



Annual Procurement Report

For the period:

1 August 2018 to 31 July 2019

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Executive Summary

Since 31 December 2016 The Procurement Reform (Scotland) Act 2014 (PRA) requires any public organisation which has an estimated annual regulated¹ spend of £5 million or more to develop a procurement strategy and then review it annually. Organisations are also required to publish an Annual Procurement Report reflecting on the relevant reporting period of the procurement strategy.

This report covers the period of 1 August 2018 to 31 July 2019 and addresses performance and achievements in delivering the Ayrshire College procurement strategy²

The development of the procurement strategy was the outcome of consultation and discussion with internal and external stakeholders who have an interest in the college approach to procurement and its impact. Stakeholder engagement also features in the annual assessments of the achievement of regulatory compliance, strategic objectives of the College, value for money [defined as the best balance of cost, quality and sustainability] and delivery against the College's broader aims and objectives, in line with Scotland's National Outcomes. This process of review and reporting will inform any adjustments to the procurement strategy deemed necessary to secure future performance improvements and to respond to the economic, political and financial influences to which the College may need to adjust.

Ayrshire College has analysed third party expenditure and has identified that over the period covered by this report the following expenditure has occurred:

- EU regulated procurements [goods and services worth more than £181,302; works worth more than £4,551,413³] amounted to £1,589,333. There were 2 such procurements completed⁴.
- Lower value regulated procurements' [goods and services worth more than £50,000, works worth more than £2 million] amounted to £1,009,100. There were 9 such procurements completed.

More detailed information on the regulated procurements, sorted into procurement categories, is provided in Sections 1 and 2 and in Appendix A of this report.

Ayrshire College's total non-salary expenditure for 2018/19 was £16,561,108 (ex VAT) of which the total procurement expenditure was £7,206,250 with £3,805,761 of regulated expenditure (recorded on the Contracts Register) and £3,400,489 of non-regulated spend.

£5,513,836, equivalent to 77% of the College procurement spend went through collaborative Category A, B and C1 contracts and agreements.

¹ 'Regulated' procurements are those with an estimated value equal to or greater than £50k (\geq £12,500 per annum over a four-year contract period excluding VAT) for goods & services (or £2,000,000 excluding VAT for a public works contract).

² Ayrshire College's [Procurement Strategy](#)

³ Public contracts (EU) thresholds are revised every 2 years – next due on 01 /01/2020

⁴ Completed when the award notice is published or where the procurement process otherwise comes to an end - covers contracts and framework agreement

Ayrshire College has 1745 active suppliers on its purchase ledger and did business with 892 companies in the reporting period 2018/19. Of the 892 suppliers, 27% are located in Ayrshire, 30% in rest of Scotland, 42% in the rest of the UK, 0.9% in the European Union and 0.1% in the rest of the World.

76% of procurement spend was with SMEs who constitute 88% of the total of active suppliers, 14 SMEs featured in the award of regulated procurements.

This report comprises five sections which address mandatory reporting requirements. These are as follows:

- Section 1: Summary of Regulated Procurement Completed
- Section 2: Review of Regulated Procurement Compliance
- Section 3: Community Benefit Summary
- Section 4: Supported Businesses Summary
- Section 5: Future Regulated Procurement Summary.

Report Approved By: Ayrshire College Board of Management

On: 12 December 2019

Signed on behalf of the Board of Management by: Carol Turnbull, Principal

Section 1: Summary of Regulated Procurements Completed

Ayrshire College conducts its procurements in an open and inclusive manner with procurement objectives aligned to the College's Strategic Plan.

The details of regulated procurements completed are set out in a list at the end of this report with details summarised in **Appendix A**. That information, coupled with the publication of the College Contracts Register ([Ayrshire College Contract Register](#)) and the systematic use of Public Contracts Scotland and Quick Quotes, provides complete visibility of the College's procurement activity over the reporting period.

In Appendix A, information is set out to show lower value regulated procurements completed and EU regulated procurements completed. These are separated into contract categories and distinguish collaborative contracts from college ones. For each completed regulated procurement the information provided shows:

- the date of award
- the start dates
- the category subject matter
- the name of the supplier
- estimated value of the contract – total over contract period
- collaborative or College owned
- the end date provided for in the contract or a description of the circumstances in which the contract will end.
- whether it is an SME or supported business

Section 2: Review of Regulated Procurement Compliance

Where appropriate, Ayrshire College has made use of collaborative contracts to deliver improved contract terms, supported contract and supplier management, sustainable procurement outcomes and value for money.

In making its regulated procurements every care has been taken to ensure that the College awards the business to suppliers who are capable, reliable and who can demonstrate that they meet high ethical standards and values in the conduct of their business.

In the period covered by this report the College has conducted all its regulated procurements in compliance with EU Treaty Principles of equal treatment, non-discrimination, transparency, proportionality and mutual recognition.

Successful delivery of Ayrshire College's Procurement Strategy objectives is part of a shareholder valued, continual improvement process.

The College seeks to deliver continual improvement of all aspects of its procurement process and outcomes incremental improvements to process and outcomes over time.

Ayrshire Colleges' procurement policy and procedures and sign off arrangements that are consistent with the guidelines set out in the Scottish procurement journey, and in compliance with its [Procurement Strategy](#), has met the objectives and obligations set out in the following schedules.

Procurement Strategy Objectives	Annual Report Commentary on Strategy Delivery/Compliance
<p>To sustain and further develop partnerships within the FE/HE sector, with other publicly funded bodies including the College's community partners, with professional bodies and appropriately with supply markets that will yield intelligence, innovation and deliver value to users of procurement services.</p>	<p>The College attends APUC procurement strategy groups for colleges and also engages with other bodies with regard to collaborative procurement opportunities. HE and FE specific events and Scottish public-sector events. Procurement has had preliminary contact with South Ayrshire Council (SAC) regarding being involved in SAC's Community Wealth Building Project.</p> <p>Meetings with both current and potential suppliers ensures that the College is aware of supply market developments for use in future procurements.</p> <p>Engagement with internal and external stakeholders and suppliers as part of the procurement journey provides Ayrshire College with valuable feedback which the College uses to consider possible necessary adjustments and improvements in order to achieve best value from its procurement of goods, services and works.</p>
<p>To work with internal curriculum budget holders, professional support service colleagues and suppliers to deliver innovation and best value to the teaching and learning, and service support communities, through the development of an effective and co-ordinated purchasing effort throughout the College.</p>	<p>The College's procurement activities follow the guidelines set out in the Scottish Procurement Journey. This helps to inform and manage the expectations of stakeholders, customers and suppliers alike and facilitates best practice and consistency with what other organisations do across the Scottish public sector.</p> <p>For larger spend categories and commodities, procurement strategies are developed and agreed through consultation with key budget holders, managers, end users and suppliers in order to deliver innovation, to improve skills and competencies and to identify the most appropriate procurement routes to market that will deliver best value outcomes.</p> <p>Care is taken to ensure that procurement operations are in line with and support the College's strategic objectives through regular review of the Procurement Strategy.</p>
<p>To promote the delivery of value for money through good procurement practice such as adoption of the Scottish Government Procurement Journey and increased spend through regulated</p>	<p>The best balance of cost, quality and sustainability together with outcome based specifications (where possible) are used in tenders to ensure value for money is delivered. Analysis of spend is carried out to identify sensible aggregation opportunities through collaborative contracting.</p> <p>Ayrshire College sorts regulated procurements into procurement categories. How these goods, services and works are bought is subject to review internally monthly and</p>

procurement and use of procurement collaboration opportunities.	with APUC annually. Examples include joint purchasing, use of local, regional and national framework agreements, consolidated contracting.
To seek out professional development opportunities to enrich and enhance experience and capability of procurement within the College.	<p>Quarterly performance reviews of Procurement are carried out and training events are attended where possible. E-learning resources are also used to further develop procurement knowledge and capability.</p> <p>Internal training of staff with procurement and purchasing responsibilities is in place and additional guidance available on the College's intranet for reference.</p>
To work with key suppliers to ensure continued value, managed performance and minimise risk throughout the life of contracts for the benefit of stakeholders and students.	<p>Contract and supplier management guidance and scorecards are in place for use with key suppliers and contracts. Key performance indicators are adopted from the relevant frameworks for call off contracts or added to Category C contracts as applicable for use in managing performance of the contract.</p> <p>A contract risk register is maintained to prioritise contracts and to identify the frequency that the contracts need reviewed.</p>
To develop sound and useful procurement management information in order to measure and improve procurement, contract management and supplier performance; in support of corporate planning which is conducted through a fair and transparent process.	<p>Expenditure analysis data is sourced from multiple systems. These include the College's finance system, Hunter (including Contracts Registers and Procurement Data Dashboard) is used to provide management information for use in managing and measuring contract and supplier performance.</p> <p>Use is made of PCS and PCS-T to publish procurement opportunities. Appropriate use is made of lotting, output based specifications and clear evaluation criteria to ensure that procurements are accessible to as many bidders (including SMEs) as possible.</p> <p>Post procurement reviews are carried out to check that tendering outcomes are delivering against procurement strategies/business case objectives. These are in turn consolidated by contract and supplier management to monitor performance and introduce any improvements required.</p>
To embed sound ethical, social and environmental policies within the College's procurement function and to comply with relevant Scottish, UK and EU legislation in	<p>Procedures are in place to ensure that consideration of environmental, social and economic issues and benefits is made, where appropriate, on a contract-by-contract basis during the planning stage.</p> <p>For every procurement, the College considers how it can improve the economic social or environmental wellbeing of its area through inclusion of environmental criteria and</p>

performance of the sustainable procurement duty.	<p>community benefit clauses in its contracts. The requirement is that this must be included in procurement contracts of over £4m. The College did not award any contract over £4m in the period being reported, it did include community benefits in three of its regulated contracts.</p> <p>Procedures are also in place to ensure that regulated procurements are only awarded to businesses that are capable, reliable and, meet high ethical standards and values in the conduct of their business. Ayrshire College complies with its duties under the Modern Slavery Act and published its own Modern Slavery Act Statement in 2018. The College is committed to the protection of and respect for all human rights and has adopted a zero-tolerance position to slavery and human trafficking in all its forms. The College demonstrates this by acting ethically and responsibly in all the relationships it holds, and uses the APUC Supply Chain Code of Conduct to reinforce this commitment in all contracting activity.</p> <p>The College is committed to contracting only with suppliers that comply with all appropriate and relevant legislation. Where appropriate, and on a contract by contract basis, the College will assess the legislation applicable to a procurement and take steps to ensure bidders comply with it e.g. Health and Safety, Late Payment legislation. Ayrshire College is a Living Wage accredited supplier and where relevant the Living Wage and fair work practices of suppliers is promoted in tender documentation.</p>
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Ayrshire College has procurement policies and procedures and sign off arrangements that are consistent with the guidelines set out in the Procurement Journey and that have met the objectives and obligations set out in our Procurement Strategy.

The following headings details what the College has done against the general duties and specific measures of the Procurement Reform (Scotland) Act 2014.

- **Treating economic operators equally and without discrimination**

The College has conducted all its regulated procurements in compliance with EU Treaty Principles of equal treatment, non-discrimination, transparency, proportionality and mutual recognition. Public Contracts Scotland (PCS) is used to publish all procurement opportunities and separate lots are tendered as appropriate.

In our tender documents, outcome based specifications and clear evaluation criteria are included to ensure the procurement is accessible to as many bidders as possible.

- **Acting in a Transparent and Proportionate Manner**

The College works to engage with its local supply market, for example via “meet the buyer events” and by using Public Contracts Scotland Quick Quote. Guidance and information on how to contact and do business with Ayrshire College is contained on the Procurement page of the College website.

- **Contributing to the Carrying out of our Function and the Achievement of our Purposes**

Non-pay expenditure is analysed on a monthly basis and reported to executive management on a quarterly basis to identify tender and efficiency opportunities and plan procurement activity.

- **Delivering Value for Money**

To all procurements the principle of value for money (best balance of cost, quality and sustainability) is applied and we consider whole-life costing in our regulated procurements.

Ayrshire College use collaborative contracts for 77% of its purchases, to deliver improved contract terms, contract and supplier management, sustainable procurement outcomes and the best balance of cost, quality and sustainability.

Key contracts and suppliers are proactively managed to ensure contract deliverables and objectives are achieved.

It is estimated that during the reporting period, locally tendered savings were £118,552 at BT1 (generally versus previous price paid). Savings through framework agreements were £371,386 at BT1 pending of APUC verification of 2018/19 savings.

- **Sustainable Procurement Duty and Community Benefits**

In compliance with the Sustainable Procurement Duty Ayrshire College consider the environmental, ethical, economic and social impacts as well as the promotion of positive impacts and innovation relating to all regulated procurements throughout the procurement journey.

Procurement tools and systems such as the Scottish Public Procurement Prioritisation Tool, the Sustainability Test, Life Cycle Impact Mapping, the Scottish Flexible Framework as well as APUC’s Supply Code of Conduct, Sustain and Electronics Watch are used where relevant and proportionate to the scope of the procurement.

The Scottish Government supported business framework is considered when sourcing goods and Third sector bodies and supported businesses are always considered for relevant procurement activities.

Although the College has not awarded a contract over £4m in the reporting period it does consider what Community Benefits can, on a proportionate basis, be included in regulated procurements.

- **Consulting and Engaging with those Affected by the College's Procurements**

At the start of each regulated contract process consultation and engagement with the relevant internal and external stakeholders takes place to ensure the procurement strategy takes account of their aims and requirements.

- **Living Wage**

The College, as a Living Wage accredited employer, recognises the value of a well-motivated and dedicated workforce both in its own organisation and in those of its suppliers. Where relevant and proportionate, the College considers the fair work practices of suppliers in its procurements, including application of the living wage.

- **Promoting Compliance with the Health and Safety at Work Act 1974**

Ayrshire College is a Healthy Working Lives accredited organisation and is committed to contracting only with suppliers that comply with Health and Safety legislation.

Where appropriate, and on a contract by contract basis, the College will assess the legislation applicable to a procurement and take steps to ensure bidders comply with such legislation. Where proportionate, the College also seeks to assess the compliance of subcontractors.

- **Procurement of Fairly and Ethically Traded Goods and Services**

The College considers including the relevant standards and labels, as appropriate, in all its procurement activity.

- **The provision of food and improving the health, wellbeing and education of communities in the College's area, and the promotion of the highest standards of animal welfare**

The College is through its Catering and Hospitality Food Supply framework sourcing foodstuffs to the highest standard of production and animal welfare.

The Catering and Hospitality management are working with suppliers to continue to identify innovations that can be adopted by the College to improve the health and wellbeing of students and staff.

- **Payment terms**

The College recognises the importance of paying suppliers promptly once goods or services have been delivered. Standard payment terms are within 30 days of the date of receipt of a valid invoice although in exception circumstances, these payment terms may be reduced.

Section 3: Community Benefit Summary

For every procurement over £4m, Ayrshire College will consider how it can improve the economic, social or environmental wellbeing of its area through inclusion of community benefit clauses, to assist with achieving sustainability in contracts activity, including targeted recruitment and training, small business and social enterprise development and community engagement. Where possible, relevant and proportionate and where they are considered not to have a negative impact on the delivery of value for money, such clauses may be included in regulated procurements valued at below £4m.

The College's policy on identifying community benefit requirements is, in consultation with stakeholders, to consider on a case by case basis, the relevance and proportionality to the subject matter of the procurement. The requirement is then built into the procurement specification and into the eventual conditions of contract performance.

Where applicable, suppliers are invited to describe their approach to delivering community benefits or achieving social value through the contract as part of the tendering process. Relevant community benefits include:

- providing 'upskilling' opportunities (e.g. Toolbox talks) with students and staff,
- offering advice and assistance on the best practice methodology,
- student work experience and employment,
- apprenticeships,
- local sub-contractor opportunities available to SMEs, 3rd sector and supported businesses,
- direct involvement in community based schemes or programmes,
- curriculum support and sponsorship initiatives,
- to minimise environmental impacts, for example impacts associated with vehicle movements and/or associated emissions and impacts on protected areas, buildings or sites.

During the period 1 August 2018 to 31 July 2019 Ayrshire College did not awarded any contracts over the £4 million regulated procurement contract threshold.

Community benefits were however generated by three contracts awarded below the £4 million threshold. Community benefits during the reporting period include:

- payment of the Living Wage to all contractor operatives engaged on facilities management contracts for Kilmarnock and Kilwinning Campuses;
- student training
- staff toolbox talks
- sponsorship of school sports programme
- support from waste supplier, Enva Scotland Ltd at freshers fayre.

Section 4: Supported Business Summary

For all procurements, Ayrshire College assesses each as to whether the goods required or service provision could be fulfilled by a Supported Business, whilst remaining compliant with EU and Scottish Procurement Legislation and ensuring value for money for the College. The College use Supported Business register, published by Ready for Business, to check for potential providers.

In the period 1 August 2018 to 31 July 2019 Ayrshire College did not reserve any contracts for supported businesses in this period. However £1,405 of spend was placed with a local supported business for laundry services.

Section 5: Future Regulated Procurements Summary

Ayrshire College wants to ensure it achieves best value for money in its procurements through competition by promoting optimal participation in its procurement processes. One method of achieving this is to give notice to suppliers of tendering opportunities that are expected to commence over the next two financial years.

The information provided in the list of Future Regulated Procurements and **Appendix A** covers:

- the subject matter of the anticipated regulated procurement
- whether it is a new, extended or re-let procurement
- the expected contract notice publication date
- expected award date
- expected start and end date
- the estimated value of the contract.
- contract category A, B, C or C1

In preparing this forward projection of anticipated regulated procurements, it is difficult to be precise about providing details of actual requirements. Over a forecast period of two years it is very probable that circumstances and priorities will change so the list of projected individual regulated procurement exercises outlined in **Appendix A** should be viewed with this caveat in mind.

Glossary of Terms

A, B, C and C1 Contracts (Who buys what?)

Category A	Collaborative Contracts available to all public bodies <ul style="list-style-type: none">• Scottish Procurement
Category B	Collaborative Contracts available to public bodies within a specific sector <ul style="list-style-type: none">• Scottish Procurement• APUC• Scotland Excel• NHS National Procurement
Category C	Local Contracts for use by individual public bodies
Category C1	Local or regional collaborations between public bodies

APUC's Code of Conduct - APUC and its client community of colleges and universities is committed to carrying out procurement activities in an environmentally, socially, ethically and economically responsible manner and to entering into agreements and contracts with suppliers that share and adhere to its vision. To demonstrate this commitment, current and potential suppliers are asked to acknowledge their compliance with the principles of the APUC Supply Chain Code of Conduct with respect to their organisation and their supply chain.

BT14 – Sustainability Based Benefits - sustainability benefits where costs are not normally relevant can be reported but will normally be described in narrative including but not limited to the following areas:

- Reduction in waste – packaging and / or further use of residue from processes etc.
- Reduction in consumption - use of raw materials (consumables, utilities etc.)
- Recycling and/or reuse of products
- Enhanced Reputation and/or marketing opportunities
- Community Benefits delivery
- Carbon Reduction

Social, equality and / or environmental improvements

Category Subject is a collection of commodities or services sourced from the same or similar supply base, which meet a similar consumer need, or which are inter-related or substitutable.

Community Benefits are requirements which deliver wider benefits in addition to the core purpose of a contract. These can relate to social- economic and or environmental. Benefits. Community Benefits clauses are requirements which deliver

wider benefits in addition to the core purpose of a contract. These clauses can be used to build a range of economic, social or environmental conditions into the delivery of Collegeal contracts.

Contracts Registers these typically provide details of the procurement exercise to capture key information about the **contract** (the goods and services, values, date started, expiry date, procurement category etc).

Cost Avoidance The act of eliminating costs or preventing their occurrence in the first place. It tends not to show up on, but materially impacts, the bottom-line cost and is normally referred to as a “soft” cost saving i.e. negating supplier requests to increase costs, procuring services/goods/ works under budget, obtaining prices lower than the market average/median.

Contract management or contract administration is the management of contracts made with customers, suppliers, partners, or employees. Contract management activities can be divided into three areas: service delivery management; relationship management; and contract administration.

EU regulated procurements are those whose values require that they are conducted in compliance with the Public Contracts (Scotland) Regulations 2015 and the Procurement Reform (Scotland) Act 2014.

Flexible Framework Self-Assessment Tool (FFSAT) enables measurement against various aspects of sustainable procurement.

Hub (Spikes Cavell) - The Scottish Procurement Information Hub is provided by Spikes Cavell as a spend analysis tool allowing organisations to: -

- Identify non-pay spend on external goods and services
- Identify key suppliers and how many transactions are made with each
- Highlight common spend across suppliers and categories
- Identify spend with SMEs and/or local suppliers

This information means that individual organisations and Centres of Expertise can identify where collaborative opportunities might exist and where transactional efficiencies could be made.

For more information, visit the Scottish Government's [Hub](#) page.

Hunter - Hunter has been developed by the eSolutions team. It is a database solution which uses standard Microsoft packages (Access and SQL Server) enabling organisations to effectively monitor and report on collaborative contracting activities.

As a solution, it is operational within the HE/FE sector in Scotland and is also being utilised by the HE consortia in England and Wales that also provide collaborative contracting services to the sector. Hunter has a multi-level structure which allows consortia to share collaborative agreements, make them visible to their member organisations, and in turn enabling them to record their own contracts.

College Dashboard - is the area within the APUC Buyers Portal being developed by the APUC eSolutions team providing easy access to Colleges' key management reporting data being recorded centrally through **Hunter**. The dashboard currently hosts key regulatory procurement information on Contracts Registers, forward contracting plans, expenditure reporting and APR Data. The list of reports is planned to expand to cover savings and PCIP dashboard data.

Lotting - the Public Contracts (Scotland) Regulations 2015 encourage the use of lots (regulation 47), to promote competitiveness and to facilitate the involvement of SMEs in the public procurement market, by considering the appropriateness of dividing contracts into lots to smaller contracts

OJEU thresholds OJEU is the Official Journal of the European Union, the gazette of record for the European Union. Around 2500 new notices are advertised every week - these include invitations to tender, prior information notices, qualification systems and contract award notices. The European public contracts directive (2014/24/EU) applies to public authorities and the following thresholds will apply to procurement carried out whose value equals or exceeds specific thresholds. The present thresholds are (net of VAT): - for Supply, Services and Design Contracts, £164,176, for Works Contracts £4,104,394. Public contracts (EU) thresholds are revised every 2 years – this is next due on 01/01/2018.

Output Specification requirements are set out in terms of what you want to achieve, leaving the tenderers to decide on how they will deliver those requirements. This can lead to innovation by the tenderers. The services detailed in the output specification should be capable of objective assessment so that the performance of the supplier can be accurately monitored.

Prioritisation - the Sustainable Public Procurement Prioritisation Tool which is a tool to aid all procuring organisations across the Scottish Public Sector designed to bring a standard structured approach to the assessment of spend categories.

Procurement Journey is public procurement toolkit with guidance and templates on the procurement process to facilitate a standardised approach to the market and contract and supplier management.

Procurement & Commercial Improvement Programme (PCIP) replaced the previous Procurement Capability Assessment (PCA) and focuses on the policies and procedures driving procurement performance and more importantly, the results they deliver.

PCS (Public Contracts Scotland) is the national advertising portal used to advertise all public sector goods, services or works contract opportunities.

PCS-Tender is the national eTendering system. It is centrally funded by the Scottish Government. The system is a secure and efficient means for buyers and suppliers to manage tender exercises online. The standard templates enable buyers to create consistent tender documentation.

Segmentation the division and grouping of suppliers or contracts in relation to spend and its criticality to business.

Small and Medium Sized Enterprises (SMEs) encompass –

- Micro enterprises: enterprises which employ fewer than 10 persons and whose annual turnover and/or annual balance sheet total does not exceed £1.57 million.
- Small enterprises: enterprises which employ fewer than 50 persons and whose annual turnover and/or annual balance sheet total does not exceed £7.86 million.
- Medium enterprises: enterprises which are neither micro nor small, which employ fewer than 250 persons and which have an annual turnover not exceeding £39.28 million, and/or an annual balance sheet total not exceeding £33.78 million.

Social Enterprises are revenue-generating businesses 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.

Supply Chain encompasses all activities, resources, products etc. involved in creating and moving a product or service from the supplier to the procurer.

Supply Chain Management Programme (Sustain) is the APUC supply chain sustainability web portal, a central hub where sector suppliers can complete and store sustainability compliance data. The portal is the core supply chain sustainability tool supporting HE and FE Colleges and their suppliers in delivering a transparent, environmentally positive, ethical and socially responsible supply chain

Supported business means an economic operator whose main aim is the social and professional integration of disabled or disadvantaged persons, and where at least 30% of the employees of the economic operator are disabled or disadvantaged persons.

Supported employment programme means an employment programme operated by an economic operator, the main aim of which is the social and professional integration of disabled or disadvantaged persons, and where at least 30% of those engaged in the programme are disabled or disadvantaged persons.

Sustainable Procurement A process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis and generates benefits, not only for the organisation but also to society, the economy and the environment.

Third-Party Expenditure is calculated based upon the total value of invoices paid per annum, excluding VAT, to all suppliers for the purchase of goods and services. It is defined as including goods, services and works. These are defined as follows:

- Goods – tangible products such as stationery, which are often also known as supplies
- Services – provision of an intangible product such as refuse collection, elderly home care, whether carried out internally or externally

- Works – including construction works and utilities (i.e. energy costs).

Third Party Expenditure excludes employee costs, non-cash expenditure (e.g. depreciation), grants, trust payments and other non-controllable payments to other publicly funded bodies but should include spending on agency staff, capital expenditure and programme spend on commodities and services.

Annual Procurement Report Appendix A:

List of Regulated Procurements Completed in Reporting Period 1 August 2018 to 31 July 2019

Compliant

Category Subject	Supplier Name	Date of Award	Owner: Cat A/B/C or C1	Start Date	End Date	Value over contract Period ex VAT	SME status	Supported Business
Supply of Fresh, Chilled, Frozen and Ambient Foods to Ayrshire College	Bidfood (formerly Bidvest Foodservice); Brakes Bros; Brownings the Bakers Ltd; Campbell Brothers Ltd; Campbells Prime Meat Ltd; Fresh Food Company Ltd; Glencrest Ltd; JB Foods (Scotland) Ltd; Reids Food Service Ltd	01/08/2018	C	01/08/2018	31/07/2020	£1,333,333	Large	no
Non-life Insurance for Ayrshire College	Zurich Municipal	01/08/2018	B	01/08/2018	31/07/2021	£265,000	Large	no
Supply of Staff Compliance Course Training E-Learning & LMS Platform	C L Consortium Ltd	25/09/2018	C	25/09/2018	24/09/2020	£52,200	Small	no
Supply and Maintenance of Citrix Licences 2018	I Konic Ltd	26/09/2018	C	26/09/2018	25/09/2020	£92,116	Small	no

Category Subject	Supplier Name	Date of Award	Owner: Cat A/B/C or C1	Start Date	End Date	Value over contract Period ex VAT	SME status	Supported Business
Design, Supply, Installation & Service Of A Dust Extraction & Wood Waste Management System	McLuckie Engineering Ltd	15/01/2019	C	15/01/2019	14/01/2022	£53,100	Micro	no
Supply of Students PPE Kit 2019	Lion Safety Ltd	03/06/2019	C1	03/06/2019	02/06/2020	£54,167	Small	no
Maintenance and Support of Telephone System	Exchange Communications Ltd	12/07/2019	A	12/07/2019	11/07/2022	£95,313	Large	no
Flat Roofing and Associated Works, Riverside Building, Ayr	Hugh LS McConnell Ltd	15/01/2019	C	15/01/2019	31/03/2019	£60,650	Medium	no
Replacement of Windows, Dam Park Building Phase 3	CMS Enviro Systems Ltd	18/01/2019	C	18/01/2019	31/03/2019	£394,151	Medium	no
Supply of Biomass Fuel	Balcass Timber Ltd	26/03/2019	C	26/03/2019	25/03/2021	£154,833	Large	No
Foundation Year 1 Students Transport 2019	Stuart Neil t/a Neils Private Hire; Thomas McGhee t/a McGhees Taxis; Ayr taxis Ltd; Sam Prow t/a Sam Prows Taxis; John Bennett t/a Bennetts of Kilwinning;	07/06/2019	C	10/06/2019	20/06/2020	£52,570	Micro; Micro; Micro; Micro; Medium	no

Non-Compliant

Category Subject	Supplier name	Date of Award	Owner: Cat A/B or C?	Start Date	End Date	Value over contract period	Compliance issue	Proposed Solution
Annual Support & Maintenance of Finance System	Advanced Business Solutions Ltd	18/01/2019	C	01/04/2019	31/03/2022	£69,085	Negotiated extended contract award to Advance Business Solutions Ltd for legacy finance system support and maintenance for two years.	Assess future requirements and identify options. By engaging with Finance system providers and internal stakeholders during the contract extension period. Tenders will then be issued.

List of Regulated Procurements Planned to Commence in the Next Two F/Ys 19/20 and 20/21

Category Subject	Owner: Cat A/B/C or C1?	New, extended or re-let procurement	Expected contract notice publication date	Expected Date of Award	Expected Start Date	Expected End Date	Estimated Value over contract period
Supply of Fresh, Chilled, Frozen and Ambient Foods to Ayrshire College	C	re-let	02/02/2020	31/07/2020	01/08/2018	31/07/2020	£1,600,000
Management Information Services IT System	B	re-let	01/02/2020	30/07/2020	31/07/2015	30/07/2020	£404,380
Provision of Multi-functional Copiers	A	re-let	05/11/2019	03/05/2020	04/05/2015	03/05/2020	£250,000
Waste Services	B	re-let	18/08/2018	14/02/2019	15/08/2021	14/02/2019	£225,000
Estates Minor Works Framework	C	new	04/08/2020	31/01/2021	01/02/2019	31/01/2021	£200,000
Ayrshire College Inter-site WAN Connectivity	B	re-let	26/04/2020	23/10/2020	25/04/2023	23/10/2020	£175,000
Supply, Install, Support and Maintain HR and Payroll System	B	re-let	09/11/2019	07/05/2020	06/11/2022	07/05/2020	£140,000
Provision of IT System Support and Professional Services	C	re-let	19/01/2020	17/07/2020	18/07/2017	17/07/2020	£125,000
Supply, Support and Maintenance of IT Server Equipment	C	re-let	10/03/2020	06/09/2020	07/09/2017	06/09/2020	£118,194
Supply and Maintenance of Citrix Licences	C	re-let	29/03/2020	25/09/2020	26/09/2018	25/09/2020	£110,539
Supply, Support and Maintenance of ICT Networking Equipment	C	re-let	03/11/2020	02/05/2021	03/05/2018	02/05/2021	£108,030

Category Subject	Owner: Cat A/B/C or C1?	New, extended or re-let procurement	Expected contract notice publication date	Expected Date of Award	Expected Start Date	Expected End Date	Estimated Value over contract period
Non-life Insurance for Ayrshire College	B	re-let	02/08/2020	29/01/2021	31/07/2023	29/01/2021	£106,556
Non-life Insurance for Ayrshire College	B	re-let	01/02/2021	31/07/2021	01/08/2018	31/07/2021	£106,122
Supply of Biomass Fuel	C	re-let	26/09/2020	25/03/2021	26/03/2019	25/03/2021	£100,278
Occupational Health Services	C	new	04/08/2020	31/01/2021	01/02/2019	31/01/2021	£75,000
Health & Safety Management System	C	re-let	11/08/2018	07/02/2019	08/02/2016	07/02/2019	£68,000
Internal Audit	B	re-let	02/08/2020	29/01/2021	30/06/2023	29/01/2021	£66,240
Supply of Students PPE Kit	C1	re-let	05/12/2019	02/06/2020	03/06/2019	02/06/2020	£65,000
Provision of Legal Services-General	B	re-let	20/09/2020	19/03/2021	20/03/2019	19/03/2021	£56,700
Supply of Staff Compliance Course Training E- Learning & LMS Platform	C	re-let	28/03/2020	24/09/2020	25/09/2018	24/09/2020	£56,160
Supply of Beauty Kits to Ayrshire College 2018	B	re-let	01/02/2019	31/07/2019	01/08/2018	31/07/2019	£55,400
Foundation Year 1 Students Transport 2019	C	re-let	23/12/2019	20/06/2020	10/06/2019	20/06/2020	£50,000