



Annual Procurement Report

For the period:
1 August 2020 to 31 July 2021

Contents

Executive Summary	2
1. Summary of Regulated Procurement Completed	4
2. Review of Regulated Procurement Compliance	5
3. Community Benefit Summary	10
4. Supported Businesses Summary	11
5. Summary of Likely Future Regulated Procurements	12
6. Current and Future Challenges and Risks	13
Appendices	
Appendix 1: List of Regulated Procurements (compliant and Non-compliant) Completed 01/08/20 – 31/07/21	14
Appendix 2: List of Regulated Procurements planned to commence in next two F/Ys 21/22 to 22/23	15
Annex A	17
Glossary of Terms	20

Executive Summary

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. This requirement took effect from 31 December 2016. Organisations (including HE and FE colleges) required to develop and publish a procurement strategy were also required to publish an Annual Procurement Report, reflecting on the relevant reporting period of the procurement strategy.

This, the fourth Annual Procurement Report published by Ayrshire College, covers the period of 1 August 2020 to 31 July 2021. It addresses how the College has performed in its procurement activities and on delivery of its procurement strategy and wider aims and objectives.

In line with [Scotland's National Outcomes](#), this process of review and reporting identifies where adjustments to the procurement activity is deemed necessary to ensure that the College is able to make improvements in its procurement performance and be in a position to respond to future economic, political, social and environmental influences.

The Covid pandemic continued to have an affect on the College's operations with the re-closure of its campuses but successful delivery of the curriculum has continued with staff and students being able to access the equipment and the systems and services needed to virtual and/or on-campus learning as relevant.

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

- EU² regulated procurements [goods and services worth more than £189,330; works worth more than £4,733,252]:-There were **two** such procurements completed³ during the reporting period, with the total contract value of **£593,867**.
- Lower value regulated procurements' [goods and services worth more than £50,000, works worth more than £2 million]:- There were **four** such procurements completed during the reporting period. These amounted to **£237,189**.

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

Ayrshire College's total non-salary expenditure for 2020-21 was **£11,317,777** (ex VAT) of which the core procurement expenditure, excluding NPD/PFI repayments, was **£3,531,790** with **£1,469,024** of regulated expenditure (recorded on the Contracts Register) and **£2,062,766** of non-regulated spend.

Of the College's regulated procurement spend **£1,502,448 (44%)** went through collaborative Category A, B and C1 contracts and agreements. The fall in collaborative spend can be attributed to a reduction in general activity due to COVID

¹ Regulated' procurements are those with an estimated value equal to or greater than £50k (≥ £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 Public contracts (EU) thresholds are revised every 2 years – next due on 01 /01/2022. With the UK's exit from the EU on 01/01/2021 these thresholds will continue to apply to existing and future requirements that include whole or partial EU Grant funding.

³ Deemed completed when the award notice is published or where the procurement process otherwise comes to an end – this assumption covers contracts and framework agreement

Ayrshire College had 1,005 active suppliers on its purchase ledger and did business with 625 companies in the reporting period 2020-21, down from 742 in 2019-20 directly due to Covid19. Ayrshire College continues to be committed to supporting local businesses and recognises that by spending with local businesses our requirements for goods and services can enhance lives and bring social benefits beyond the actual amount spent. For this reason, engaging with and buying from local suppliers, wherever possible, remains a key element of our procurement strategy. 229 suppliers (23%) were based in Ayrshire, a slight fall on the previous year (24% in 2019-21) with 30% of suppliers based in the rest of Scotland.

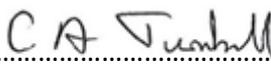
Of the remaining suppliers, 44% were based in the rest of the UK, 2% in the European Union and 1% in the rest of the World. These figures are similar to the previous year with the College committed to working with suppliers to form good supportive relationships especially during the Covid crisis.

SMEs constituted 83% of the total of active suppliers and 55% of procurement spend was with SMEs. This is an increase of 12% from 2019-20.

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

- **Section 1: Summary of Regulated Procurements Completed**
- **Section 2: Review of Regulated Procurement Compliance**
- **Section 3: Community Benefit Summary**
- **Section 4: Supported Businesses Summary**
- **Section 5: Future Regulated Procurements Summary**
- **Section 6: Current and Future Challenges and Risks**

Report Approved: 8 December 2021
By: Ayrshire College Board of Management

Signed: 

Carol Turnbull

Position: Principal and Chief Executive

Section 1: Summary of Regulated Procurements Completed

Ayrshire College continues carries out all its procurements in an open and inclusive manner. The College's procurement objectives are aligned to the College's Strategic Plan and Objectives, in particular the ambition to be an inspirational place of learning which will be achieved "***through strong collaboration and partnership working***"⁴.

The details of regulated procurements completed during the reporting period are set out in **Appendix 1** with details summarised in **Annex A**. That information, coupled with the publication of [Ayrshire College Contracts 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 1** the information is set out to show regulated procurements completed and any 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
- SME / supported business

⁴ [Ayrshire College Statement of Ambition 2030](#)

Section 2: Review of Regulated Procurement Compliance

Where appropriate, Ayrshire College has made use of national and sector collaborative contracts put in place by Scottish Public Sector Procurement and APUC, to deliver improved contract terms, supported contract and supplier management, sustainable procurement outcomes and value for money (the best balance of cost, quality and sustainability).

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.

Procurement activities at Ayrshire College are subject to regular, independent review against the Scottish Government Procurement & Commercial Improvement Programme (PCIP). The PCIP is a useful tool through which the University and College sector is periodically assessed and which can provide valuable benchmarks by which necessary improvements might be identified, consulted over, planned and implemented. To deliver continuous improvement across all aspects of the procurement process and against the procurement strategy objectives is part of a customer valued, continual improvement process (CIP) that seeks incremental improvements to process and outcomes over time.

Ayrshire Colleges' procurement policy, procedures and sign off arrangements are consistent with the guidelines set out in the Procurement Journey. The College has met the objectives and obligations set out in its Procurement Strategy (Table 1).

Table 1 – Ayrshire College's Achievement of Procurement Strategy Objectives

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 engagement with internal and external stakeholders and suppliers is key in building the understanding of the needs and requirements which in turn reinforces the value of our procurement activities. Supplier engagement meetings are used as a means to explain and promote the benefits of public procurement processes and to define the college's requirements.</p> <p>Although the Covid pandemic meant that no meetings could take place in person, the use of virtual events such as the supplier engagement event in May for potential food providers and the induction event for Associate Trainers in January were both well attended and the feedback was that more attended because they did not have to travel, ticking the environmental objectives at the same time. This method of meetings will continue.</p> <p>The college contributes to sector contracting plans, providing feedback on frameworks both national and sector when requested. Procurement is part of the work-stream coordinating procurement efforts on a regional basis with the 3 Ayrshire councils and other local organisations as part of the Ayrshire Wealth Building, Ayrshire Growth Deal (Ayrshire Growth)</p>

Procurement Strategy Objectives	Annual Report Commentary on Strategy Delivery/Compliance
	<p>Deal-Community Wealth Building), to deliver local collaborative contracts.</p> <p>The college actively engages with other bodies through HE and FE specific events, Scottish public-sector events and training events including those of the Environmental Association for Universities and Colleges (EAUC).</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 directly follow the guidelines set out in the Scottish Procurement Journey and Procurement is proactive in supporting Ayrshire College’s new strategic objectives published in the Ayrshire College's Statement of Ambition 2030.</p> <p>Optimal procurement strategies are developed and agreed through consultation with key stakeholders, end users and suppliers. This intelligence gathering approach is also used to deliver innovation, to improve skills and competencies in securing the most appropriate procurement routes to market that yield best value outcomes consistent with the guidelines set out in the Scottish Procurement Journey.</p> <p>Procurement activities follow the guidelines set out in the Procurement Journey. This helps to 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>The college did not award any contract over £4m in the reporting period, however it does consider the impact and how it can improve the economic, social or environmental wellbeing of its area through inclusion of community benefit clauses in its regulated procurements. Where possible and proportionate, such clauses may be included in procurements below £4m.</p> <p>Care is taken to ensure that procurement activities support the College’s strategic objectives such as ‘ Work with partners, including businesses, to co-create and deliver a portfolio of learning and skills that is relevant, dynamic, flexible, and responsive to employer and industry needs, to current and future skills requirements and contributes to social and economic recovery’ by engaging with local companies through direct contact and advertising opportunities on Public Contracts Scotland (PCS) and PCS Quick Quotes.</p>
<p>To promote the delivery of value for money through good procurement practice and optimal use of procurement collaboration opportunities.</p>	<p>To ensure value for money is delivered for all regulated and lower value procurements, the College’s Procurement function works with users, budget holders and other stakeholders. Careful consideration is given to the balance of quality between the relevant technical and quality criteria, whole life costs and sustainability.</p> <p>Working with key departments to manage strategic contracts and carry out supplier performance assessments helps to ensure that the balance</p>

Procurement Strategy Objectives	Annual Report Commentary on Strategy Delivery/Compliance
	<p>of price and quality is provided throughout the life of the contract. A review of the continued need for the contract and the performance of the contractor is carried out before any contract is extended or re-tendered.</p> <p>On-going monthly analysis of spend is carried out to identify aggregation opportunities, such as joint purchasing with other departments internally and also what can be sourced through the use of local, regional and national framework agreements.</p> <p>The monthly review of spend allows non-regulated purchasing to be addressed early to eliminate unnecessary or duplicate spend, increase the value benefits of aggregated purchasing, reduce the cost of procurement and ensure compliance with procurement regulations.</p> <p>Procurement has the responsibility of reviewing and approving all new supplier requests to prevent duplication; off-contract spend and minimise the potential for fraud.</p> <p>APUC's Contract Uptake aids the review of spend through collaborative frameworks and contracts. In 2020-21 Ayrshire College used collaborative contracts for 44% of its purchases. These meant that the College benefited from improved contract terms, contract and supplier management, sustainable procurement outcomes and the best balance of cost, quality and sustainability.</p> <p>During the reporting period, it is estimated that savings via Cat C contract were £3,355 and savings through framework agreements were £246,265.</p>
<p>To seek out professional development opportunities to enrich and enhance experience and capability of procurement practitioners and to work with the supply chains to ensure continued value, managed performance and minimal risk throughout the life of contracts for the benefit of customers and students.</p>	<p>Performance reviews of the shared service procurement staff is carried out quarterly and e-learning resources such as HE/FE on-line courses and webinars organised by APUC, EAUC or the wider public sector such as Procurex are used to further develop procurement knowledge and capability. In addition, continuous professional procurement development training events are attended where required and training records are kept up to date.</p> <p>Internal training of staff with procurement and purchasing responsibilities is ongoing with additional guidance available on the College's intranet for reference. The continued roll-out of the College's electronic purchase to pay system and the training for budget holders and users has provided the opportunity to refresh staff's procurement knowledge relevant to their position and role.</p> <p>Depending on the identified risk of a contract, based on the spend, the performance of the supplier and the market, formal supplier meetings are held over the life of regulated contracts. These meetings provide an opportunity for all parties to discuss performance, provide feedback, agree contract variations, and plan for future activities. Contract</p>

Procurement Strategy Objectives	Annual Report Commentary on Strategy Delivery/Compliance
	<p>management guidance, performance scorecard and meeting agenda and minute templates is employed as a key tool to ensure that contract leads are equipped to realise the benefits over the life of a contract.</p>
<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>	<p>Regular analysis of expenditure is carried out to provide management information. Data from the College's finance system is analysed on monthly and quarterly basis and a quarterly report with a similar format to the annual procurement report is presented to the senior leadership team. Other sources of spend data include contractors, APUC hub and the Hunter database. Internal discussions regarding budget and capital planning inform future procurement activity. General Ledger data can be queried down to invoice level which means expenditure to be consolidated and cost efficiencies sought.</p> <p>The college's procurement policy and procedures internal governance require that before a regulated procurement can take place, an initiation document needs to be accompanied by a strategy, risk analysis and sustainability test to be authorised. This ensures that the proposed spend has been approved and budgeted for and that the procurement route, alternative solutions, benefits, total costs, added value and sustainability have all been considered.</p> <p>The college's contract and supplier management toolkit is for use with key contracts to measure and manage the effectiveness of the contract. Working with contractors to obtain the management information allows key performance indicators to be scored and sharing the results with the contractor helps to develop a relationship. The aim is for the contract and supplier management toolkit to be used proportionately across all regulated procurements.</p>
<p>To embed sound ethical, social and environmental policies within the College's procurement function and to comply with relevant Scottish and UK legislation in performance of the sustainable procurement duty.</p>	<p>The College's procurement processes ensures all its regulated procurement comply with its sustainable procurement duties by considering environmental, social and economic issues and benefits is made, where appropriate, on a contract-by-contract basis during the planning stage utilising tools including the sustainability test and the life cycle impact assessment as part of the contract strategy.</p> <p>The College procurement process and sign off arrangements are consistent with the guidelines set out in the Procurement Journey and that have met the objectives and obligations set out in its own procurement policy and procedures and financial scheme of delegation.</p> <p>The College promotes compliance by contractors and sub-contractors with the Health and Safety at Work etc. Act 1974 (c.37) and any provision made under that Act with the relevant contractors being Site Safety in Procurement (SSIP) scheme members.</p> <p>APUC's Sustain Supply Chain Code of Conduct is included in all regulated procurements with suppliers being required to confirm they, and their supply chains, will adhere to the Code of Conduct. Where relevant, such</p>

Procurement Strategy Objectives	Annual Report Commentary on Strategy Delivery/Compliance
	<p>as sourcing clothing for students’ sports kit, tenderers were asked, as part of the evaluation, to evidence how they monitor their supply chain against the International Labour Organisation (ILO) conventions on social and labour issues. As well as this, Ayrshire College complies with its duties under the Modern Slavery Act by seeking to only to contract with suppliers that comply with all appropriate and relevant legislation. and has published its own Modern Slavery Act Statement which is reviewed and updated annually.</p> <p>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.</p> <p>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. The Scottish Government supported business framework is always considered when sourcing relevant goods and Third sector bodies and supported businesses are always considered for relevant procurement activities.</p>

Section 3: Community Benefit Summary

Ayrshire College considers how it can improve the economic, social or environmental wellbeing of its area through inclusion of community benefit clauses. These clauses assist with achieving sustainability in contracts activity. For example this can include targeted recruitment and training, small business and social enterprise development and community engagement. Where possible, relevant, proportionate, and where they are considered not to have a negative impact on the delivery of value for money, such clauses may be included by the College 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, as part of the tendering process, suppliers are invited to describe their approach to delivering community benefits or achieving social value through a contract. 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,
- educational support 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 2020 to 31 July 2021 Ayrshire College did not award any contracts over the £4 million regulated procurement contract threshold and with campuses closed for a major part of the year and students learning being provided remotely there were no benefits or value on a local basis and the social value and community benefits from frameworks is recorded in the relevant organisations annual report.

Section 4: Supported Business Summary

The college reviews each procurement to determine whether it could be fulfilled by a Supported Business, whilst remaining compliant with EU and Scottish Procurement Legislation and ensuring value for money for the college (using the only Supported Business [register](#) currently available and published by Ready for Business).

In the period 1 August 2020 to 31 July 2021 Ayrshire College did not reserve any contracts for supported businesses, however during this period a total of £18,200 of spend was placed with the supported business contracted under the Government Period Poverty scheme.

Section 5: Future Regulated Procurements Summary

Ayrshire College is keen to encourage competition by promoting optimal participation in its procurement process and achieve better value for money in its procurements. 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 after the period covered by this report. This list of projected individual regulated procurement exercises is outlined in **Appendix 2**.

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 2 should be viewed with this caveat in mind.

The information provided in Appendix 2- list of Future Regulated Procurements 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.

Section 6: Other Areas for Consideration-External Challenges and Risks

1. COVID 19

Risk

The college Procurement Manager has been working with APUC to minimise supply risks as a result of the COVID19 pandemic. All key and high-risk suppliers have been contacted for feedback on how the coronavirus is impacting their supply chain and the contingency plans they have put in place. This kept up-to-date and relevant information circulated to contract leads.

Supporting Suppliers

In line with the Scottish Government guidance (SPPN5/2020) which provides specific COVID19 direction on supplier relief, making best use of resources and relaxation of Procurement regulations for recovery and transition from COVID lockdown and staff furlough, the college was able to suspend the waste management service and the washroom service during lockdown with the suspended period being added to the end of the contract.

Supporting staff and students

At the start of the pandemic lockdown and on-going into the academic year 2021-21, the College, like all education establishments faced the issue of trying to support students without access to IT equipment to continue their studies at home.

In March 2020, the Campus Operations Steering Group was set up with several work-streams including the Learning & Teaching and Student Engagement Workstream which procurement was part of. The group, had the remit amongst others, to investigate the most timely and compliant route to access ICT equipment for those identified as in need. As demand was great from all sectors, not least the NHS, getting ICT equipment was not without challenges, however working with the National Framework suppliers and college student support staff we were able to secure the mobile devices and connectivity solutions and get them delivered to students at home quickly.

The college staff were not affected by any issues with access to supplies of PPE, with the college working with framework and local suppliers to ensure screens, sanitiser and other PPE equipment was always available.

Impact on spend and looking to the future

One area where the level of spend changed due to the enforced campus lockdowns was energy consumption with a 9% decrease in gas, electricity and biomass consumption and although with the opening of campuses for the academic year 2021-22, it is planned that these savings in carbon can be continued and reported on in the college's Public Bodies Climate Change Duties Report later in the year.

2. BREXIT

Given the impact of Covid19, the effects of Brexit are only beginning to be known such as the shortage of staff in low paid employment and HGV drivers. Using the regular brexit supply chain reports from APUC on the risks to the supply of goods and services and staffing, Procurement disseminates the information to assess the risk locally. There is no current high level risk to the College.

Appendix 1: List of Regulated Procurements (Compliant and Non-Compliant) Completed in Reporting Period 1 August 2020 to 31 July 2021

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
Students Record System Support and Maintenance	ESS Ltd- formerly Capita	01/08/2020	B	01/08/2020	31/07/2023	£391,550	large	no
Microsoft Campus Agreement 2020	Phoenix Software Ltd	04/08/2020	B	23/08/2020	22/08/2023	£202,367	large	no
Supply of Sandwiches	The Sandwich Factory (GB) Ltd	04/09/2020	C	04/09/2020	03/09/2021	£55,000	small	no
Supply and Support of Citrix Licences	Insight Direct (UK) Ltd	23/09/2020	B	01/10/2020	30/09/2021	£62,022	medium	no
Student Psychological Assessments	UPEEL Ltd	02/10/2020	C	01/10/2021	01/10/2023	£52,500	small	no
ICT Additional Server Storage Solution	DTP Group	07/04/2021	C	07/04/2021	06/04/2024	£67,667	small	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
Copying and Printing Provision 2020 Interim Extension	Ricoh UK Ltd	01/04/2021	C	01/04/2021	30/06/2022	£76,942	Extension of the interim non-compliant 2020 contract.	The interim contract was extended due to the Covid-19 pandemic continuing beyond the end of the original end date. A replacement contract will be carried out via a mini-tender under the Scottish Government Cat A framework in early 2022.

Appendix 2: List of Regulated Procurements planned to commence in next two Financial Years, 2021/22 & 2022/23

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
Finance System Support and Maintenance	B	Re-let	25/10/2021	23/01/2022	22/02/2022	21/02/2024	69,083
Health & Safety Management Software System	C	Re-let	17/11/2021	13/12/2021	06/01/2022	05/01/2024	35,000
Kilwinning New Hub Building Construction	C	New	01/11/2021	29/11/2021	01/12/2021	30/04/2022	870,000
Health Surveillance Service	B	Re-let	08/11/2021	06/02/2022	08/03/2022	07/03/2023	27,500
Provision of Legal Services- General to Ayrshire College	B	Re-let	20/11/2021	18/02/2022	20/03/2022	19/03/2024	27,083
Supply and Delivery of Biomass Pellets	C	Re-let	26/11/2021	24/02/2022	26/03/2022	25/03/2025	232,250
Ayrshire College Inter-site WAN Connectivity	B	Extension	27/12/2021	27/03/2022	26/04/2022	25/04/2023	145,833
Legal Services- People Matters	B	Extension	04/01/2022	04/04/2022	04/05/2022	03/05/2023	40,330
Internal Audit	B	Extension	03/03/2022	01/06/2022	01/07/2022	30/06/2023	55,200
Copying and Printing 2020 Interim Extension	A	Re-let	03/03/2022	01/06/2022	01/07/2022	30/06/2025	138,400
Water Quality Management Service	B	Re-let	04/03/2022	02/06/2022	02/07/2022	01/07/2024	50,000
Maintenance and Support of Telephone System	B	Re-let	14/03/2022	12/06/2022	12/07/2022	11/07/2025	95,317
Provision of IT System Support and Professional Services	C	Extension	20/03/2022	18/06/2022	18/07/2022	17/07/2023	104,167
Non-life Insurance for Ayrshire College	B	Extension	03/04/2022	02/06/2022	01/08/2022	31/07/2023	441,667
Supply and Support of Citrix Licences	B	Re-let	03/06/2022	01/09/2022	01/10/2022	30/09/2023	187,500
VEEAM Sftware Support and Maintenance	C	Re-let	03/06/2022	01/09/2022	01/10/2022	30/09/2024	45,734
Provision of ICT Security Professional Services	C	Extension	13/06/2022	11/09/2022	11/10/2022	10/10/2023	50,000
Supply of On-line Student e-Portfolio Assessment Platform	C	Re-let	14/06/2022	12/09/2022	12/10/2022	11/10/2023	48,985
Student Psychological Assessments	C	Re-let	05/07/2022	03/10/2022	02/11/2022	01/10/2024	52,500
Supply of Staff Compliance Course Training E- Learning & LMS Platform	C	Re-let	08/07/2022	06/10/2022	05/11/2022	04/11/2024	52,200
Supply, Install, Support and Maintain HR and Payroll System	C	Re-let	12/07/2022	10/10/2022	09/11/2022	08/11/2027	116,667
Employee Counselling Service	B	Re-let	22/09/2022	21/12/2022	20/01/2023	19/01/2025	16,667
Training Management Software System	C	Extension	03/11/2022	01/02/2023	03/03/2023	02/03/2024	31,454
Grounds Maintenance and Winter Gritting Service	C	Extension	23/12/2022	23/03/2023	22/04/2023	21/04/2024	38,333
Moodle Hosting and Support	C	Extension	12/01/2023	12/04/2023	12/05/2023	11/05/2024	32,300
Students Record System Support and Maintenance	B	Extension	03/04/2023	02/07/2023	01/08/2023	31/07/2024	168,067

[NOTE: reference to contract is also to be construed as meaning a Framework Agreement]

<u>1. Organisation and report details</u>	
a) Contracting Authority Name	Ayrshire College
b) Period of the annual procurement report	01/08/20 to 31/07/21
c) Required by s18 Procurement Reform (Scotland) Act 2014 to prepare an annual procurement report? (Yes / No)	Yes
<u>2. Summary of Regulated Procurements Completed</u>	
a) Total number of regulated contracts awarded within the report period	7
b) Total value of regulated contracts awarded within the report period	£908,048
c) Total number of unique suppliers awarded a place on a regulated contract awarded during the period	7
i) how many of these unique suppliers are SMEs	4
ii) how many of these unique suppliers how many are Third sector bodies	0
<u>3. Review of Regulated Procurements Compliance</u>	
a) Number of regulated contracts awarded within the period that complied with your Procurement Strategy	6
b) Number of regulated contracts awarded within the period that did not comply with your Procurement Strategy	1
<u>4. Community Benefit Requirements Summary</u>	
Use of Community Benefit Requirements in Procurement:	
a) Total number of regulated contracts awarded with a value of £4 million or greater.	0
b) Total number of regulated contracts awarded with a value of £4 million or greater that contain Community Benefit Requirements.	0
c) Total number of regulated contracts awarded with a value of less than £4 million that contain a Community Benefit Requirements	0

Key Contract Information on community benefit requirements imposed as part of a regulated procurement that were fulfilled during the period:

d) Number of Jobs Filled by Priority Groups (<i>Each contracting authority sets its own priority groups</i>)	0
e) Number of Apprenticeships Filled by Priority Groups	0
f) Number of Work Placements for Priority Groups	0
g) Number of Qualifications Achieved Through Training by Priority Groups	0
h) Total Value of contracts sub-contracted to SMEs	0
i) Total Value of contracts sub-contracted to Social Enterprises	0
j) Total Value of contracts sub-contracted to Supported Businesses	0
k) Other community benefit(s) fulfilled	0

5. Fair Work and the real Living Wage

a) Number of regulated contracts awarded during the period that have included a scored Fair Work criterion.	0
b) Number of unique suppliers who have committed to pay the real Living Wage in the delivery of a regulated contract awarded during the period.	5
c) Number of unique suppliers who are accredited Living Wage employers and were awarded a regulated contract awarded during the period.	2
d) Number of unique suppliers who have signed up to the Scottish Business Pledge and were awarded a regulated contract awarded during the period.	0

6. Payment performance

a) Number of valid invoices received during the reporting period.	6,123
b) Percentage of invoices paid on time during the period (“On time” means within the time period set out in the contract terms.)	53%
c) Number of regulated contracts awarded during the period containing a contract term requiring the prompt payment of invoices in public contract supply chains.	6
d) Number of concerns raised by sub-contractors about the timely payment of invoices within the supply chain of public contracts.	0

7. Supported Businesses Summary

a) Total number of regulated contracts awarded to supported businesses during the period	0
b) Total spend with supported businesses during the period covered by the report, including:	£18,765
i) spend within the reporting year on regulated contracts	£18,200
ii) spend within the reporting year on non-regulated contracts	£565

8. Spend and Savings Summary

a) Total procurement spend for the period covered by the annual procurement report.	£4,872,631
b) Total procurement spend with SMEs during the period covered by the annual procurement report.	£2,246,988
c) Total procurement spend with Third sector bodies during the period covered by the report.	£30,466
d) Percentage of total procurement spend through collaborative contracts.	44%
e) Total targeted cash savings for the period covered by the annual procurement report	Target not set
i) targeted cash savings for Cat A contracts	Target not set
ii) targeted cash savings for Cat B contracts	Target not set
iii) targeted cash savings for Cat C contracts	Target not set
f) Total delivered cash savings for the period covered by the annual procurement report	£249,620
i) delivered cash savings for Cat A contracts	£37,528
ii) delivered cash savings for Cat B contracts	£208,737
iii) delivered cash savings for Cat C contracts	£3,355
g) Total non-cash savings value for the period covered by the annual procurement report	£0

9. Future regulated procurements

a) Total number of regulated procurements expected to commence in the next two financial years	29
b) Total estimated value of regulated procurements expected to commence in the next two financial years	£2,222,896

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- Advanced Procurement for Universities and Colleges (APUC Ltd Reg. No. SC314764)

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 College 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 - 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 Annual Procurement Report Data. The list of reports is planned to expand to cover savings and Procurement & Commercial Improvement Programme 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

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

Procurement 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, £189,330, for Works Contracts £4,733,252. Public contracts (EU) thresholds are revised every 2 years – this is next due on 01/01/2022

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, and 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 – 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.

It 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.