



By Morven MacNeil,  
GO Features Editor

# Forging relationships

Scottish companies gained valuable insights into how to get involved in the tendering process at the recent GO Scottish Business Summit.



Jim Mather, Minister for Enterprise, Energy and Tourism, delivering his speech by DVD

It is hard to ignore the economic challenges facing the UK today, but instead of dwelling on the downside, businesses should be looking to the new opportunities available from events such as the London 2012 Olympic and Paralympic Games and the Glasgow 2014 Commonwealth Games. The recent GO

Scottish Business Summit was the ideal platform to showcase these opportunities.

Organised by *Government Opportunities (GO)* magazine – the UK’s premier public procurement publication – in partnership with BiP Solutions, the Summit was held in conjunction with the second day of Procurex 2008, Scotland’s first dedicated private and public sector procurement exhibition, on 30 October at the SECC, Glasgow. Delegates gathered to hear speeches from Jim Mather, Minister for Enterprise, Energy and Tourism; John Scott, Chief Executive of Glasgow 2014 Commonwealth Games; and Morag Stuart, Head of Procurement at the Olympic Delivery

Authority (ODA), among others.

Chairing the Summit was GO Managing Editor Grahame Steed. He told delegates that while the economic outlook may seem uncertain at the moment, Scottish businesses, in particular SMEs, should focus on the many opportunities that still exist, not just to survive but to thrive.

Commenting on coverage of the economic situation, he said: “We will all be aware of the recent announcement by Chancellor Alistair Darling that more public spending is to be brought forward to counter the effects of the economic slowdown. And whether you support this strategy or believe it to be flawed, it is clear that the public sector can and will play a significant part in



John Scott, Chief Executive, Glasgow 2014 Commonwealth Games



Morag Stuart, Head of Procurement, Olympic Delivery Authority

economic regeneration. And those businesses which understand the opportunities that exist in working with government and which make best use of the tools available to them stand to benefit.

“However, working directly for government is only one part of the equation. Growing business through collaboration is also about understanding where opportunities exist in the broader supply chain. And as the need to drive value increases, so the pressure is intensified on prime contractors and tier one contractors to open up their supply chains.”

Keynote speaker Jim Mather was unable to attend the conference in person due to commitments in the Scottish Parliament, so delivered his speech by DVD. He informed delegates that the economic forecast for Scotland and the world’s economies was a bracing one. But he added: “Let’s not forget that Scotland has real strengths, resilience and a track record of facing down challenges. And now we have new levels of cohesion, strong business sectors, and an increasing belief that we need to have a new beginning here in Scotland.”

“The Scottish Government is doing, and will continue to do, all it can to continue its overarching purpose of stimulating sustainable economic growth, and within our fixed budget we

have already announced accelerated investment in affordable housing. The Cabinet is also looking at options to re-profile more of our capital spending over the current spending period. In doing so we will factor the strength of the dollar into how we can intensify our Year Of Homecoming in 2009, to hopefully promote a tourism boom, as well as looking at the opportunities available from our exports being more affordable elsewhere.

“As regards support for start-ups and domestic business, we are also looking to see what more the Scottish Government can do in terms of business advice and simplifying the planning system. Sticking with domestic markets, the issue of how we can control and manage public expenditure is vital to our economy. With an annual spend of over £8 billion a year, this represents a significant marketplace with many opportunities being created for you, our suppliers of all sizes.”

Commenting on the progress of the Scottish Public Procurement Reform Programme, Mr Mather said he was delighted that the Scottish Government remained committed to driving through the benefits which can be gained through the programme.

He added: “A vibrant, competitive supply base is vital for the delivery of public services for the people of Scotland. Information based on the

analysis of over 140 Scottish public bodies suggests that just under 50 per cent of procurement expenditure in 2006-07 was with SMEs, albeit that the current definition of an SME includes businesses with up to 250 employees.

“The Public Procurement Advisory Group, of which I am Chair, has a membership drawn from across the business community, and is working across all aspects of the public sector

**‘Growing business through collaboration is also about understanding where opportunities exist in the broader supply chain’**

– Grahame Steed, GO Managing Editor

to ensure that Scottish businesses are treated fairly and have equal access to as many opportunities as possible. We can do this together, with the public and private sectors working jointly to provide the services that the people of Scotland demand and rightly deserve.

“New challenges are ahead, and we need to ensure that public procurement contributes to a wealthier, fairer, healthier, smarter ▶

**‘A vibrant, competitive supply base is vital for the delivery of public services for the people of Scotland’ – Jim Mather, Minister for Enterprise, Energy and Tourism**

► and greener Scotland. We are actively working to develop guidance that will ensure that procurement decisions take account of environmental and sustainability issues and support the Scottish economy, in particular the SME community.”

John Scott explained to delegates the role of the Glasgow 2014 Commonwealth Games Organising Committee and outlined the business opportunities available ahead of the Games. He informed delegates that the budget set in 2007 for the Games was £373 million, including £298 million of public investment. Supporting this, there is also significant capital investment, worth approximately £750 million, being undertaken in and around Glasgow.

The Glasgow 2014 Commonwealth Games will generate some 1200 jobs, a thousand of those in Glasgow itself. Research carried out during the bid phase anticipates a four per cent increase in visitor numbers to Scotland in the period 2015-17, bringing a fillip of at least £30 million to the Scottish economy.

***‘We have put a huge amount of effort into engaging with businesses to encourage them to take advantage of these opportunities’***

***– Morag Stuart, Olympic Delivery Authority***

Mr Scott also explained to delegates that the Organising Committee has a sign-off responsibility to make sure that the Games venues are delivered. How they are delivered is primarily the responsibility of Glasgow City Council. The Organising Committee is working closely with the Council on the process, for both the design and procurement elements.

Regarding business opportunities, Mr Scott said: “We are working on these opportunities and will probably put them out to tender in 2012-13. Our procurement will be a very transparent process. We are working at the moment with Glasgow City Council to look at how we can make sure these opportunities are made available to as



Grahame Steed, Managing Editor, Government Opportunities (GO)

many Scottish and UK businesses as possible. We will be using our own website as a primary source of information but we need to let businesses know when these opportunities are coming up. The heart of any procurement we undertake will be a quality assessment. The great thing for Scottish business is that there are huge numbers of opportunities between now and 2014 to try out engagements with other events.”

Morag Stuart spoke about the Olympic Delivery Authority’s role in delivering for the London 2012 Olympic and Paralympic Games. The ODA is the public body responsible for developing and building the new venues and infrastructure for the Games and their use post-2012. It is a Government-funded body with a budget of £9.3 billion, which was released in 2007. The ODA is also responsible for CompeteFor – [www.london2012.com/business](http://www.london2012.com/business) – the chosen portal of London 2012 for the publication of Games-related contract opportunities.

Ms Stuart explained that CompeteFor acts as a brokerage service between buyers throughout the London 2012 supply chain and potential suppliers. CompeteFor also provides access to business support services, building skills and capacity to ensure that businesses across the UK can access opportunities linked to the hosting of the London 2012 Games.

She said: “The ODA has directly awarded and will award by the end of the Olympics about 2000 contracts, and we are now three-quarters of the way through that. We have four venues left for which contracts will be available

– instead of procuring them as design and build, we are actually procuring the services.

“Businesses should register on the CompeteFor system. We have put a huge amount of effort into engaging with businesses to encourage them to take advantage of these opportunities. The ODA’s main purpose, however, is to open the door; it’s then up to businesses to take advantage of that. And I hope that Scottish businesses will get their share of success out of it.”

Summing the GO Scottish Business Summit up, Mr Steed said he hoped that delegates would leave with valuable ideas and inspiration for their organisations, helping them to benefit from the many business opportunities that exist in Scotland and beyond.

### Full speaker list...

- Nick Bowd, Director, Scottish Procurement Directorate
- Phil Martin, Director of Procurement, Scottish Enterprise
- Jim Mather, Minister for Enterprise, Energy and Tourism
- Dr Lesley Sawers, Chief Executive, Scottish Council for Development and Industry
- John Scott, Chief Executive, Glasgow 2014 Commonwealth Games
- Morag Stuart, Head of Procurement, Olympic Delivery Authority

### Further information...

For further information, please visit: [www.goconferences.co.uk/summit](http://www.goconferences.co.uk/summit)