We shall ensure that we have effective guidance and templates that enable positive outcomes that are aligned to policy aspirations. We shall look to minimise duplication and align activity with national best practice where there are already templates/tools in place but shall undertake a regular review to keep content current. We shall develop any new guidance where there are gaps identified, in consultation with relevant stakeholders as required.

We shall keep abreast of new policies that might be of relevance to include in contract documentation, such as the recently implemented Whistleblowing Policy which is extended to our supply chain.

We shall work with relevant stakeholders to review any opportunities for improvement associated with the Procure-to-Pay processes within/surrounding our Oracle Cloud system. We shall also undertake a wider review of the systems utilised for the procurement process to determine any efficiencies or improvements that are within our gift to progress.

We shall continue to apply corporate risk management practices at functional/category and contract level as appropriate. We shall incorporate any risk management strategies/tools such as Cyber Security, Data Protection, Serious Organised Crime, Health and Safety into relevant contracts where appropriate. We shall also

continue to liaise with Internal/External Audit and Corporate Fraud on any arising issues in a positive manner.

We shall continue to engage with other organisations both within Fife Partnership and other councils to identify opportunities, share best practice and learnings etc.

What will the outcomes be?

Compliance and effective risk management.

Work towards increased efficiency.

Positive outcomes supporting local/national policy objectives with ability to report effectively.

Monitoring, reviewing and reporting on the Procurement Strategy

The content of this strategy shall be reviewed on an annual basis. The mechanism for documenting this review is via the Annual Procurement Report which is reported via committee each year. This review will allow for (if necessary) minor adjustments and refinements (including an update to the Strategy Delivery Plan) throughout the life of the Strategy.

An Annual Procurement Report shall be prepared, presented (either via relevant committee or through delegated powers at appropriate officer level) and published on the council's website (www.fife.gov.uk) to report on the regulated procurement activity following each financial year.

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Appendix A
Mandatory requirements of the Procurement Reform (Scotland) Act 2014 and Statutory Guidance Obligations

The Act stipulates that the council's procurement strategy must set out how the council intends to ensure that its procurement activity will achieve specific requirements. This has been presented in table format below to comply with this mandate, albeit there is a degree of overlap with other elements in the main body of the strategy.

Requirements	Council response/commitment
How our procurements will contribute to the Council carrying out its functions and the achievement of its purposes	- Consultation undertaken with senior officers/groups in the council to ensure strategy is aligned to council priorities, objectives and supports national outcome. - Engagement with external stakeholders. - Engagement with communities in relation to needs that might be fulfilled through community benefits. - Ongoing stakeholder engagement throughout strategy implementation and annual reporting
How our procurements will deliver value for money	- Determine suitable selection criteria to ensure suitable organisations able to proceed to tender stage. - Determine optimum balance of price/quality in individual procurement exercises with relevant qualitative criteria informed by market analysis and knowledge and/or use of Sustainable Procurement Tools. - Selection and award criteria and rationale documented in individual Procurement Summary Reports for necessary approval via established governance model. - In accordance with the council's Scheme of Tender Procedures, advertise procurement opportunities on Public Contracts Scotland (PCS) as appropriate and/or select appropriate suppliers to quote for lower value/framework call-off opportunities via facility such as Quick Quote.

Requirements	Council response/commitment
	- Adequately trained and experienced evaluation panel conduct scoring of tenders, providing expert procurement support on a case-by-case basis to ensure a fair and transparent evaluation process is undertaken. - Document outcome of selection and award process in individual Procurement Summary Reports for necessary approval via established governance model. - Publish award notices on Public Contracts Scotland (PCS) where required to do so. - Include details of contracts awarded in corporate Contract Register, and relevant reporting lists/systems, and report as required within Annual Procurement Report.
How our procurements will treat economic operators equally and without discrimination	- Where relevant and proportionate to do so, conduct early market engagement prior to the publication of a contract notice on the approved tendering portal, Public Contract Scotland (PCS). - Make effort to use clear and precise language preventing broad interpretation. - Consideration of breaking requirements into smaller lots to make a contract size manageable for smaller suppliers. - Wherever feasible to do so, reduce requirements of the tendering/contracting process to minimise burden on economic operators in order to facilitate greater access to procurements.
How our procurements will be conducted in a transparent and proportionate manner	- Approach all procurements in an open and inclusive manner (transparency). - Ensure criteria/specification etc. is relevant to the objective or outcome being sought and not beyond what is necessary to achieve the particular outcome being pursued (proportionality). - Use electronic communication for all procurement activity. - Undertake open public and market engagement where relevant and proportionate to do so. - Use clear and precise language to ensure a common understanding of the requirements. - Publish award notices on Public Contracts Scotland (PCS) and/or Find a Tender Service (UK framework call-offs) where required to do so. - Include details of contracts awarded in corporate Contract Register, and relevant reporting lists/systems, and report as required within Annual Procurement Report.

Requirements	Council response/commitment
	The above will ensure proportionate procurement procedures and decisions and will safeguard against barriers to participation, in particular for SMEs, third sector bodies and supported businesses.
How our procurements will comply with the Sustainable Procurement Duty	- Implementation of the objectives set out in the strategy (cross-reference) will deliver on key priorities such as Fair Work practices, positive local economic impact, increased delivery of community benefits and will also support the climate change ambitions of the council. - Application of appropriate Sustainable Procurement Tools and guidance from the Scottish Government. - Monitoring, measurement and reporting on climate change and circular economy outcomes.
Statement of general policy on the use of community benefit requirements	- Inclusion of community benefit clauses in procurement exercises, where relevant and proportionate to do so. Consideration of inclusion will be undertaken in all regulated procurement exercises. - Seek additional voluntary community benefits where feasible/appropriate. - Aim to improve identification of opportunities as well as monitoring and reporting through a review of policy/systems and process associated with community benefits.
Statement of general policy on consulting and engaging with those affected by its procurements	- The Council will to continue to consult and engage with those affected by our procurement activities through the development of **category** and **contract** strategies, in advance of the procurement exercise and through our focus on identifying opportunities through Contract and Supplier Management (CSM). To ensure effectiveness, reviews take place to identify what is working well and what can be improved. This ensures continuous improvement in the delivery of our procurement activity and allows the Council to understand the needs of the area we serve and understand the impact of our procurement activity. Examples of our engagement and consultation activities include: • Feedback from Bidders and key stakeholders is recorded and considered when contracts are implemented and executed.

Requirements	Council response/commitment
	• Supplier development workshops run in conjunction with Economic Development and Supplier Development Programme • Supply market analysis • Pre-Tender market engagement • Engagement with local Community groups and organisations regarding receipt of Community Benefits
Statement of general policy on the payment of a living wage to persons involved in producing, providing or constructing the subject matter of regulated procurements	- Improving Fair Work practices is one of the strategic aims of the council, further information being provided in Strategic Driver 4. - Payment of the Real Living Wage is included in the wider Fair Work First strategy and considered for inclusion in all regulated procurements. It is Fife Council policy to mandate a meaningful Fair Work First qualitative criteria in all regulated contracts with a minimum quality score being applied, and only by exception would not feature, for example if conducting a framework call-off and Fair Work has already been catered for as part of framework stage, or if new criteria is not permitted in a call-off exercise. - Encourage suppliers to become Living Wage accredited to demonstrate their commitment. - Understand any reasons for non-payment of the Real Living Wage and continue to monitor and push for positive improvement on position via contract and supplier management. - Report on supplier status of payment of a minimum of the Real Living Wage. - Consideration of mandating of payment of a minimum of the Real Living Wage by suppliers where considered relevant, proportionate and non-discriminatory to do so.
Statement of general policy on promoting compliance by contractors and sub-contractors with the Health and Safety at Work etc. Act 1974 (c.37) and	- Compliance with the council's Health & Safety Procurement Document (OHS-C-3.G1) - Effective use of Fife Council's established 'Contractor Rules' in relevant construction contracts - Include Health and Safety related criteria as part of the selection and/or quality evaluation of contracts as appropriate. - Include relevant factors into the contract specification.

Requirements	Council response/commitment
any provision made under that Act	- Include suitable terms and conditions within the contract.
Statement of general policy on the procurement of fairly and ethically traded goods and services	Fife Council shall consider sustainable aspects, such as fair and ethical trading in all relevant procurement exercises, in a proportionate manner and in line with the Sustainable Procurement Duty and shall ensure that contractual arrangements are flexible enough to allow the purchase of fair and ethically traded products in addition or as an alternative to standard products. This will involve consideration of the following: - Fair Trade Certification (or equivalent): o Consider specifying relevant products with recognised fair-trade certifications (e.g., FSC (timber), Red Tractor, Intelligent (MSC Fish. Roundtable on Sustainable Palm Oil (food items)) etc.) o These certifications ensure that producers receive fair wages, work in safe conditions and products come from sustainable sources. - Environmental Considerations: o Choose suppliers committed to sustainable practices, such as reducing carbon emissions, minimising waste, and using eco-friendly materials. o Evaluate suppliers' environmental policies and track records. - Labour Rights and Ethical Treatment: o Verify that suppliers adhere to labour laws and provide fair wages, safe working conditions, and reasonable working hours. o Avoid suppliers involved in child labour or exploitative practices. - Transparency and Traceability: o Work with suppliers who provide transparent information about their supply chains. o Trace the origin of products to ensure they are ethically sourced.
Statement on general policy on how it intends	- Fife Council has a Food4Fife Strategy which sets the direction and focus of food activities across the region. By reducing reliance on imported foods, enhancing local food security, and fostering

Requirements	Council response/commitment
its approach to regulated procurements involving the provision of food to improve the health, wellbeing and education of communities and promote the highest standards of welfare	sustainable practices, the strategy combats food poverty and contributes to mitigating the climate crisis. One of the pillars of this strategy is 'Healthy Food for All' and the ambition for Fife is 'nobody goes hungry'. The following actions are committed: ○ Ensure everyone has access to healthy and culturally appropriate food through increased food infrastructure and public food services (schools, care homes, colleges, university, and hospitals). ○ Support research and data collection around the causes, solutions and monitoring of food poverty, and ensure communication across all services. ○ Increase communication campaigns and capacity building to support people toward eating healthily, including food preparation and cooking skills. - Fife Council Procurement shall continue to actively participate in the working group and partnership to implement the strategy effectively. High level actions noted below: ○ Develop and embed approaches to increase procurement of local food. ○ Work with suppliers and Fife Council's Business & Employability Service to support local food producers into the supply chain. ○ Enable procurement contracts to include community benefits and promote sustainability in line with best practice and regulation requirements. ○ Ensure best value for health as well as budgets. Ensure all opportunities to achieve health and environmental improvements are considered. ○ Explore alternative approaches for procurement. Consider commercial elements and practicing a risk minimisation approach. ○ Carry out research pilots to understand local market, cost and health implications. ○ Improve collaborative working across organisations and partnerships. - Opportunities for sustainable food purchasing will be considered and adopted where appropriate. Fife Council is committed to including requirements that promote animal welfare in relevant procurement exercises. All procurement requirements relating to food procurement will look to ensure the application of the appropriate animal welfare standards in accordance with all the relevant legislation.

Requirements	Council response/commitment
Payment (so far as practicable) made to contractors and sub-contractors no later than 30 days after invoice	- Prompt payment clauses requiring a 30-day payment term **(or less)** are embedded within our contractual terms and conditions. - The council aims to pay suppliers within 20 days following receipt of a valid invoice. Statistics are regularly reviewed, and improvement opportunities shall continue to be considered as appropriate. - Purchasing cards are utilised in certain circumstances, including for catering requirements (virtual cards), which provides speedy payment. - Project Bank Accounts will be considered for appropriate contracts to help secure sub-contractor payments. - Suitable contract terms and conditions will be adopted with prompt payments required where sub-contracting is likely to be utilised, and this shall be monitored where appropriate, through contract and supplier management. - Performance Bonds and other procedures to mitigate risks associated with construction contracts such as vesting and off-site storage shall be adhered to as appropriate. - The guidance in Public procurement - prompt payment in the supply chain: SPPN 2/2022 will be followed as appropriate. - Where relevant, in regulated procurement exercises, Clause 4C.4 within the Single Procurement Document (SPD Scotland) will be used as part of the selection criteria to promote prompt payment. - Where appropriate to do so, in regulated procurement exercise, an award criteria question will be included in the invitation to tender for prospective suppliers to answer to illustrate how they will ensure payment of sub-contractors/supply chain providers will be ensured and managed. - Contract and Supplier Management will monitor payment where feasible/appropriate to do so.

Appendix B
Strategy Delivery Plan

Strategic Driver 1
Sustainable Procurement (Environmental, Economic, Social and Ethical Considerations)

Objective	Delivery Actions	Proposed Milestones/Steps	Owner(s)
1.1	Use of Sustainable Procurement Tools	The Scottish Government Sustainable Procurement Tools shall be utilised where relevant to do so, to help identify and address how the specific procurement activity can optimise opportunities associated with the economic, social and environmental outcomes. This includes an initial segmentation and prioritisation exercise at category/sub-category level to identify areas of main opportunity to help inform where to focus efforts for most positive impacts. Category specific action (examples): Corporate/FM – Food – local production and ethically sourced supply Construction – retrofit, insulation etc., Passivhaus, local supply/supply chain, Project Bank Accounts etc. Fleet – local supply, alternatively fuelled vehicles and associated infrastructure Social Care – local supply/supply chain, Fair Work & Ethical Care Travel & Transportation – local supply, carbon reduction. Monitor and continue to improve prompt payment in the supply chain for contracts, including the use, where appropriate, of project bank accounts.	Procurement

Objective	Delivery Actions	Proposed Milestones/Steps	Owner(s)
1.2	Increase the scale and range of community benefits achieved.	Pursue a Fife Partnership wide 'Community Benefit Framework' to agree the policy and commitment of this agenda. Phased approach to achieve the goals: Community Requests: - Create and test a Community Benefits Request Form to capture what community organisations are looking for support with. - Define roles and responsibilities of staff involved in delivering and maximising Community Benefits - Establish a multi-service team to review and validate requests for Community Benefits. **Community Benefits Portal -** explore options for streamlined and unified approach to single portal for use by the public sector/Fife Partners. **User's Guide/Toolkit** – aligned to the Community Benefits Framework, aimed to streamline processes and practices and present officers with guidance on how to apply Community Benefit Clauses (CBCs) in tenders. Engage with Fife partners to create and agree a Fife wide approach. **Tracking and Reporting Community Benefits –** develop and test appropriate method of tracking and monitoring of community benefits, capturing requests, what has been delivered etc. Work with colleagues in other service areas to explore how community benefits from procurement can contribute to corporate pieces of work such as Life Chances Plus, Skills Academies, Construction Pathways, Anti-Poverty etc.	Procurement (and other stakeholders as agreed)
1.3	SME and Third Sector Organisations Access to Contracts, and Local Procurement	Structure contracts to remove/reduce any barriers to participation for such organisations, e.g. consideration of contract lotting etc. Consider the inclusion of supply chain opportunities as part of the contract requirement, and/or through award criteria. Consider reserving any suitable contracts for Supported Businesses.	Procurement

Objective	Delivery Actions	Proposed Milestones/Steps	Owner(s)
		Continue to advertise all regulated procurement opportunities on the Public Contracts Scotland website, making it easier to find and win contracts. Continue to support positive supplier engagement activity, such as local and national Meet the Buyer events, and Supplier Development Programme training etc. Consider more structured approach to supplier engagement with local businesses looking to engage in the Procurement Process. Increase engagement with the third sector, perhaps through the Voluntary Sector Task Group, to strengthen strategic commissioning links. Work with Economic Development Teams to have local suppliers update their profiles on PCS (including Supplier Finder). Consider opportunities for consortium/co-operative bidding and sign-post available support/resources from Supplier Development Programme and Co-operative Development Scotland to potential interested parties. Continue to grow Build Fife Programme. Increase Quick Quote activity for unregulated, non-contract requirements, with conscious efforts to invite SME/Third Sector organisations, from within Fife where possible. Continue active participation in relevant strategic groups such as the Economy and Community Wealth Building Board. Continue to work with Economic Development on any emerging issues or opportunities. Seek feedback from tenderers (and organisations who did not tender) on their experience with the tender process, and act on any opportunities that arise. Monitor impacts of interventions and efforts, continuous improvement of qualitative data, e.g. ‘Part-Local’ to inform position.	

Objective	Delivery Actions	Proposed Milestones/Steps	Owner(s)
1.4	Social/Ethical – Fair Work Practices/Fair Work First	Include fair work first considerations in all regulated procurement exercises and seek confirmation of status of payment of the Real Living Wage. Where a supplier is not committed to paying the Real Living Wage, investigate the reasons for this, and actively encourage the supplier to change this position. Monitor through Contract and Supplier Management activity. Quantify position of suppliers committed to paying the Real Living Wage. Inclusion of Construction Charter and Ethical Care Charter in all applicable contracts. Consideration of any ethical issues as part of the contract strategy, making effort to mitigate any identified risks through relevant stage of the procurement exercise/contract, e.g., supplier selection, specification, award criteria, contract and supplier management. Adherence to commitments associated with the 'Buy Social Pledge': • Recognising Fair Work for All • Environmental Impact for a Sustainable Tomorrow • Supporting Social Enterprises • Prompt Payment, Ethical Business • Measuring Positive Impact	Procurement
1.5	Climate Crisis and Environment: Ensure procurement strategies make informed decisions by engaging early with suppliers to create innovative solutions to positively respond to the	Engage with Climate Change & Zero Waste colleagues and seek expert support such as Scottish Government contractor, *Sustainable Procurement Ltd.* to create case studies, educate and inform of opportunities and options within relevant and appropriate procurement exercises. Identify and progress potential opportunities to increase Climate training for Procuring Officers.	Procurement (and other stakeholders as required)

Objective	Delivery Actions	Proposed Milestones/Steps	Owner(s)
	climate challenge; eliminating waste throughout the supply chain where possible; and act in a way that will secure net zero emissions through a Just Transition and promote a circular economy.	Promote and champion reuse, repair and recycling of goods whilst scoping requirements, rather than default being to buy new, e.g. through the WARPit Portal. Engage with Supplier Development Programme and Economic Development to engage with suppliers and others to get understanding of opportunities around carbon reducing actions that can be delivered in different markets and build into specifications etc. Also to ensure that suppliers are actively engaged in supporting a Just Transition to net zero. Include environmental considerations in procurement activity such as Single Procurement Document (Environmental Management) and progressing with Climate Change & Zero waste colleagues, the Scottish Government and Fife Partners the incorporation of Scope 3 Emissions, by incorporating into the specification and/or applying relevant selection/award criteria where relevant and proportionate to do so. Where possible to do so, utilise a whole-life costing approach to ensure value for money in procurement, whilst minimising environmental damage and maximising socio-economic benefits. Procurement shall continue to provide applicable input to the 'Public Bodies Duties Report' (PBDR) as part of fulfilment of the Council's Public Sector Climate Change Duties.	

Strategic Driver 2
Supporting the Council's Financial Challenges

Objective	Delivery Actions	Proposed Milestones/Steps	Owner(s)
2.1	Development and implementation of Category Strategies	Spend analysis Stakeholder engagement Opportunity identification etc.	Procurement – Category Managers
2.2	Retrospective Checking – compliance and opportunities identification	Embed process and review effectiveness. Education, communication and training requirements etc.	Procurement
2.3	Effective stakeholder engagement	Stakeholder mapping and plans (internal and external, including community engagement)	Procurement
2.4	Effective Contract and Supplier Management	Ensure contract management process is adopted; provide resources to support ongoing management; monitoring and reporting; contract management learning events provided	Procurement and other lead areas of the council, e.g. DPA, Health and Social Care Partnership, BTS.
2.5	Monitoring and review of supply chain impacts	Quarterly review of risk registers Bi-annual production of Supply Chain Impacts paper	Procurement
2.6	Collaboration opportunities – sharing of information, benchmarking etc., collaborative procurement activity.	Scottish Local Government Procurement Forum Fife Partnership Neighbouring councils	Procurement

Strategic Driver 3
Corporate Strategy, Development and Continuous Improvement of the Procurement Function

Objective	Delivery Actions	Proposed Milestones/Steps	Owner(s)
3.1	Collective ownership - Further embed Procurement as a strategic partner, ensuring procurement is considered a key enabler in the delivery of council strategies, policies and projects as well as being essential to drive compliance	Representation and active participation in relevant Boards/Project Delivery Groups etc. Stakeholder engagement (internal and external (including engagement with the community)). Seek more formalised plans from Directorates/Services of non-standard procurement activity, in an effort to reduce unplanned activity and allowing more effective resource planning etc. Investigate opportunities to support the managing of performance of procurement timelines.	Procurement Council Executive Team endorsed
3.2	Ensure awareness, knowledge and understanding of procurement.	Continued promotion and enforcement of Scheme of Tender Procedures, providing training and guidance to wider council services for unregulated procurement activity to maximise opportunities for sustainable outcomes. Consider the development of corporate eLearning.	Procurement FC Service Areas Procurement Policy Team
3.3	Effective Resource Planning and Staff Development	Review and contribute to corporate strategic activity such as People Plan; Our People Matter and Workforce Action Plans etc. Continue to deploy strategy of 'Grow our own' procurement talent, through recruitment of Modern Apprentices. Promote Procurement as a career through Careers Fairs, school visits etc. Explore other entry/development opportunities through national Procurement People of Tomorrow Programme, such as utilisation of Graduate Apprenticeships, trainees etc.	Procurement Management Team

Objective	Delivery Actions	Proposed Milestones/Steps	Owner(s)
3.4	Staff Development	Refresh of Procurement Development Framework in 2025 to establish movement/gaps on key competencies. Target any opportunities with tailored training plans through individual Personal Development Plans. Continue to refine the corporate training plans and ensure effective implementation. Consider extension to areas with Delegated Procurement Authority as appropriate.	Procurement Management Team
3.5	Effective governance, improved compliance and ensuring best practice utilised and best value achieved.	Continued use and development of Procurement Review Board (PRB). Monitoring & review of Delegated Procurement Authority List. Analysis of procurement activity – Oracle/Public Contracts Scotland. Monitoring and reporting of findings. Reviewing standard documentation to reflect regulatory changes and best practice. Continue to provide regular updates to staff on changes to regulations, case law, statutory guidance, policy and social value outcomes. Continuous reviewing and monitoring, within the procurement remit, to ensure compliance with purchase systems and procedures, including the Council Standing Orders. Regular review of audit actions and updating of risk register and processes. Development of Compliance Policy. Review of the Contract Standing Orders (Scheme of Tender Procedures, due 2026).	Procurement Management/Policy Team
3.6	Continuous Improvement	Continue to review opportunities identified through internal continuous improvement group. Share best practice and emerging issues through established Procurement Network group, with representation across all areas with Delegated Procurement Authority in Fife Council.	Procurement Management/Policy Team

Objective	Delivery Actions	Proposed Milestones/Steps	Owner(s)
		Seek feedback from customers and tenderers on procurement exercises and consider any rectifying action or opportunities as they arise, and/or any emerging trends. Consideration of the use of Artificial Intelligence (AI) within the procurement process – both from the buyer and supplier point of view. Identification of potential risks and deploy appropriate mitigations etc.	
3.7	Procurement and Commercial Improvement Programme (PCIP)	Take any learnings/opportunities from 2024 PCIP assessment and develop implementation plan as appropriate. Share best practice where identified. Participate in future assessment programmes as required (anticipate running every 3 years).	Procurement

Strategic Driver 4
Effective Procurement Policy, Guidance and Tools

Objective	Delivery Actions	Proposed Milestones/Steps	Owner(s)
4.1	General	Create database of key policies, guidance and templates, with robust version control and annual review. Update any dated procedures, or where policy/processes have evolved to bring into line. Introduce a rolling programme of review. Review alongside national best practice guidance and minimise any duplication, e.g. Scottish Government toolkits - Procurement Journey, Construction Procurement etc. Ensure any corporate/new policies and guidance are incorporated into relevant documents, e.g. Whistleblowing Policy. Review use of national tools. Develop/enhance processes and guidance around Serious Organised Crime.	Procurement Policy Team
4.2	Effective Procure to Pay (P2P Processes and Data)	Continuous improvement to maximise efficiency and effectiveness of processes. Oracle functionality such as Catalogues/Punchout/Smart-Forms/eInvoicing/Self-Bill/Recurring Payments/Supplier Portal etc. Embed retrospective checking of auto-created orders, monitoring impacts of any interventions and identifying any areas of focus. Implementation of a new Procure-to-Pay team focusing on Subject Matter Expert activity for Oracle Cloud and to drive improvement activity associated with the wider process. Creation of high-level manual to bring together purpose and dependencies of various tools in use – e.g. PCS, PCS-T, Oracle Cloud (and offline such as MS Lists, spreadsheets), etc. Identify any opportunities for improvement.	Procurement Policy Team (P2P SME)

Objective	Delivery Actions	Proposed Milestones/Steps	Owner(s)
		Payment Transactions Project – review of various types of payments made by the council and develop strategy for most efficient and effective approach.	
4.3	Effective Risk Management	Continued use of corporate risk management processes. Quarterly review of identified functional and category specific risks, and routine consideration of risks at contract level. Communicate any emerging issues such as supply chain impacts to relevant stakeholders. Regular liaison with Internal Audit, and engagement with External Audit if/as required. Participate in any audit activity as required. Regular Fraud Prevention/Awareness Sessions for procuring staff, in conjunction with Corporate Fraud colleagues Include relevant risk mitigation strategies/processes in contracts such as: - Cyber Security - Serious Organised Crime (deter, detect, disrupt and dismantle) - Ethical Sourcing - Health and Safety (OHS-C-3.G1) - Data Protection - Off-payroll working (IR35) and Umbrella organisation legislation etc.	Procurement
4.4	Working Collaboratively	We shall continue to engage with other organisations both within Fife Partnership and other councils to identify opportunities, share best practice and learnings etc. Establish and progress collaborative work with Fife Partnership. Continue to be active in national networks such as the Scottish Local Government Procurement Forum (SLGPF).	Procurement & Fife Partnership

Appendix C
Glossary of Terms

Community Benefit Clause

A clause included in supplier contracts which makes community benefits a contractual obligation of the supplier.

Contract

An agreement between two or more parties that is legally binding.

Contract Management/Contract and Supplier Management

The purpose of Contract and Supplier Management is to work closely with suppliers and internal customers to minimise the total cost of ownership and maximise supply chain efficiencies throughout the life of the contract.

Contract Register

A published list of contracts put in place by a public sector organisation based in Scotland. This is a legislative requirement.

DPA – Delegated Procurement Authority

The authority to conduct the process leading up to the award of a contract for goods, services and/or works.

Economic Operator

Any person who offers the execution of works, the supply of products or the provision of services on the market.

Fair Work Practices

Employment practices that support wellbeing e.g. training and development, equality of opportunity, payment of a fair wage etc.

Just Transition

A fairer, greener future for all – and the process that must be undertaken in partnership with those impacted by the transition to net zero. It supports a net zero and climate resilient economy in a way that delivers fairness and tackles inequality and injustice.

Public Contracts Scotland (PCS)

Approved tendering portal mandated for use by the Scottish Public Sector for publishing contract notices and award notices, notifying prospective suppliers of tender opportunities and contract awards.

This portal can also facilitate a secure and auditable electronic tender process by utilising the SPD module and postbox functionality for economic operators to submit their responses.

Real Living Wage

The real Living Wage is the only UK wage rate based on the cost of living and whilst voluntary, is paid by employers who believe their staff deserve a wage which meets everyday needs.

It should not be confused with the Minimum Wage or the National Living Wage which are both statutory requirements.

Fife Council is an accredited Living Wage Employer.

More information can be found on this website: What is the real Living Wage? | Living Wage Foundation

Single Procurement Document (SPD)

The SPD contains questions used at the selection stage of a procurement exercise i.e. it allows buyers to ask questions to identify suitably qualified and experienced bidders for their procurement.

SMEs

Small and medium-sized enterprises (SMEs) are businesses which employ fewer than 250 persons.

Supported Business(es)

An organisation whose main aim is the social and professional integration of disabled and disadvantaged workers and where at least 30% of their workforce are classed as disabled or disadvantaged.

Sustainable Procurement Duty

For the purposes of the Procurement Reform Act 2014, is the duty of a contracting authority-

a) before carrying out a regulated procurement, to consider how in conducting the procurement process it can-

   i) improve the economic, social and environmental wellbeing of the authority's area,

   ii) facilitate the involvement of small and medium enterprises, third sector bodies and supported businesses in the process, and

   iii) promote innovation, and

b) in carrying out the procurement, to act with a view to securing such improvements identified as a result of paragraph (a)(i).

Tender

The term used to describe the procurement process of advertising, requesting and awarding a contract.

Third Sector Bodies

For the purposes of the Procurement Reform Act 2014, means organisations (other than bodies established under an enactment) that exist wholly or mainly to provide benefits for society or the environment.

Quick Quote

A process used by public sector buyers in Public Contracts Scotland (website) to seek quotations for procurement requirements (normally under £50k in value, or a mini-competition from a framework).

Glossary | Procurement Journey