

Glossary

Term	Description
Category Management	A strategic approach aligns its procurement activities into categories, enabling our teams to focus on specific areas of expenditure. This approach facilitates in-depth market analysis to fully leverage procurement decisions on behalf of the whole organisation.
Centre of Expertise (CoE)	Procurement organisations which promote collaboration and publish framework agreements on behalf of particular sectors i.e. Scotland Excel for local authorities (councils); Advanced Procurement for Universities and Councils (APUC) for higher and further education; NHS National Procurement (NSS) for Health; Scottish Procurement for the Scottish Government, its agencies and non-departmental public bodies.
Circular Economy	An approach where the procurement process is designed to minimize waste and keep resources in use for as long as possible. Circular economy emphasizes resource efficiency, waste reduction, and the reuse, repair, refurbishment, and recycling of products and materials.
Collaboration	When two or more groups of people or organisations engage in procurement work together for mutual benefit.
Collaborative Procurement	A strategy where multiple public sector bodies come together to pool their resources and expertise for the procurement of goods and services. This approach aims to achieve cost savings, improve efficiency, and enhance the overall effectiveness of public spending.
Community Benefits	Requirements that deliver social and economic benefits in addition to the core purpose and delivery of a contract
Contract Management	The process of monitoring supplier performance on a contract.
Cost Avoidance	The act of eliminating costs or preventing their occurrence in the first place. It tends not to show up on, but materially affects the bottom-line cost i.e. negating supplier requests to increase costs, procuring services/goods/ works under budget, obtaining prices lower than the market average/median, etc.
Demand Management	Planning and controlling an organisation's purchasing activities to align with its overall goals and objectives. It includes: forecasting requirement/demand; specification and cost controls; reducing specification ('needs vs wants'), etc. Effective demand management can lead to improved efficiency and cost savings.
Environmental Impact	The effect that procurement activities, such as the purchasing of goods and services, have on the natural environment. This includes emissions, waste, biodiversity loss and resource consumption.
Fair Work First	Fair Work First is the Scottish Government's policy for driving high quality and fair work, and workforce diversity across the labour market in Scotland. Fair Work First encourages businesses bidding for a public contract to commit to adopting the following: • payment of at least the real Living Wage

	• provide appropriate channels for effective workers' voice, such as trade union recognition • investment in workforce development • no inappropriate use of zero hours contracts • action to tackle the gender pay gap and create a more diverse and inclusive workplace • offer flexible and family friendly working practices for all workers from day one of employment • oppose the use of fire and rehire practices
Key Performance Indicators (KPIs)	Metrics used to assess the success of procurement contracts in areas like supplier performance, sustainability and operational efficiency.
Lifecycle Costing / Management	A method of assessing the total cost of ownership of a product or service, considering factors like initial purchase, operating costs and disposal costs over its lifetime.
Procure-to-Pay Process	A comprehensive process involving the requisition, purchasing, receiving and payment for goods and services.
Public Sector or Public Sector Body	All organisations which are subject to public procurement laws. This includes government, councils, universities and colleges and the NHS.
Responsible Procurement	The act of sourcing goods and services in a way that takes into account ethical and sustainable considerations, including economic, social and environmental factors, while aiming to procure and act in a way that is open, fair and transparent. At the University, we consider: the environmental impact of goods, services or works being delivered; opportunities to promote human rights within the supply chain; and the potential to enhance local social value through delivery of community benefits.
Social Impact	The positive effects that procurement activities can have on communities, such as job creation, skills development and support for local businesses.
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.
Supply Chain	All activities, resources, products etc. involved in creating and moving a product or service from the supplier to the procurer.
Tender or Tender Exercise	The procurement process of advertising, requesting and awarding a contract.
Whole Life Costing	The costs of acquiring 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.