

## **PROCUREMENT: THE ART OF THE POSSIBLE**

**Friday 16th November, 10.30am to 1.30pm**

**The Prince's Trust Wolfson Centre, 15 Carlton Court, Glasgow, G5 9JP**

Scottish Government has made it clear that social enterprises have an important role to play in the design and delivery of public services, including employability provision.

Indeed, social enterprises share a desire to embed social value in commissioning and procurement so that the full weight of the public sector's purchasing power is directed at achieving maximum social benefits for Scotland, alongside delivering value for money.

New legislation over recent years has opened up opportunities to support improved economic, social and environmental wellbeing - to tackle inequalities, promote innovation and create jobs for our young people and those with barriers to work. Legislative levers are helpful but not enough on their own. We need to ensure that culture and behaviours are changing to ensure the power of public spend delivers genuine public value.

Embedding sustainability sits at the centre of procurement and social enterprises can help public bodies deliver on a range of sustainability outcomes. Flexibilities now exist to do things differently and this sets in train a fundamental shift in perceptions and behaviours from seeing procurement 'as a 'blocker' of innovation and reform to an 'enabler' of it.

### **Public Procurement: 12 years of Reform – has it made a difference?**

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#### **Setting the scene** (John McManus, SFS Chair)

Volatile times (incl Brexit as procurement legislations based on EU regulations)

SFS has 3 keys areas of involvement within the procurement landscape

- Policy and representation to ensure procurement reform creates a positive environment for SE and their contribution is recognised
- Ready for Business providing specialist knowledge and practical support to public sector bodies in Scotland with their commissioning, procurement, community benefit and wider engagement with the third sector. SFS has a particular specialism around Public-Social-Partnerships (PSPs)
- Founding partner (with others) in Partnership 4 Procurement - supporting the third sector to access public procurement and other contracting opportunities. This includes support to organisations to develop partnerships and consortia.

Government currently reviewing the position and the effectiveness of the support

Still work to be done, particularly in relation to smaller organisations and it is part of our role to shape the collective agenda and support practical solutions.

## **Strategic Overview of Public Procurement** (Pauline Graham, SFS CEO)

See separate presentation

## **Are behaviours Changing? Social Enterprise perspective** (Brian Robertson-Fern, BRAG Enterprises)

Need to align commercial contracts (eg for goods/services) and employability funding/contracts - increase efficiency and effectiveness of public spend and deliver more sustainable outcomes for people

Add Social Enterprise box to PCS to identify contracts that have been won by SEs

Learn from best practice and what works. In Fife, the local authority worked with the SEs and supported the establishment of Fife Employment and Training Consortium, a group of SEs/TSOs who previously had competed against each other to deliver employability support. The consortium has been tremendously successful and recently won a contract extension for 3 years and now delivers 70% of the employability service provision in Fife. The contract was specified in a way that 'favoured' the SE consortium approach

Opportunity for SE to contribute more substantially to Govt's Inclusive Growth agenda but need support, within a procurement context, to deliver to their true potential

Commissioning still happening in silos – we need to find more creative ways to commission and procure – procurement is an art

## **Are behaviours Changing? Public Sector perspective** (Billy Murray, Scotland Excel)

See separate presentation

Other points

- There is the will to change and use the positive drivers available within legislation
- Move from using MEAT (Most Economically Advantageous Tender) to social & environmental consideration through to achieving Community Benefit
- Extending Community Benefit beyond construction within Local Authorities – Scotland Excel driving this – to default position where there are Community Benefits in all contracts
- Focus on being proportionate
- Sometimes it is not as complicated as you think!
- Progress happening – 7 years ago no Community Benefit was measured, and there were no reports detailing contracts won by SMEs. Now they are included, rated, scored and monitored

## **Debate : Public Procurement: 12 years of Reform – has it made a difference?**

(Brian, Billy and Pauline – as above, Peter Lavelle (Glasgow Wood Recycling), Sophy Green (Instant Neighbour), David Hall (Scottish Government))

### **Discussion points (from SE)**

- Usually glass half full person but find it very difficult to be positive about procurement
- Difficult to access
- Doesn't always fit with what the SE is doing
- Support provided via SFS, P4P is incredibly valuable and necessary to see increase in SEs accessing public procurement markets
- Such limited 'additional' capacity within SE – what do we stop doing for our communities to bid for contracts (if no funding available to increase capacity)
- Positive experience with the Furniture Reuse Consortium (worth £300K over 3 years) to collect, store and reuse furniture across local authorities. However, required support from CRNS and took 10 full working days of CEO time/2 directors and currently only 3 local authorities participating (only 4 or 5 of the original 17 third sector organisations involved in delivery). There is nothing to stipulate local authorities must engage and will often choose the easy option if they one provider who can supply all they require
- Generally, SE are smaller, grassroots organisations – the world of procurement seems overly bureaucratic and complex
- Very helpful and encouraging to see more doors opening to SE eg recently given opportunity to speak to Scotland Excel
- Community Benefit Clauses not rated highly enough to make a significant difference to the awarding of contracts
- General feeling that procurement is still motivated and driven by cost

### **Discussion points (Public Sector)**

- Scottish Government good at consulting and listening (compared to previous experience with other commissioning bodies)
- Fair Start Scotland saw improvements eg 9 lots against 1 lot in Scotland, considerable pre-market engagement, service fee included in model, reserved lot an innovation)
- Opportunity for SE to be part of supply chain
- Benefitted from engagement with Pauline Graham

### **Questions/Debate with delegates**

- Service reform and procurement should be more closely aligned with community empowerment and participatory budgeting
- We will see more impact/benefit from procurement when it is more localised and when there is more control within communities
- However, needs to be matched by community capacity and capability

- Opportunity with Asset Transfer – however focus must be not only on the asset, but what happens within the asset and a realistic and viable plan is required. Comment made from one delegate that Asset Transfer is managed by the Communities Team within their Local Authority with no consultation with Economic Development
- Early stage engagement with SE is key
- The ‘why’ is as important as the ‘how’
- Use quick wins to highlight what sector can deliver
- Scottish Government currently exploring the Preston Model through a Community Wealth Building pilot

## AGM

See separate minutes

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## SPEAKERS

### **Yvonne McBride** | Manager | P4P

Yvonne manages the P4P team, coordinating the delivery of a dedicated programme of practical support to social enterprise and third sector organisations to develop partnerships and consortia to effectively respond to contracting opportunities.

She has significant experience in economic development, including social economy support. Her experience includes a range of public and third sector management work, employability projects and European funded projects including the EQUAL – Social Economy Scotland project and ERDF – Business Competitiveness.

### **Brian Robertson-Fern** | Managing Director | BRAG Enterprises

Brian heads up BRAG Enterprises Ltd, a social enterprise that was formed in 1988 in response to the decline of the heavy engineering and mining industries of Fife. Its primary aim now is the regeneration of the communities through enterprise and the creation and support of sustainable employment. To compliment this activity, BRAG provides a wide range of initiatives including business support, retraining and recruitment. The organisation has developed an excellent track record of working with some of the most hard to reach groups in Fife. BRAG is the lead agency in Fife Employment and Training Consortium (ETC) which brings together a range of third sector partners to provide employment support services across Fife.

Brian’s previous roles include Contracts Manager at Stirling Community Enterprise, Head of Enterprise Development at Apex Scotland and Brian was also a founding partner of a small independent Scotch whisky exporter! Brian also worked at a senior level for the Scottish Prison Service

### **Billy Murray** | Procurement Development Manager | Scotland Excel

Billy Murray has been with Scotland Excel since 2009 and is responsible for the development, implementation & governance of procurement policy & process, and also leads the data team within Scotland Excel. Billy is Scotland Excel’s lead officer on the

strategic direction of procurement at a national level, representing Scotland Excel at the Scottish Public Procurement Policy Group and the Best Practice Forum. An awareness and understanding of relevant UK and EU legislation makes Billy a source of advice and guidance on these subjects. Prior to joining Scotland Excel Billy was a Procurement Manager for Scottish Airports and BAA plc.

### **Sophy Green** | Chief Executive | Instant Neighbour

Sophy Green is the Chief Executive of Instant Neighbour. Instant Neighbour aims to alleviate poverty in Aberdeen so creating a better quality of life by providing practical assistance, developing social enterprises, and campaigning for change.

Sophy is also the Chair of the Social Entrepreneurs Network in Scotland (Senscot), a Fellow of the Royal Society of Arts, a Burgess of Guild for the City of Aberdeen, a member of the Alumni of the Royal Conservatoire of Scotland, a founding member of the Aberdeen Social Enterprise Network and the Food Poverty Action Aberdeen group.

Sophy is also a Business Mentor with Business Mentoring Scotland and Sported.

She lives in Aberdeen and is married with 3 daughters, a granddaughter and grandson.

### **Peter Lavelle** | Chief Executive | Glasgow Wood Recycling

Peter Lavelle is the founder and chief executive of Glasgow Wood Recycling. Established 12 years ago, the enterprise follows the model of community recycling, which now has over 30 member organisations across the UK.

As a strong supporter of social enterprise, Peter and Glasgow Wood Recycling have been active in local and regional networks throughout this time. Like most people, Peter would love to see procurement working well for social enterprises but he needs convincing about the rewards for effort.

### **John McManus** | Chair | Social Firms Scotland

John has been Chair of Social Firms Scotland since 2010 and is highly committed to the work of the organisation and the impact that it is making in supporting the development of social firms and creating opportunities for those most disadvantaged in the labour market.

John has spent most of his working life supporting the development of local communities and has worked across Scotland on a range of economic and social regeneration activity. This has included undertaking key roles within the Public and Third Sector, as well as successfully operating a highly regarded consultancy service for over the last 25 years.

John is passionate about the work of Social Firms Scotland and is committed to supporting the organisation to grow and develop and extend the impact that it can make to local communities.

### **Gordon Lee** | Treasurer | Social Firms Scotland

After 8 years as the Tourist Manager for the City of Edinburgh, Gordon became a founding director of Shaw Marketing and Design in 1986. He subsequently led a management buyout of the company in 2002, becoming Joint Managing Director with particular responsibility for

the financial performance of the business. In 2008 he sold his shares back to the company and began working in the social enterprise sector.

As a consultant with Forth Sector Development (FSD) he helped to deliver the government's Aspire to Enterprise programme, designed to increase capacity in social enterprises throughout Scotland. He became the Chairman of FSD when the trading company was taken out of the parent charity.

Gordon then worked with Project Scotland and latterly with Autism Initiatives as their Enterprise Manager, running all their social enterprises in Scotland. He has since worked as an independent consultant to the Third Sector.

He has been a board member of Social Firms Scotland since 2013 and is now their Treasurer. He was a board member for Edinburgh's Telford College, chaired their business arm (Waterfront Enterprises) and was a director of the Thomas Telford Trust.

## DELEGATES

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Sohail Ahmad	
Grant Alexander	Link Group Ltd
Alison Brown	Shared Care Scotland
Heather Calvo	Neighbourhood Networks
Jayne Chappell	Social Firms Scotland
Tina Coviello	Boost-Yourself Motivation for Work, Life, Change
Jean Cumming	Crisis
Elizabeth Docherty	Glasgow Social Enterprise Network
Jen Fleming	Big Lottery Fund
Chantal Geyer	Highlands and Islands Enterprise
Pauline Graham	Social Firms Scotland
Sophy Green	Instant Neighbour
David Hall	Scottish Government
Donna Hegarty	Neighbourhood Networks
Tom Henderson	North Ayrshire Council
Nigel Honey	Ability Film and TV Training
Leslie Huckfield	Leslie Huckfield Research
John Hughes	CEIS Ayrshire
Robert Jacobs	Caledonia Digital Communications
Declan Jones	GCU
Reeni Kennedy-Boyle	Fyne Futures Ltd
Peter Lavelle	Glasgow Wood Recycling
Thane Lawrie	Scarf
Gordon Lee	Social Firms Scotland
Katrina MacPherson	PKAVS
Yvonne McBride	P4P
Sarah McCullough	Community Justice Scotland

Peter McGhee	Voluntary Action South Lanarkshire
Edmund McKay	Scotland Excel
John McManus	Social Firms Scotland
Gary Meek	GCA
Jacqui Melville	VANL
Maria Mikicka	Soul Food Sisters CIC
Alan Miller	Triodos Bank
Carol Montgomery	Hansel
Tania Morlan	Renfrewshire Council
Billy Murray	Scotland Excel
Janice Nicol	Social Firms Scotland
Jane O'Neill	The Advisory Group
Sarah Proctor	BBC
Rob Pryce	The Spark
Joseph Rankin	Nevis Group
Brian Robertson-Fern	Brag Enterprises
Craig Sanderson	Link Group Ltd.
Mary Sinclair	Senscot
Kim Wallace	Senscot
Vicky Wilson	Almond Enterprises Ltd
Craig Winter	Turning Point Scotland
Laura Worku	Scottish Government