

Sustainable Procurement Strategy

March 2025 to March 2030

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Foreword



Edinburgh is one of the best cities in the world in which to live, work and study. This Strategy represents a commitment to economic opportunity, environmental sustainability and social justice. As a Council we are dedicated to making sure every procurement decision reflects our Council values and benefits Edinburgh residents. Our

vision is bold yet achievable – building a resilient, inclusive economy that aligns with our sustainability goals.

As we look beyond 2025, the City of Edinburgh Council stays committed to developing our city in a way that encourages opportunity, equality and sustainability for all of our citizens. Our Sustainable Procurement Strategy 2025-2030 reflects this vision, with a strong commitment to delivering best value, supporting local businesses, ending poverty, advancing ethical procurement, championing fair work and prioritising environmental responsibility.

At the heart of our updated Sustainable Procurement Strategy is a focus on opportunities for local businesses. Small and Medium Enterprises (SMEs) form the backbone of our local economy, driving innovation and creating opportunities and jobs within our communities. By prioritising local suppliers wherever possible, we aim to ensure the Council's procurement helps Edinburgh businesses and the third sector to grow and thrive. An approach which will strengthen our local economy and builds resilience and opportunities for contractors within our city.

The Council's commitment to eradicating poverty within our city underpins much of this strategy. We are using procurement as a vital tool to address these challenges. By creating contracts that prioritise Community Wealth Building principles and fair work first commitments we aim to generate employment and training opportunities in all of our contracts. Our emphasis on fair wages, ethical sourcing and local employment supports the work the Edinburgh Poverty Commission is doing on addressing the root causes of poverty by promoting sustainable growth and resilience across the city.

Addressing the climate emergency and nature crises are fundamental challenges we must address through procurement practices as a Council. We must aim to develop our economy into a circular one where materials are kept in use for longer and our demand for raw materials is reduced wherever possible. As a city we need to encourage recycling and reuse to minimise the waste that we generate.

To deliver these aims the core focus moving forward will be:

- A Community Wealth Building approach
- Ethical Procurement - using procurement to influence and increase positive fair work and socially responsible outcomes which benefit the city by addressing poverty and inequality
- Delivering best value and value for money outcomes

By delivering in these key areas, the Council can be confident that its procurement activity will benefit all its residents.

Councillor Mandy Watt

Convener of Finance and Resources Committee

Introduction and procurement vision



Edinburgh is a city full of vibrancy and opportunity. As the Council continues to navigate complex financial challenges, we recognise that responsible, sustainable procurement is key to delivering services that meets the needs of our communities and recognises the need to safeguard resources for future generations. Our Sustainable Procurement Strategy reflects a clear vision: to embed ethical, environmental and

economic considerations into every purchasing decision. We want to ensure that every pound spent delivers maximum value for our city and minimises the negative impacts on our environment.

Our vision calls for a transformative approach, continuing to support local businesses and fair work but also using technology to improve change and efficiency. Digital innovation will be key to streamlining procurement processes as well as making them more user friendly for both Council staff and suppliers.

The Strategy also builds on a strong foundation of achievements delivered in previous years, including over £124million in procurement savings since 2020, increased

capacity and skills, embedded co-production and collaboration and improved sustainable outcomes. These achievements will still be important in the coming years, and the principles remain a core element of the strategy.

To achieve our goals, we are committed to partnerships with suppliers who share the Council values, especially those committed to low-carbon practices and ethical sourcing. We want to work with our contractors to set a high standard in sustainable procurement and fair work practices across Scotland.

Procurement is seen as a strategic link to ensure that the spending power of the Council is used to achieve the Council's goals and targets. We also want to use the power of procurement to influence social, economic and environmental outcomes and embed sustainability requirements in all of our Council contracts.

In partnership with local businesses, public sector organisations, this sector and residents we will continue to work towards a city where opportunity and prosperity are accessible to all

Dr Deborah Smart
Executive Director of Corporate Services

The Council's Procurement Vision

Working with our communities, businesses and the third sector we will use the Council's spending power to procure in a responsible way that provides for a fair and sustainable Edinburgh, addressing poverty, inequality, climate and nature challenges and contributing to our thriving city by delivering sustainable outcomes, local economic growth and positive change.

This vision statement has been developed by engagement with a wide range of key stakeholders in the city to support implementation of this strategy and delivery of its key objectives.

Strategy rationale and context

The Council approved a new Business Plan for the period 2023-27. With a particular focus on tackling poverty, delivering a net zero city by 2030 and improving residents' wellbeing by creating good places to live and work, it is designed to guide all savings and spending decisions the city makes between now and 2027. We will use this plan to guide our procurement of goods, works and services and to deliver these in a way that supports the priorities of the Council's Business Plan.

Our Council currently spends over £1 billion per annum with contractors and the third sector to deliver works and services throughout the city as well as the goods we use to deliver these. It is critical that public funds and the spending power of the Council delivers value for money. We also want our procurement spend to influence and actively promote positive change in a way that considers innovation and pressure on the environment and the need to apply just transition principles in our procurements.

Using scarce public funds to deliver value for money at the same time as developing a Community Wealth Building (CWB) approach is crucial. CWB invests in our city's economy, creating sustainable opportunities such as jobs, training and business

opportunities for our residents. By supporting local businesses and the third sector and improving opportunities for community involvement we will be strengthening local economic resilience, helping to reduce inequalities and keeping wealth circulating within our communities. This will benefit all of us and help create the best basis for the long-term health and prosperity of our city.

Our aim is to make procurement more accessible for SMEs. By simplifying processes where possible small businesses will be able to compete and collaborate on public contracts. By fostering these local partnerships and collaborations we are investing in the community and supporting sustainable growth that benefits all the residents of Edinburgh.

Ethical procurement is central to this strategy. The Council recognises its responsibility and ability to influence others in sourcing products, services and works that are ethically produced and delivered. We want all of our contracts to be free from exploitative labour practices and environmentally sound. We want to work with contractors to ensure fair wages and safe working conditions throughout the supply chain eradicating modern slavery and unfair labour practices.

The Strategy builds upon circular economy principles where we keep materials in use for longer. Delivering contracts that contribute to tackling the climate emergency and improving our environment, as well as helping to grow the economy, by opening up new market opportunities also has a potential to deliver better value for money contracts in the long-term.

Previous Sustainable Procurement Strategy

The previous Sustainable Procurement Strategy 2020-2025 was closely aligned with the Council Business plan and delivered many benefits and improvements over the four-years period that it covered. These benefits included:

SAVINGS

£143.2 million

£35.4 million forecast for 2024/25

NATIONAL RECOGNITION

Multiple GO Awards
Infrastructure or Capital Project Award (Trams to Newhaven)
Continuous Improvement for the Thrive Mental Health Project in the Public Sector

COMMUNITY BENEFITS

148 Modern Apprentices
360 work placements
376 new employees
- all from Priority Groups

Delivered a commercially focused improved category management structure
Improved demand management with significant savings achieved
Meet the Buyer and Supplier Engagement events held annually to support local suppliers
No successful legal procurement challenges – complied with all relevant and statutory requirements
Improved governance and compliance
Improved strategic partnership working and early engagement with service areas.
Establishing a quarterly supplier newsletter

This Strategy will build upon these successes and continue to support the Council to implement a Community Wealth Building approach to create an inclusive local economy.

[Public Procurement Strategy 2023 to 2028 - vision and roadmap. Which all public sector bodies can align to and deliver against](#)



The strategy will also support delivery of the Scottish Government's National Outcomes. In particular, using the Scottish Government's National Performance Framework aims to:

- Create a more successful country.
- Give opportunities to all people living in Scotland.
- Increase the wellbeing of people living in Scotland.
- Create sustainable and inclusive growth.
- Reduce inequalities and give equal importance to economic, environmental and social progress.

this strategy will help drive delivery of the National Outcomes which in turn reflect our obligations under the Sustainable Procurement Duty requires us to buy in a way which is:

- Good for business and employees.
- Good for society.
- Good for places and communities.
- Open and connected.

The first [Public Procurement Strategy for Scotland](#) was published (2023-28) with the aim of delivering a wellbeing economy and using public procurement spending power to deliver sustainable and inclusive economic growth. This Strategy aligns closely with the aspirations set out in the national Strategy and aims to help deliver those objectives

Supporting Council objectives

The City of Edinburgh Council's Business Plan has three strategic priorities which shape our work during 2024 to 2027. The three core priorities are to:

1. Create good places to live and work in Edinburgh
2. Take all the local actions needed to end poverty in Edinburgh, and
3. Work to deliver a net zero city by 2030

Our three core priorities are interlinked and interdependent. They connect all the major strategies and Council policies agreed in the past few years, through the shared goals and commitments of the [Edinburgh Partnership](#) and towards our long-term ambitions for Edinburgh to be a fair, welcoming, pioneering, and thriving city, as expressed by the [2050 Edinburgh City Vision](#).



Procurement's role in delivering this

Procurement activity will support the delivery of these priorities by ensuring the requirements for goods, services and works are procured in a way that supports the Council objectives and maximises the opportunity for effective and efficient successful outcomes that deliver Best Value.

The key priorities that have been identified are those that align with Council aims to tackle poverty through Fair Work and initiatives that grow opportunities and capacity in the city. We will use community benefits to support CWB and prioritise our just transition to a net zero economy.

The Strategy is aligned with the Council's Business Plan 2023-27 supporting delivery of the following outcomes:

- Access to fair work and to the support needed to prevent and stay out of poverty and homelessness
- Facilitate climate adaptation and support Edinburgh's biodiverse green spaces, and plans to deliver cheaper cleaner networks for energy use
- Edinburgh's aspiration to have a stronger, greener, fairer economy and to remain a world leading cultural capital
- Develop capacity, skills, and resources to deliver Council's priorities efficiently, effectively and at lower cost.

Key strategic objectives

This strategy sets out the Council's key strategic procurement objectives. The three priorities are to:

- 1 Maximise the Community Wealth Building outcomes from our procurements for the benefit of our communities and the city**
- 2 Deliver contracts that help meet the Council's commitment to the climate and nature emergencies and deliver a just transition**
- 3 Deliver savings and Best Value outcomes through innovative and sustainable solutions**

1. Maximise the Community Wealth Building outcomes from our procurements for the benefit of our communities and the city

Explain: Community Wealth Building (CWB) is an approach that focuses on creating and keeping wealth within and for local communities through applying fair work practice, developing good enterprises, and secure supply chains.

Aim

To help our local economy by aiming to retain more wealth and opportunities within Edinburgh. The focus will be on two of the five pillars of CWB that procurement activity is in a strong position to influence:

1. Fair Employment and Just labour markets

- Build upon the Council commitment that suppliers pay employees delivering Council contracts as a minimum the [Real Living Wage](#) and support our work as a [Living Wage City](#)
- Increase the impact of the Edinburgh Poverty Commission by creating the conditions for good jobs and helping people into work recognising the impact a fair pay and fair employment conditions can have on tackling in work poverty

2. Progressive procurement of goods and services

- To support the local economy by increasing opportunities for local business and third sector to access public spending.
- Increase jobs, create training opportunities and support community initiatives through community benefits

We will do this by

- **Ethical Procurement** - deliver awareness and engagement around ethical procurement principles to help contractors and colleagues understand national, international rules, standards and wider social obligations including Council commitments to tackle modern slavery and improved construction industry practices
- **Real Living Wage** – continue our commitment to the RLW by requiring it from our contractors and encouraging the accreditation of contractors to add to those 757 accredited Living Wage employers based in Edinburgh.
- **Fair Work First** –expand upon our commitments to the [Fair Work First criteria](#) as is applied as standard to every tender. We will work to develop our tender documentation to recognise contractors with policies and practices which contribute towards a well-developed, diverse workplace and who have fair work practices embedded in their business

- Working with suppliers to raise awareness of the need to reduce the gender, disability and pay gaps and create a more diverse and inclusive workplace
- Applying the [Construction Charter Commitments](#) (“the Charter”) to Council procurement activity.

Progressive procurement of goods and services

- Continue to improve engagement with local suppliers, local social enterprises and the third sector in the city to help grow local supplier capability and capacity
- Committing to the five key actions of the [Buy Social Pledge](#) as set out in the Strategy’s Action Plan and support [Scotland’s Social Enterprise Action Plan](#)
- Continue to promote innovation and Council commitments through supplier engagement and “meet the buyer” events
- Working with Council partner organisations such as Business Gateway, Supplier Development Programme, Federation of Small Businesses and the Edinburgh Third Sector Interface to support these objectives
- Continuing to apply lotting strategies that support small business
- Supporting facilitation of sub-contract opportunities by suppliers
- Considering longer contract advertising periods and earlier notice of expiring contracts where consortia opportunities exist.
- Maximise community benefits in our procurement processes with emphasis on the Council’s social, economic, and environmental goals
- Work with colleagues in Business Growth, Capital City Partnership, schools and Developing the Young Workforce to develop training and employment pathways in construction and care delivered through community benefits
- Continue to expand the use of co-production in designing and delivering services

We will demonstrate delivery by

- Maintaining and improving the volume of local businesses accessing and being successful in Council procurement opportunities
- Increase the number of employer engagement events in schools
- Maintain and seek to improve the number of jobs, apprenticeships and training opportunities delivered by community benefits

2. Deliver contracts that help meet the Council's commitment to the climate and nature emergencies and deliver a just transition

Explain – The Council aims to use procurement spending power to boost a green, inclusive and wellbeing economy. Our purchasing decisions should support markets for circular and net zero economy businesses to thrive, ensure inclusive growth of the local economy and support a just transition to a greener economy.

Aim

While reducing our carbon emissions is crucial to the future of our city, we also need to recognise that a changing climate presents new risks to how we live both now and in the coming years. We need to futureproof our contracts as well as foster resilience across our supply chains for our city to thrive.

Working with colleagues and external partners to deliver contracts with opportunities to address the climate and nature emergency and the circular economy agenda

Take the actions and make the changes needed in our contracts to become a net zero, adapted and nature positive city.

We will do this by

- **Reducing our Carbon Footprint** - promoting and enabling innovation in procurement, particularly in green technologies
- Ensuring environmental and social impact and adaptation are considered for every contract and applied where relevant.
- Continuing to engage early with suppliers and experts to understand carbon-reducing actions and innovative solutions capable of positively responding to the climate crises
- **'A Nature Positive City'** - Use Community Benefits as an opportunity to support a fair transition to net zero through initiatives which prioritise regeneration of natural habitats, rewilding, tree planting and enhancements of green and urban spaces and training in green skills
- **Futureproofing contracts and Service Delivery** – using evaluation techniques and appropriate weightings to ensure our suppliers are committed to supporting a just transition to net zero
- seeking adaptive responses from our contractors to address the impacts of the climate and nature emergency and related environmental considerations
- **Circular Economy** - prioritise the reduction, recycling and management of waste within tenders and incorporate circular economy principles in line with the [Circular Economy \(Scotland\) Act 2024](#) and [Circular economy and waste route map to 2030](#)

- Keeping materials in use for longer and reducing our demands and waste and considering potential for reuse, repair and recycling of goods and materials in all of our scoping requirements on a routine basis to prevent waste
- Analysing spend data and prioritise categories and suppliers for engagement to look at demand reduction and reuse and repair opportunities
- Working closely with suppliers to encourage and facilitate waste reduction
- **Training** - Improving training and awareness for Council colleagues and bidding organisations
- Knowledge sharing with Edinburgh partner organisations such as universities

We will demonstrate this by

- Delivering contracts that help meet the Council's commitments to address the climate and nature emergencies and facilitate a just transition
- Identifying and reporting on the contributions made by procurement to the new ways of delivering improved more environmentally friendly services and products as well as adapting the city to the changing climate.
- Identifying and reporting on % of influenceable procurements covered by a Scottish Procurement climate change plan to build awareness of the climate change emergency and record how Council suppliers will respond
- Whole life-cycle carbon assessment approach especially in construction and increase whole-life costing approach from early stages
- Make use of and further develop currently available sustainability assessment tools.
- Integrate climate change adaptation and mitigation in the procurement process and our contracts

3. Delivering savings and Best Value outcomes

Explain – The Council has a statutory duty to deliver Best Value meaning delivering continuous improvement and obtaining the best value in terms of the optimum balance between quality, cost and sustainability.

Aim

- To support and help deliver the Council's agreed budget savings and improve the value for money achieved from our contracts
- To work closely with our customers and key stakeholders to improve efficiency and reduce expenditure.

We will do this by

- increasing partnership working to drive best value through shared outcomes and economies of scale
- Working together to identify opportunities and challenge current models of delivery
- Challenging the demand for goods and services and seeking to rationalise core requirements and end services where no longer meeting requirements
- Engaging markets, benchmarking values and collaborating when appropriate with city partners or wider
- Supporting robust contract management actions to ensure contracts deliver to financial and non-financial performance requirements, including contractual commitments around social value and community benefits
- Applying whole life costing models where relevant and proportionate to ensure end-to-end requirements are included
- We will continue to use the framework agreements established by Scotland Excel and other central purchasing authorities where these demonstrate value for money
- Regular review of audit actions, and updating of risk register and processes

We will demonstrate delivery by

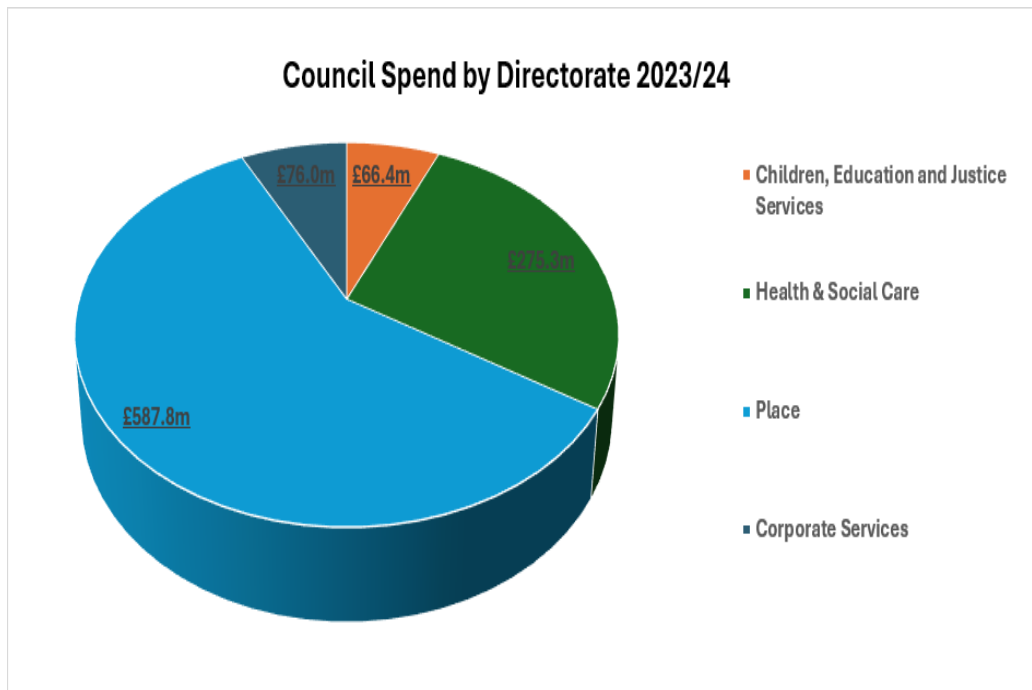
- Submitting the annual procurement report to committee each year identifying and reporting on procurement contribution to effective and efficient outcomes that achieve savings targets
- To ensure all procurement staff and Council officers involved in procurement processes have full awareness of the impact of the regulations and Contract Standing Orders (CSOs) which apply to procurement activity

- Training officers in the procedures and policies which must be considered to ensure compliance requirements are met
- Providing regular updates for specialist staff on changes to regulations, case law, statutory guidance, policy and social value outcomes
- Reviewing standard documentation to reflect regulatory changes and best practice
- Reviewing and improving controls within the procurement remit to ensure compliance with purchase systems and procedures, including the Contract Standing Orders

Council spend profile

In 2023/24 the Council's expenditure with third parties was approximately £1.005 billion. The chart below shows the distribution across Executive Directorates. The Place Directorate has the highest council expenditure, around half of the £587.8m is related to Capital projects.

The percentage of spend with local suppliers in 2023/24 was 36.9% and overall SME spend at 49.4%.



Construction projects are low in volume but account for circa 29% of expenditure, majority of other awarded contracts driving the expenditure levels are for services supporting adult and children's care, digital and technical or professional requirements.

Monitoring, reviewing and reporting

The strategy will be reviewed annually and reported to the Finance and Resources Committee.

The strategy has been the subject of public consultation and developed in consultation with key stakeholders, including the Federation of Small Businesses, Edinburgh Social Enterprise Network, Chamber of Commerce, Edinburgh Voluntary Organisations Council, Volunteer Edinburgh, Business Gateway, Scottish Women's Budget Group, Capital City Partnership, Suppliers, Council service areas and through a public consultation via the Council website.

The Council publish an annual procurement report on its procurement activities following the end of each financial year and submit the report to the Finance and Resource Committee and on to Scottish Government as soon as reasonably practicable. The report includes:

- a summary of the regulated procurements completed during the year
- a review of compliance with the strategic procurement objectives
- details where compliance was not achieved and actions to address that
- the community benefits delivered a summary of the regulated procurements expected to commence in the next two financial years.

Performance in delivering the strategic objectives set out in this strategy will be monitored using an action plan (Appendix 3). The action plan will inform the Annual Report.

In addition:

- a six-monthly report on contracts awarded under delegated authority and non-competitive awards made in accordance with contract standing orders will be reported to Finance and Resources Committee
- regular monitoring of procurement activities will be reported on dashboard reports to the relevant Executive Directors and their management teams
- Annual reporting on the procurement questions as part of the Public Bodies Climate Change Duties Report to the Scottish Government
- Sustainable Procurement updates in the annual Council Emissions Reduction Plan
- a regular report to Finance and Resources Committee setting out regulated recurring contracts expiring in the next year and a pipeline of procurements currently in-hand
- delivery of this strategy will be regularly reviewed by the Head of Commercial and Procurement Services.

Supplier support

The Council website 'Business' page provides information and further links to support for those interested in doing business with the Council.

The website has key information including:

- Links to Public Contracts Scotland, the main portal used to advertise contract opportunities
- Details of key organisations the Council collaborates with on framework agreement opportunities including Scotland Excel and Scottish Procurement
- The Council contract register which provides details of 'live' contracts along with the dates these are due to end providing insight to future tenderers
- Details of the regulations that govern procurement activity
- Details about the Council payment terms and how to submit a valid invoice
- Details about the standard terms and conditions of contract

- The Council's Contract Standing Orders.

Wider support for those new to tendering for public contracts is available including:

- [Business Gateway](#)
- [Supplier Development Programme](#)
- The Scottish Government's [Supplier Journey](#).

The Council supports annual 'Meet the Buyer' events and will look to accommodate more local events which target support aligned to key priorities.

Future engagement will include opportunities for suppliers to feedback to the Council on an ad-hoc basis through a dedicated supplier email account, in addition to the regular market engagement for specific projects and organised events.

Capacity and skills

To deliver the Council strategy the capacity and skills of procurement professionals and other officers will continue to be managed through:

- providing opportunities for trainees to develop the skills needed
- supporting continual professional development of experienced individuals using the Scottish Government Competency Framework to ensure knowledge is up to date and aligned to developments in the sector
- engaging with other local authorities, public sector organisations and other relevant organisations to support knowledge transfer
- providing mentoring, coaching and work shadow opportunities
- exploring and implementing digital automation and other digital efficiencies and support tools where appropriate
- developing and delivering in-house workshops where appropriate and provide online training and guidance to support Commercial awareness, understanding CSOs, legislative knowledge and awareness of key Council commitments and how to deliver these
- continuing to assess procurement standards using the Procurement and Commercial Improvement Programme (PCIP) model and other self-assessment tools or benchmarking to ensure continuous improvement
- providing training and support in the use of tendering applications such as Public Contracts Scotland and PCS-t (electronic tender, evaluation and contract management system) and any replacement systems
- providing e-learning and other relevant training and support on contract management.
- Using the Scottish Government Sustainability and Fair Work practice tools and guidance and provide support to colleagues across the Council on the application of these to ensure best practice is achieved through procurement activity to drive forward these important enablers.

Ownership and contact details

Lynette Robertson Head of Commercial and Procurement Services, Corporate Services Directorate

The City of Edinburgh Council

Waverley Court, Business Centre 2.5

4 East Market Street, Edinburgh EH8 8BG

E-mail: lynette.robertson@edinburgh.gov.uk

www.edinburgh.gov.uk

Appendix 1 – Additional influencing factors

Legal framework

Public procurement activity in Scotland is governed by a legislative framework which includes:

- Procurement Reform (Scotland) Act 2014
- Public Contracts (Scotland) Regulations 2015
- The Procurement (Scotland) Regulations 2016
- Utilities Contracts (Scotland) Regulations 2016
- Concessions Contracts (Scotland) Regulations 2016
- Case law.

Procurement and Commercial Improvement Programme

The Council's procurement function is subject to regular audit by Scotland Excel on behalf of Scottish Government and endorsed by Audit Scotland. The Procurement and Commercial Improvement (PCIP) assessment provides a means of measuring and reporting on the procurement and commercial capability of an organisation and reviews the strength of policies and procedures driving procurement performance in:

- leadership and governance
- development and tender
- contract management
- key purchasing processes.

The Council has a procurement improvement plan designed around this assessment and will continue to engage with this programme and its future iterations.

Appendix 2 – Mandatory requirements of the Procurement Reform (Scotland) Act 2014 and Statutory Guidance Obligations

The Act specifies that the Council’s procurement strategy must include certain minimum requirements as to how the Council intends to ensure that its procurement activity will achieve particular outcomes.

Requirements	Council response
<p>Procurements will contribute to the Council carrying out its functions and the achievement of its purposes</p>	<ul style="list-style-type: none"> ▪ Consultation was undertaken with lead officers in the Council to ensure the strategy was aligned to Council priorities and national outcomes and supports key Council strategies - the Council Business Plan 2023-2028, 2030 Climate Strategy and the Edinburgh Climate Ready Edinburgh plan as well as the EIJB Strategic Plan ▪ Discussions and input from key stakeholders including Federation of Small Businesses, the Council’s Third Sector Interface, Social Enterprise Edinburgh, Edinburgh Voluntary Organisations Council, Volunteer Edinburgh, Business Gateway, Scottish Women’s Budget Group, Capital City Partnership, Council service areas, Council suppliers and public consultation via the Council website resulted in high support for the key priorities which align to key Council strategies ▪ Effective consultation will continue to deliver the strategy and will also take place during procurement exercises to ensure priorities and Council outcomes continue to be delivered ▪ The delivery of regulated procurements against the strategy will be monitored to support achievement of the outcomes
<p>Procurements will deliver value for money</p>	<ul style="list-style-type: none"> ▪ Delivering savings and Best Value outcomes is one of the strategic objectives of the Council, further information being given earlier in key strategic objective 3 ▪ Value for money will be delivered by ensuring the best balance of cost, quality and sustainability is applied to each procurement ▪ Whole life costing and lifecycle costing will be a key consideration at the procurement planning stage ▪ Early engagement on market insights, innovations and benchmarking will inform purchasing strategies ▪ Proportionate application of regulations will ensure relevant markets are engaged, including SME, third sector and supported businesses ▪ In deciding purchasing strategies there will be challenge of demand and identification of benefits and opportunities, including income generation

Requirements	Council response
	<ul style="list-style-type: none"> ▪ Application of a robust contract management framework and guidance suite will deliver best practice approach to managing contract performance ▪ Added value will be delivered from community benefits
<p>Procurements will treat relevant economic operators equally and without discrimination</p>	<ul style="list-style-type: none"> ▪ Ensuring legal compliance is one of the strategic objectives of the Council ▪ Procurement activity will be delivered by following the Council Contract Standing Orders which embed the key principles of relevant procurement legislation ▪ There will be engagement with economic operators who require extra support with bidding, building partnerships or consortia with support offered by Business Gateway, Supplier Development Programme, Social Enterprise Edinburgh and other appropriate agencies
<p>Procurements will be conducted in a transparent and proportionate manner</p>	<ul style="list-style-type: none"> ▪ Ensuring legal compliance is one of the strategic objectives of the Council ▪ Procurement activity will be delivered in accordance with the Council Contract Standing Orders which embed the key principles of relevant procurement legislation ▪ There will be work with sectors who identify barriers to participation in Council procurements to ensure proportionate approaches are applied in line with the key objectives to support SME, social enterprise, community interest companies, the voluntary sector and supported businesses ▪ There will continue to be regular reporting to committee and publishing of contract opportunities and required information as well as liaising with key representative bodies and highlighting of opportunities in the Supplier Newsletter ▪ There will be the exploration of additional advertising opportunities to engage organisations more widely
<p>Procurements will comply with the Council's sustainable procurement duty</p>	<ul style="list-style-type: none"> ▪ This is met by a number of the strategic objectives of the Council, further information being given earlier in key strategic objectives 1, 2 and 3, ▪ There will be engagement with the Scottish Government, Local Government Procurement Forums and the application of the Sustainable Procurement Tools to support prioritisation and identification of opportunities for environment, social and economic outcomes ▪ Implementation of the strategic objectives in the strategy will deliver on key priorities which include Fair Work practices, positive local economic impact including Community Wealth Building models, circular economy increased community benefits and support to the climate change ambitions of the Council ▪ Proposed actions are addressing changes needed for Edinburgh to become a net zero, climate ready and nature positive city. In doing so the proposal is aligned to the key Council's strategies

Requirements	Council response
	<p>including the Council Business Plan; 2030 Climate Strategy; Edinburgh Climate Ready Edinburgh plan; Edinburgh Biodiversity Action Plan; Edinburgh Local Heat and Energy Efficiency Strategy and the Council Emissions and Reduction Plan.</p> <ul style="list-style-type: none"> Continued exploration as to recording of carbon emission data and how it can be used to help drive carbon reductions.
<p>A statement on the Council’s general policy on the use of community benefit requirements</p>	<ul style="list-style-type: none"> Maximising the impact of community benefits is one of the strategic objectives of the Council, further information being given earlier in key strategic objective 2. There will be additional guidance and engagement on proportionate opportunities to support local communities and other priority groups, with creation of new community benefits menus supporting career pathways.
<p>A statement on the Council’s general policy on consulting and engaging those affected by its procurements</p>	<ul style="list-style-type: none"> The Council has embedded co-production in its procurements using different approaches that align with the requirements and impact of change where appropriate. This is included in the Contract Standing Orders and will continue in the new Strategy To ensure effectiveness, reviews will take place to identify what is working well and what can be improved to ensure communities, users of Council services and interest groups are involved in key procurements e.g. the provision of care to children and adults
<p>A statement on the Council’s general policy on the payment of a living wage by suppliers</p>	<ul style="list-style-type: none"> Improving Fair Work practices is one of the strategic objectives of the Council, further information being given earlier in key strategic objective 1 Payment of the Real Living Wage by suppliers is now a mandatory requirement in Council regulated contracts. As part of the Council’s Living Wage City status suppliers are encouraged to become accredited with the aim of reaching 900 Living Wage accredited businesses over the next few years. Monitoring is embedded in procurement procedures and will continue to be reported The Fair Work First (FWF) initiative (an extension of the Fair Work Convention’s Framework to drive success, wellbeing and prosperity for individuals, businesses, organisations and society) has been adopted to improve ethical work practices and Living Wage accreditation.
<p>A statement on the Council’s general policy on promoting compliance by contractors and sub-contractors with Health and Safety at Work etc Act 1974.</p>	<ul style="list-style-type: none"> Health and Safety, and the protection of workers and members of the public, is a very important consideration for the Council, and it is expected that Council contractors and sub-contractors will share the same approach Health and Safety criteria are included in the assessment of appropriate contracts and embedded in the procurement process and procedures

Requirements	Council response
	<ul style="list-style-type: none"> ▪ Suitable terms and conditions to secure the necessary controls around Health and Safety are included in Council contracts ▪ The Council has adopted the Construction Charter and the Fair Work Convention Construction Inquiry Report 2022 recommendations, which are promoted and adopted in procurements, with related activity reported to Committee
<p>A statement on the Council’s general policy on the procurement of fairly and ethically-traded goods and services</p>	<ul style="list-style-type: none"> ▪ The Council has a Fair Trade policy which promotes the purchase of fairly and ethically-traded goods and services, and Council procurement activity is aligned to that, the policy being kept under review and performance reported annually to committee ▪ The Council has also signed up to the International Fair Trade Charter ▪ The Council attends and supports the Edinburgh Fair Trade Steering Group and promotes events during Fair Trade Fortnight
<p>A statement on the Council’s general policy on how it intends its approach to the procurement of food to improve health, wellbeing and education of its communities and promote the highest standards of animal welfare</p>	<ul style="list-style-type: none"> ▪ When procuring food, the Council will seek to procure food that is healthy, produced in a way that is good for nature and with a low carbon footprint, with high animal welfare standards and supports local businesses and communities. ▪ Opportunities for sustainable food purchasing will be considered and adopted where appropriate most food purchases are made through Scotland Excel contracts which will support the Good Food Nation Plan once implemented ▪ The Council will ensure all legislative requirements around food purchasing are complied with
<p>Payments will be made so far as practicable to contractors and sub-contractors no later than 30 days after invoice</p>	<ul style="list-style-type: none"> ▪ The Council’s 30-day payment target is being achieved in approximately 95% of invoices and potential system improvements are being considered within the financial system upgrade programme ▪ Purchase cards are utilised to support speedy payment for small local purchasing where appropriate ▪ Project Bank Accounts are adopted for appropriate contracts to help secure sub-contractor payments ▪ Suitable contract terms and conditions are adopted with prompt payments required where sub-contracting is most likely to utilised

Appendix 3 – Strategy Delivery Plan

Objective: Maximise the Community Wealth Building outcomes from our procurements for the benefit of our communities and the city				
	Title	Delivery Actions	Proposed Milestones/reporting	Owner
1.	Buy Social Pledge	<p>Buy Social Pledge – five key actions</p> <p>Report annually the number of contractors paying the Real Living Wage and the number of Accredited Living Wage contractors</p> <p>Prompt payment - Report annual percentage of contractors paid within 30 days</p> <p>Report on annual spend with social enterprises</p> <p>Host or participate in an annual event such as Meet the Buyer to aid delivery of the social pledge</p> <p>Communicate suitable contract opportunities by highlighting these in the Quarterly supplier newsletter and communication channels through Edinburgh Social Enterprise Network, our Third Sector Interface, Federation of Small Businesses, Chamber of Commerce etc</p>	<p>Report the actions to Social Enterprise Scotland as per pledge.</p> <p>Include outcomes achieved in the Annual Procurement Report</p>	CPS and Council Service Areas

	Title	Delivery Actions	Proposed Milestones/reporting	Owner
2.	Ethical Procurement	<p>Raise awareness and action principles of ethical procurement through engagement around ethical procurement principles and help contractors and colleagues to understand national and international rules and standards, wider social obligations, expectations and social responsibility</p> <p>Amend standard contract conditions to take account of emerging legislation and best practice</p> <p>Equalities –support the Council’s commitments and obligations mainstream equalities through community benefits and tender processes</p>	<p>Training and/or engagements held included in the Annual Report.</p> <p>Standard conditions changes reported to Head of Legal and Risk</p> <p>Community benefit and tender criteria included Tender Recommendation Reports</p>	CPS Council Service Areas
3.	Real Living Wage	<p>Continue to support Real Living Wage to employers within the city and Council supply chain</p> <p>Encourage Living Wage accreditation with Council contractors within the City and surrounding regions</p> <p>Contact those suppliers with EH postcodes and promote advantages of accreditation with aim of increasing numbers by 20 each year</p>	<p>Report annually the number of contractors paying the Real Living Wage</p> <p>Record the increase in accredited contractors on the Council’s contract register</p>	CPS Service Areas

	Title	Delivery Actions	Proposed Milestones/reporting	Owner
4.	Fair Work First	<p>Revise Fair Work First (FWF) tender criteria evaluated in Council tenders to clarify Council commitments and expectations with a focus on ethical practices including security of pay and contracts, flexible working and targeted recruitment and training requirements</p> <p>Create guidance for contract evaluators as to what good looks like for FWF principles</p>	<p>Procedural guidance updated and communicated</p> <p>Tender responses address expectations and give assurance on FWF practices aligned to Council commitments</p>	CPS
5.	Local spend	<p>Engagement with local stakeholders and communicate the positive impacts made by Council contracts</p> <p>Use available data to target engagement which increases spend with SMEs</p> <p>Work with community planning partners and other anchor institutions in the development of CWB approaches in public procurement</p>	<p>Issue quarterly supplier newsletter including contract opportunities</p> <p>Report engagements and SME data in the Annual Report</p>	<p>CPS</p> <p>Business Growth</p>
6.	Community Benefits	<p>Improve delivery of community benefits to meet key Council objectives, creating new procedures and action plan</p> <p>Work with key stakeholders to develop training and employment pathways in construction and care</p>	<p>Report on local jobs, apprenticeships, work placements, sponsorship and funding</p>	<p>CPS</p> <p>Business Growth/Contract Managers / Education</p>

	Title	Delivery Actions	Proposed Milestones/reporting	Owner
7.	Co-production	<p>Expand the embedded principles of co-production in Council contracts by:</p> <ul style="list-style-type: none"> ▪ reviewing current guidance on co-production and best practice for service areas and raise awareness ▪ creating formal feedback loop through contract management into next generation contracts include citizen/service user satisfaction surveys 	<p>Guidance update communicated & awareness sessions held</p> <p>Co-production outcomes reported in delegate and committee reports</p> <p>Consolidated outcomes in annual report</p>	<p>CPS</p> <p>Contract Managers</p> <p>Service Areas</p>

Objective: Deliver contracts that help meet the Council's commitments to climate and nature emergencies and deliver a just transition

	Title	Delivery Actions	Proposed Milestones/reporting	Owner
1.	Reducing Carbon Footprint	<p>Create easy pathways for environmental considerations or mitigating actions to be included in contract specifications</p> <p>Analyse carbon reduction plans, identify areas of improvement and develop plans</p> <p>Engage with supply chain and key stakeholders to drive improvements and progress on carbon accounting and impact through procurements</p> <p>Promotion of carbon reduction plans in all key priority Council contracts</p>	Report engagements and outcomes in Annual report and climate report	<p>CPS</p> <p>Service Areas</p> <p>Specialist Advisors</p>
2.	'A Nature Positive City'	<p>Support decision making and scrutiny to reduce environmental footprint of procured goods and services</p> <p>Include nature positive options, environmental improvements and green skills in the new community benefits menus</p>	Include outcomes within Community Benefits section of the Annual Report	<p>CPS</p> <p>Service Areas</p>
3.	Futureproofing contracts and service delivery	<p>Build adaptive capacity into contracts by reviewing and updating procurement templates regularly</p> <p>Embed business continuity approach routinely requiring contractors to consider</p>	Report improvements annually	CPS

		and provide adaptation/ resilience plans and/ or signpost to appropriate resources.		
	Title	Delivery Actions	Proposed Milestones/reporting	Owner
4.	Circular Economy	<p>Prioritise the reduction, reuse, recycling and management of waste within tenders and support delivery of a circular economy in line with the Circular Economy (Scotland) Act 2024</p> <p>Engagement with Suppliers to support specification scope and community benefit menus</p> <p>Using and develop an approach based on Circular economy and waste route map to 2030</p>	<p>Collate outcomes centrally and report annually</p> <p>Report Warp-It carbon reductions, financial savings etc.</p>	CPS
5.	Training	<p>Deliver adaptation and climate-related risk training sessions, add to the development of an Introduction to procurement eLearning module</p> <p>Support sustainable purchasing resources and guidance for schools and include environmental/climate considerations as standing agenda item for Schools Procurement Forum</p> <p>Gain best practice insights from stakeholders and share with schools and others to support improved outcomes</p>	Training plan updated and outcomes reported annually	<p>CPS</p> <p>Council Service Areas</p>

Objective: Delivering Savings and Best Value outcomes

	Title	Delivery Actions	Proposed Milestones/reporting	Owner
1.	Collaboration & Innovation	<p>Lead on collaborative working through procurement forums of city region partners and wider local authorities to share best practice and explore future options for further collaboration which support scaleability and cost savings</p> <p>Continue to utilise Scotland Excel, Scottish Procurement and other public sector Frameworks where best value is demonstrated</p>	<p>Collaborative tendering outcomes reported annually</p> <p>Adopted Frameworks reported bi-annually</p>	<p>CPS</p> <p>Council Service Areas</p>
2 .	Pipeline of Savings Plan	<p>Work with Service Areas develop a targeted savings delivery plan; reviewing future pipeline and opportunities to improve commercial impact, include concessionary opportunities.</p> <p>Move away from branded goods where possible. Analyse spend and identify suitable generic options, reduce duplication of products to deliver savings.</p> <p>Agree savings approach per project e.g. reduce spending/demand and monitor progress and delivery</p>	<p>Monitor pipeline savings plan fortnightly</p> <p>Report forecast and delivered procurement savings annually</p>	<p>CPS</p>

	Title	Delivery Actions	Proposed Milestones/reporting	Owner
3.	Best Value	<p>Statutory requirement to deliver Best Value</p> <p>Review Council Contract Standing Orders and Financial Rules with view to delivering best value</p> <p>Analyse waivers and improve compliance issues</p> <p>Review the usage and cost of National Frameworks utilised by the Council and incorporate in tendering strategies.</p>	<p>Use of negotiations where permissible and appropriate to drive best value</p> <p>Benchmark frameworks before adoption or call-off contracts</p>	
4.	Contract & Supplier Management	<p>Commitment to improving Contract and Supplier Management practices across the Council by monitoring and embedding the improvements made to the Contract management manual and toolkit</p> <p>Launch and monitor completion of revised e-learning module</p> <p>Undertake compliance reviews to ensure improvements are understood and implemented</p>	<p>E-learning data monitored and reported with compliance outcomes in Dashboard reports to Executive Directors</p> <p>Summary of outcomes included in Annual Report</p>	<p>Service Areas</p> <p>CPS</p>
5.	Whole life costing or Life Cycle Costing	<p>Support Council Service Areas to apply whole-life costing or life cycle costing approaches through development of case studies</p> <p>Develop cost estimation techniques for use in strategic projects initially, including capital costs, operating costs and exit and</p>	<p>Case studies published and communicated</p> <p>Procedures updated to incorporate examples of best practice</p>	<p>CPS</p> <p>Service Area</p>

		transition costs within business case where proportionate and relevant		
6.	Continuous Improvement	Establish continuous improvement group, baseline and set improvement action plan	Review monthly, report improvements annually	CPS

Appendix 4 – Glossary

Glossary

Term	Definition
Adaptive Capacity	The potential or ability of a system, region, or community to adapt to the effects or impacts of climate change. Enhancement of adaptive capacity represents a practical means of coping with changes and uncertainties in climate, including variability and extremes. Intergovernmental Panel on Climate Change (IPCC)
Best Value	The legal duty to secure continuous improvement in the performance of the Council's functions as set out in section 1 of the Local Government in Scotland Act 2003.
Circular economy	A circular economy is an alternative to a traditional linear economy (make, use, dispose) in which materials never become waste. In a circular economy, products and materials are kept in circulation through maintenance, reuse, refurbishment, remanufacture, recycling and composting.
Community Wealth Building	An approach to economic development that aims to build a fairer, stronger and more sustainable local economy that benefits everyone by redirecting flows of wealth back into the local economy and giving local people more control over that wealth.
Climate Adaptation	Adaptation is about responding to the changes that we have seen in Scotland's climate over the last few decades, and preparing for the challenges and opportunities that we will face as our climate continues to change in the decades ahead. Adaptation goes hand in hand with work to reduce greenhouse gas emissions, often referred to as climate change mitigation (definition provided by Adaptation Scotland)
Collaboration	When two or more groups of people or organisations engage in procurement work together for mutual benefit
Commercial awareness	Evidence of commercial acumen. Awareness of the need for efficiency, cost-effectiveness, customer/stakeholder support, a knowledge of the sector and the services the organisation provides and will provide in the future, considering the strategic objectives, current economic climate etc. A

Term	Definition
	track record of appropriate procurement skill and experience, evidence of on-going/continual training and development. (desirable and post/org specific) professional qualification/undertaking or willingness to undertake as appropriate.
Community Benefits	Requirements which deliver wider benefits in addition to the core purpose of a contract. These can relate to jobs, training and other social-economic and/or environmental benefits.
Contract Management	The process of monitoring the performance of a supplier to contract.
Co-production	The real and meaningful involvement of citizens including future recipients of the service, those with lived experiences, key stakeholders and suppliers (both current and potential) in how and what community services and related goods and works are delivered with regard to the National Standards for Community Engagement.
Fair Work First	Working with Employers and Partners to deliver investment in skills and training, no inappropriate use of zero hours contracts, addressing workplace inequalities including action on pay gaps, genuine workforce engagement, including with trade unions, investment in workforce development, flexible working, oppose the use of fire and rehire practices and payment of at least the real Living Wage.
Framework Agreement	An agreement or other arrangement between one or more contracting authorities and one or more economic operators which establishes the terms (in particular the terms as to price and, where appropriate, quantity) under which the economic operator will enter into one or more contracts with a contracting authority in the period during which the framework agreement applies.
Just Transition	'A transition that ensures the economic, environmental and social consequences of the ecological transformation of economies and societies are managed in ways that maximise opportunities of decent work for all, reduce inequalities, promote social justice, and support industries, workers and communities negatively affected, in accordance with nationally defined priorities, and based on effective social dialogue.' Joint Oireachtas Committee on Climate Action.
National Outcomes	Describe what the Government wants to achieve over the next ten years, articulating more fully this Government's purpose. They help to sharpen the focus of government, enable our priorities to be clearly understood and provide a clear structure for delivery. Read more about the National performance Framework outcomes.
Public Contracts Scotland	The national advertising portal used to advertise all Scottish public-sector goods, services or works contract opportunities.

Term	Definition
Real Living Wage	A voluntary hourly rate of pay that's calculated annually by the Living Wage Foundation based on the cost of living and to provide a wage that meets everyday needs.
Regulated Procurements	Contracts above contract threshold values where the relevant regulations apply (above £50,000 for goods and services contracts and above £2,000,000 for works contracts).
Small and Medium Enterprise (SME)	Enterprises which employ fewer than 250 persons, and which have an annual turnover not exceeding 50 million euro and/or an annual balance sheet total not exceeding 43 million euro.
Social Enterprise	A revenue-generating business with primarily social objectives whose surpluses are reinvested for that purpose in the business or in the community, rather than being driven by the need to deliver profit to shareholders and owners.
Stakeholder	Any person or group who has a vested interest in the success of the procurement activity, i.e. either provides services to it, or receives services from it.
Supplier /Contractor	An entity who supplies goods or provides services or execution of works.
Supply Chain	All activities, resources, products and the like involved in creating and moving a product or service from the supplier to the procurer.
Supported Business	Either the organisation's main aim should be the social and professional integration of disabled or disadvantaged persons, or the contract should be performed within a sheltered employment programme.
Third Sector	Part of an economy or society forming non-governmental and non-profit-making organisations or associations.
Whole Life Costing	The costs of buying goods or services (including consultancy, design and construction costs, and equipment), the costs of operating it and the costs of maintaining it over its whole life through to its disposal – that is, the total ownership costs. These costs include internal resources and overheads.