



Procurement Strategy and Action Plan 2022 - 2025

Status	Approved
Date of Version	14th June 2022
Responsibility for Contents	Procurement Manager
Responsibility for Review	Vice Principal of Finance and Corporate Affairs
Review Date	June 2023
Primary Contact	Procurement Manager

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1. Introduction

The Procurement Reform (Scotland) Act 2014 requires a contracting authority with expected annual procurement spend above £5 million to produce a procurement strategy.

This document sets out our Procurement Strategy covering August 2022 to July 2025 and fully reflects the Scottish Model of Procurement, the College strategic objectives and outcomes, and Scottish Funding Council (SFC) key priorities and commitments.

The Procurement Strategy, in conjunction with our Procurement Policy and Procedures, sets out our strategic approach to procurement with realistic goals for the development of our procurement activities over the next 3 years.

The formation of this Strategy has been guided throughout by the College's Procurement service and is the culmination of engagement with different stakeholder groups affected by the College's approach to procurement. This Strategy has also been informed by the Scottish Procurement's statutory guidance under the Procurement Reform (Scotland) Act 2014 with the support of APUC¹, the procurement centre of expertise for all of Scotland's colleges and universities.

The Strategy was approved by the College's Leadership Management Team and Finance Committee and subsequently published on our website. We will review this Strategy annually in compliance with the Procurement Reform (Scotland) Act 2014 year to make sure it remains fit for purpose.

The Finance Committee will approve, review and monitor the progress of the procurement strategy, reporting into the College's Board of Management or equivalent, where required.

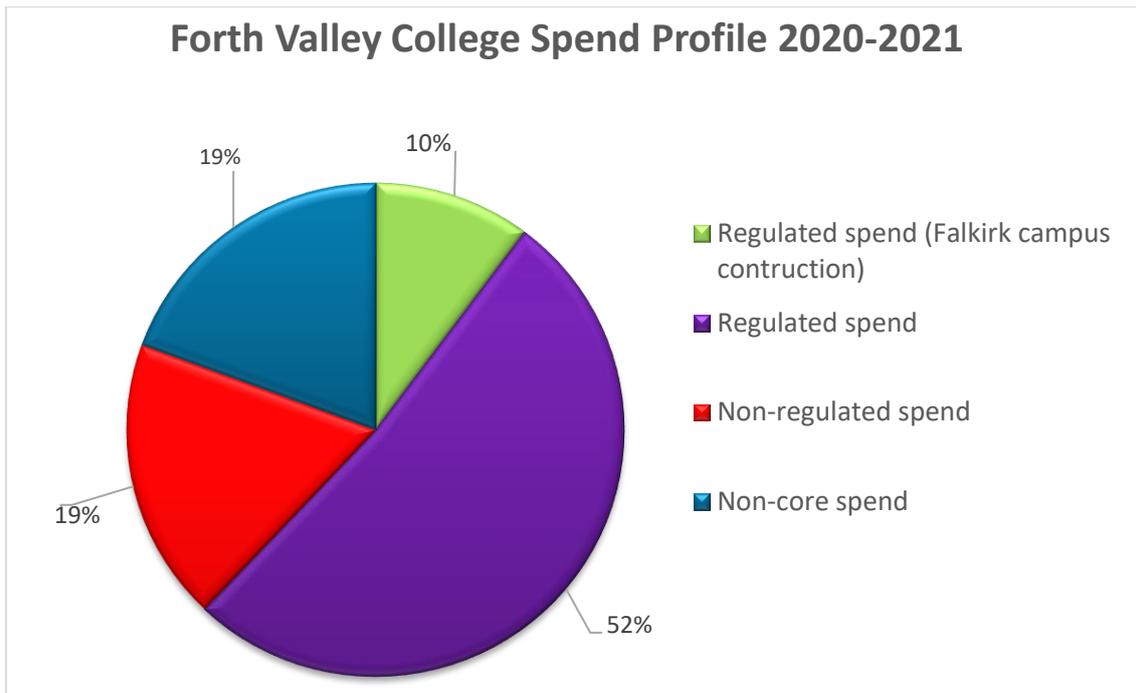
Progress against strategic objectives will be reported to the College Finance Committee annually.

2. Our Spend Profile

The College's spend profile for 2020/2021 is displayed below with a total non-pay spend in the region of £6.78m, of which £1.32m was non-core spend².

¹ Advanced Procurement for Universities and Colleges

² For example, spend on statutory requirements such as tax and other expenditure not covered by procurement legislation.



Thus our annual influenceable procurement spend of £5.47m is made up of £4.21m of regulated spend (above threshold) and £1.26m of non-regulated spend (below threshold).

3. Procurement Mission and Strategic Objectives

The Procurement mission for Forth Valley College is **‘to deliver a best in class, co-ordinated and efficient procurement function which is focused on achieving sustainable best value for all College stakeholders’**. This aligns to the College’s mission statement **‘Making Learning Work’**, which is supported by the College purpose to ‘deliver the right learning at the right time in the right way for the communities of Forth Valley’ and our 4 core values:



This Strategy recognises that our procurement practice is based on the Scottish Model of Procurement, which sees procurement as an integral part of policy development and service delivery and is essentially about achieving the best balance of cost, quality and sustainability.

Scottish Procurement



Scottish Model of Procurement

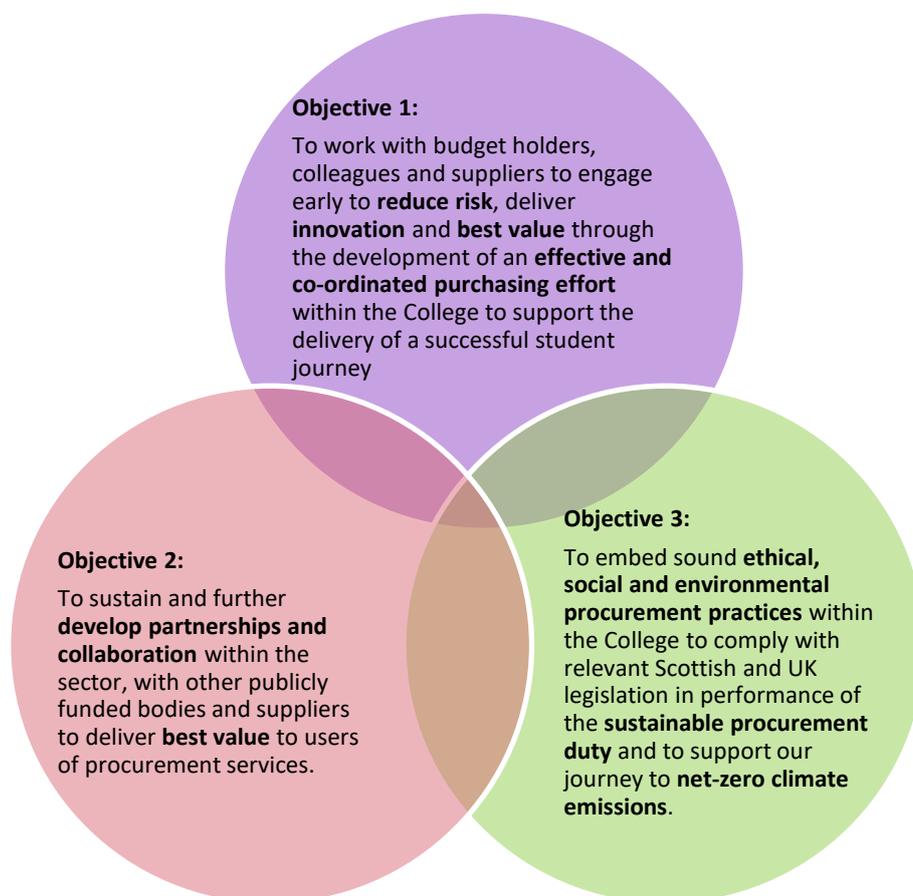


We will help deliver the College Strategic Plan through what we procure, how we procure and through the wider economic and social considerations included in our contracts. We will design our contract and procurement process to contribute to the College strategic objectives and outcomes, in a way that achieves value for money and makes contracts accessible to business, the third sector and supported businesses.

Our Procurement Strategic Objectives are set out below and form the core of our Procurement Strategy. Each objective is mapped to the College 4 Strategic Objectives:

Procurement Strategic Objectives	College Strategic Objectives
1) To work with budget holders, colleagues and suppliers to engage early to reduce risk, deliver innovation and best value through the development of an effective and co-ordinated purchasing effort within the College to support the delivery of a successful student journey.	2) Delivering a Successful Student Journey. 4) Creating a Thriving College Community.

<p>2) To sustain and further develop partnerships and collaboration within the sector, with other publicly funded bodies and suppliers to deliver best value to users of procurement services.</p>	<p>1) Leading on the Economic Recovery. 3) Driving a Sustainable Future.</p>
<p>3) To embed sound ethical, social and environmental procurement practices within the College to comply with relevant Scottish and UK legislation in performance of the sustainable procurement duty and to support our journey to net-zero climate emissions.</p>	<p>1) Leading on the Economic Recovery. 3) Driving a Sustainable Future.</p>



The Procurement Action Plan (see Section 6) shows outcomes will deliver, and associated actions and commitments. These actions are measured and reported through our involvement in the Scottish Government’s Procurement and Commercial

Improvement Programme (PCIP) and through the publication of an Annual Procurement Report (see Section 5).

4. Ensuring compliance with general duties and specific measures of the Procurement Reform (Scotland) Act 2014

As required by the Act the College must comply with a small number of general duties and some specific measures which are embedded in our Procurement Policy and Procedures or in our Action Plan but for clarity and to ensure full compliance with the Act are stated below:

4.1. Contributing to the carrying out of our function and the achievement of our purposes

Effective procurement makes a key contribution to providing high quality learning in an inclusive, efficient and sustainable way by optimising the resources available for learning priorities. This includes:

- Analysing our non-pay expenditure to identify regulated procurements;
- Seeking best value through competitive procurement exercises;
- Whole life costing products and services;
- Ensuring that project strategies align to the College's strategic objectives and outcomes.
- Effective use of contract and supplier management to monitor and further improve our contract outcomes.

4.2. Delivering Value for Money

Value for money, as defined by the Scottish Model of Procurement, is not just about cost and quality but about the best balance of cost, quality and sustainability.

The College through its Procurement Policy and Procedures will seek to consistently apply the principle of Value for Money, albeit the balance of cost, quality and sustainability will vary for each procurement depending on the particular commodity, category and market.

The College will consider the whole-life cost of what is being procured and when applying the above principle of value for money, ensure that it does so in a clear, transparent and proportionate manner; in line with the principles of non-discrimination, transparency, procedural fairness and in complying with the general duties of the Act as well as the sustainable procurement duty.

4.3. Treating relevant economic operators equally and without discrimination

The College will conduct all its regulated procurements in compliance with the principles of non-discrimination, transparency, procedural fairness and we will consider early engagement with the supply market where relevant prior to the publication of a contract notice.

All regulated procurements will be posted on portals such as Public Contracts Scotland (PCS) and Public Contracts Scotland-Tender(PCS-T) and shall strive to ensure the use of separate lots, where appropriate, with straightforward output based specifications and clear evaluation criteria to ensure the procurement is accessible to as many bidders as possible.

4.4. Acting in a transparent and proportionate manner

The College will engage with its local supply market and use clear and precise language in our specifications.

The College shall ensure contracts are awarded using appropriate quality, risk and sustainability factors as well as cost according to declared score weightings specific to each contract.

The College will actively take steps to make it easier for smaller and local businesses to bid for contracts through:

- The use of Public Contracts Scotland and Quick Quotes;
- Information contained on the Procurement page of the College website;
- The provision of training and/or provide information on third party training opportunities (such as the Supplier Development Programme);
- Attending local supplier/buyer engagement events (such as Meet the Buyer).

4.5. Sustainable Procurement Duty

The College will seek to take account of climate impacts and the circular economy in its procurement activity contributing to the College's pledge to join the United Nations' climate change campaign in the Race to Net Zero, the Scottish Colleges Statement of Commitment on the Climate Emergency and the College's Carbon Management Plan. It will also seek to involve SMEs, third sector bodies and supported businesses in our procurement activities. In so doing, these areas shall benefit not only the College but the wider Forth Valley region as well as contribute to the wider global climate agenda.

With regards to the Public Sector Equality Duty (PSED) under the Equality Act 2010, the College (as a Public Authority) will, within its procurement practices, give due regard to the need to:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The College will manage procurement in ways that will promote equality and fairness, by embedding equality considerations in its Procurement Policy and Procedures.

The College meets the Sustainable Procurement Duty³ through the use of the following Scottish Government tools⁴:

- Scottish Public Procurement Prioritisation Tool;
- Sustainability Test;
- Life Cycle Impact Mapping;
- The Scottish Flexible Framework.

We also ask our suppliers to meet the APUC's Sustain Code of Conduct and Electronics Watch Code where relevant and proportionate to the scope of the procurement.

4.6. Our policy on applying community benefit requirements in our contracts

A community benefit requirement is defined in the Procurement Reform (Scotland) Act 2014 as a contractual requirement imposed by a contracting authority:

(a) relating to:

(i) training and recruitment, or

(ii) the availability of sub-contracting opportunities, or

(b) which is otherwise intended to improve the economic, social or environmental wellbeing of the authority's area in a way additional to the main purpose of the contract in which the requirement is included.

The delivery of community benefits through procurement is in line with the College strategic objectives of 'Leading on the Economic Recovery' and 'Driving a Sustainable Future'

If there is an opportunity to benefit the community, we will include appropriate requirements in our contracts. We will consider these opportunities at the development

³ <https://www.gov.scot/policies/public-sector-procurement/sustainable-procurement-duty/>

⁴ <https://sustainableprocurementtools.scot/>

phase of all regulated procurements (£50,000 and above for goods and services, £2 million and above for works).

Overseeing delivery of community benefits will be made part of our contract management arrangements and we will keep a record of the benefits delivered.

We will collect information about delivered benefits and we will report on this in our formal report of our performance against this Strategy.

4.7. Our policy on consulting and involving those affected by our procurements

Where appropriate, we work with users, potential suppliers and others to help us design procurements and the route each procurement will take.

Individual procurements are in response to an identified need and we identify and involve the relevant stakeholders as appropriate.

The College considers for each procurement, the community affected by the resultant contract and ensure any affected organisations/persons are consulted (e.g. impact on service for students, persons or groups with relevant protected characteristics where reasonable adjustments may be considered as part of a specification, or a local contract that could be combined with other similar institution's needs). Such consultation will always be on a scale and approach relevant to the procurement in question.

4.8. Our policy on paying the Living Wage to people involved in delivering our contracts

The College became an accredited Living Wage employer in May 2016. This is a clear commitment to pay the Living Wage for all staff we directly employ and those who work on our contracts by actively encouraging employers to pay the Living Wage as part of a package of fair work practice in relevant contracts.

Our policy on paying the Living Wage to those who deliver our public contracts is influenced by our belief that a positive approach to fair work practices can have a positive effect on the quality of the services, goods and work delivered. We target this policy through award criteria which are in proportion to and relevant to the contract. The College also follows the Scottish Government statutory guidance on Fair Work First⁵.

⁵ <https://www.gov.scot/publications/implementation-of-fair-work-first-in-scottish-public-procurement-sppn-6-2021/>

If a commitment has been made in a tender to pay the Living Wage, it will form part of the contract, and we will monitor it through our contract and supplier management processes. Information on which of our contractors pay the Living Wage is included in our annual report of our performance against this strategy.

4.9. Our policy on making sure our contractors and subcontractors keep to the Health and Safety at Work Act 1974 and any provision made under the act

It is important that those bidding for our contracts are able to demonstrate that they are responsible contractors who keep their legal duties, including duties to health and safety.

It is a standard condition of our contracts that the contractor must keep to all laws that apply, all requirements of regulatory organisations, and good industry practice. This also includes any relevant health and safety law. Also, whenever contractors' staff are on our premises, under the terms of our standard contracts they must keep to our health and safety requirements.

Where appropriate, and on a contract by contract basis, health and safety will be monitored as part of our contract management processes. Where proportionate, the College also seeks to monitor the compliance of subcontractors.

4.10. Our policy on procuring fairly and ethically traded goods and services

The College supports the sourcing of goods that are fairly and ethically traded. Where directly relevant it shall make use of appropriate standards and labels in its procurements to take account of fair and ethical trading considerations as well as considering equivalent offerings from suppliers that can demonstrate they can meet the specified criteria without necessarily having the specific certification.

Our standard terms and conditions allow us to end a contract if the contractor or subcontractor fails to keep to their legal duties in the areas of environmental, social or employment law when carrying out the contract.

4.11. Our policy on using contracts involving food to improve the health, wellbeing and education of communities in the College's area, and the promotion of the highest standards of animal welfare

The College will find practical ways to supply healthy, fresh, seasonal, and sustainably grown food which represents value for money whilst improving the health, wellbeing and education of our teaching and learning communities, coupled with promoting the highest standards of animal welfare.

The College will work to put in place affordable contracts, which meet the nutritional requirements for all users of our catering services and will use available good practice and guidance such as that made available by The University Catering Organisation (TUCO) and any other relevant bodies.

The College utilises APUC and TUCO framework agreements for the vast majority of our food and catering requirements, and the products and services under these frameworks must comply with all relevant legislation and standards.

4.12. Our policy on paying invoices in 30 days or less to our contractors and sub-contractors

The College recognises the importance of paying suppliers promptly once a service has been performed or goods delivered and that late payment is particularly detrimental to SMEs, third sector bodies and supported businesses.

Our standard payment terms are within 30 days from receipt of valid invoices. We also require contractors to pay sub-contractors in no more than 30 days after the receipt of a valid and payable invoice. We will report our payment performance in our Annual Procurement Report.

The College also complies with the Scottish Procurement Policy Note (SPPN) on prompt payment in the supply chain, which came into force in June 2022⁶.

5. Annual Procurement Report

Under the Procurement Reform (Scotland) Act 2014 we have to prepare a procurement report each year. Our first report for this Strategy will cover the period 1st August 2022 to 31st July 2023. It will include as a minimum:

- information on regulated procurements that have been completed during the period;
- a review of whether those procurements kept to this procurement strategy;
- if any procurements did not comply with regulations, a statement of how we intend to ensure they do in future;
- a summary of community benefit requirements set as part of a regulated procurement that were fulfilled during the financial year covered by the report;
- a summary of any steps we have taken to involve supported businesses in regulated procurements during the year; and
- a summary of the regulated procurements we expect to commence in the next two financial years
- such other information as the Scottish Ministers may by order specify and where applicable that demonstrate compliance with other legislation that places

⁶ <https://www.gov.scot/publications/prompt-payment-in-the-supply-chain-sppn-2-2022/>

specific requirements on the College with respect to its procurement activities and the College will also consider including:

- A summary of benefits that have had a positive impact on climate change;
- What it has learned from its consultation and engagement with stakeholders and those affected by its procurements, and what it is doing to respond to these views, including how procurement has furthered the College's work with regard to the General Equality Duty;
- What it is doing to improve its performance and impact, drawing on relevant information – for example spend analysis – and what improvements have been achieved since its last report; and
- How it is working with other bodies – for example procurement centres of expertise – to maximise effectiveness and efficiency.
- Reporting data⁷ as requested through SPPNs⁸.

We will publish our report online on our website and make sure it is accessible.

6. Procurement Action Plan

The Action Plan consists of a number of specific actions and commitments in relation to each of the strategic objectives and their desired outcomes these are also cross referenced to the relevant section of the Procurement and Commercial Improvement Programme (PCIP).

Progress against this Action Plan (see below) will be regularly monitored by the College's Procurement service and Finance Committee.

As part of the formal annual review of this Strategy, as indicated in section 1 above, this Action Plan will be reviewed and updated as required, to maintain alignment of the College's procurement activity with its broader priorities.

⁷ <https://www.gov.scot/publications/sppn-4-2021-annual-procurement-reports-for-2020---2021-revised-procurement-strategies-and-notifying-scottish-ministers/>

⁸ <https://www.gov.scot/collections/scottish-procurement-policy-notes-sppns/>

Objective 1	Outcomes	Main Actions & Commitments	Completion Date	Key Performance Indicators	Benchmark Data	Target 2022/2023	PCIP Ref Lite	RAG
To work with budget holders, colleagues and suppliers to engage early to reduce risk, deliver innovation and best value through the development of an effective and co-ordinated purchasing effort within the College to support the delivery of a successful student journey.	Established relationships with key customers to achieve efficient tendering, contract management and improved communications.	Establish regular meetings with key customers to improve forward contracting plan.	Ongoing with annual reporting of previous financial year in November.	Number of meetings with key customers held.	2 meetings a year with Facilities, IT, Finance, Commercialisation, STEM & Construction and Hospitality.	12	1.1	
	Procurement information routinely communicated to people who need to know.	Optimise use of intranet to communicate procurement information.	Ongoing with annual reporting of previous financial year in November.	Feedback on communication (internal procurement satisfaction survey).	11 out of 15 (73%) positive feedback (2020/2021) ⁹		1.5	
	Embed best practice responsible procurement to all phases of the procurement process.	Continue to deliver training sessions.	Annual reporting of previous financial year in November.	Details of training delivered and numbers of staff.	56 (2020/2021) 36 (Aug 2021 to May 2022)	20 staff	1.4 1.6	
		Review of procurement policy and procedures.	Annual review in June. Annual reporting in November.	Dates of reviewed policy of procedures.	Last approval: Policy 15 June 2021 / Procedures 25 May 2021	June 2023		
		Update induction course on Moodle to reflect best practice and responsible procurement.	Annual review in August Annual reporting in November.	Date of new Moodle induction course and annual course reviews.	Last updated: 5 February 2021	August 2022		
	Implementation of efficient order processes with purchases authorised on P2P before	Implement PECOS Gateway (supplier catalogue use) for 3 top suppliers.	August 2022	PECOS Gateway successfully implemented.	No benchmark data.	By August 2022	1.6 4.1	
		Promote the use of contracted and catalogue suppliers.	Ongoing with annual reporting of previous financial year in November.	Compliant expenditure as % of influenceable expenditure. Number of suppliers with catalogues being used.	90.8% (2020/2021) 0 (May 2022)	92% 10 suppliers		
		Purchases are authorised on P2P before goods, services and works are supplied.	Ongoing with annual reporting of previous financial year in November.	% of invoices with associated POs. ¹⁰	1414 out of 2136 invoices (66.2%) (Aug 2021 – Jan 2022)	70%		
	A robust procurement risk register.	Review risk register quarterly and communicate key risks to LMT.	Quarterly reviews with annual reporting of previous financial year.	Completion of reviews.	2 reviews in 2021	4 reviews a year	1.6	

⁹ Procurement satisfaction survey 2020/2021: 11 responses strongly agree or agree with the statement “I am satisfied with the quality and accuracy of information I receive from the procurement service”. 3 responses neither agree nor disagree. 1 response disagree.

¹⁰ Excluding food, drink and catering sundries, utilities (gas, electricity, water), telephone charges (landline and mobile), postal services, metric parking charges, non-core payments (payments to public bodies, awarding bodies, subscriptions to professional bodies, academic associations and societies, external examiner fees, course registrations), emergency services,(e.g. taxis for first aid), cycle scheme, CPD payments, legal fees.

Objective 2	Outcomes	Main Actions & Commitments	Completion Date	Key Performance Indicators	Benchmark Data	Target 2022/2023	PCIP Ref Lite	RAG
To sustain and further develop partnerships and collaboration within the sector, with other publicly funded bodies and suppliers to deliver best value to users of procurement services.	Optimised use of Cat A, B and C1 collaborative contracts to all areas of influenceable expenditure.	Scrutinise expenditure analysis to identify and optimise use of collaborative contracts. Further develop forward contracting plan to identify collaborative opportunities.	Ongoing with quarterly analysis Annual reporting of previous financial year in November.	Use of Cat A, B and C1 contracts as % of influenceable expenditure.	34% (2020/2021)	36%	Dashboard 2.1 3.3	
		Maintain contracts register.	Ongoing with annual reporting of previous financial year end in November.	Number of contracts in contracts register.	77 (May 2022)	All regulated contracts on public contracts register.		
	Effective contract and supplier management that secures, savings, service improvements and/or innovation over the lifetime of the contracts.	Develop implementation, contract management and supplier relationships processes for key contracts in collaboration with internal stakeholders and suppliers.	Ongoing with annual reporting of previous financial year end in November.	Number of implementation and contract management meetings with suppliers. Feedback on contracts delivering good value (internal procurement satisfaction survey). Feedback on supplier satisfaction (supplier survey). Benefit types BT1 (cash), BT2 (non-cash savings) and others BT as % of influenceable expenditure.	12 (May 2021 – April 2022)	No target – varies year on year.	Dash board 1.5 2.2 2.3 3.1 3.2 3.3	
					6 out of 15 (40%) positive feedback ¹¹ (2020/2021)	60% positive feedback		
					15 out of 17 (88%) positive feedback (2020/2021)	88% positive feedback		
	Invite key suppliers to SCM system.	Annual reporting of previous financial year in November.	Number of suppliers with SCM section 1 completed	34 suppliers invited by others (out of 77 suppliers with SCM route) 14 completed SCM section 1 0 suppliers invited by FVC	6 suppliers invited by FVC			

¹¹ Procurement satisfaction survey 2020/2021: 6 responses strongly agree or agree with the statement “contracts negotiated by the procurement service deliver quality and value for money”. 8 responses neither agree nor disagree. 1 response disagree.
Procurement Strategy for Forth Valley College 2022 to 2025

Objective 3	Outcomes	Main Actions & Commitments	Completion Date	Key Performance Indicators	Benchmark Data	Target 2022/2023	PCIP Ref Lite	RAG
To embed sound ethical, social and environmental procurement practices within the College to comply with relevant Scottish and UK legislation in performance of the sustainable procurement duty and to support our journey to net-zero climate emissions	Embedded good sustainable practice to realise intended sustainable outcomes.	Annual Flexible Framework assessment.	Annual review in July. Annual reporting in November.	Achievement of Level 3 FF	Level 2 (July 2021)	Maintain Level 2 for 2022/2023 with a view to increase to Level 3 in 2023/2024.	1.3	
	Consideration of whole life costs, climate emergency, circular economic, environmental, social impacts and community benefits in assessment of value for money.	Embed sustainable procurement duty processes in project strategies, specification and evaluation criteria.	Ongoing with annual reporting of previous financial year in November.	Number of awarded contracts > £25k awarded with sustainability evaluation criteria as % of total. Number of awarded contracts > £25k with secured sustainability benefits (BT14) as % of total.	9 out of 13 contracts (2020/2021) 6 out of 13 (2020/2021)	No targets - varies year on year because of nature of contracts.	2.2 2.3 2.4	
	Reduce scope 3 carbon emissions.	Obtain carbon reduction plans from highest emitters (spend-based methodology)	December 2022	Number of carbon reduction plans.	0 (May 2022)	10	2.3 2.4	

RAG Key:

Actions and Commitments on track for completion or completed
Actions and Commitments started but not completed
Actions and Commitments not yet started

7. Glossary of Terms

A, B, C and C1 Contracts

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 and other UK FHE Consortia• Scotland Excel• NHS National Procurement
Category C	Local Contracts for use by individual public bodies
Category C1	Local or regional collaborations between public bodies

BT1 - Direct Price Based Savings - for new contracts that replace pre-existing supply agreements, these savings are calculated versus previous price paid at the end of the previous contract(s) period. For contracts that are for something that has not been bought before / an ad hoc requirement – the benchmark is the average price of the top 5 acceptable compliant (or all the bidders if there are less than 5) highest ranked bids.

BT2 - Price Versus Market Savings – these savings are reported against market pricing instead of, or in addition to, the savings achieved against previous baseline prices (i.e. the savings described at BT1 above). The purpose of BT2 savings is to identify the savings that would be lost if the procurement had not been conducted by the organisation.

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 - 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 - 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 Benefit Contract Clauses can be used to build a range of economic, social or environmental conditions into the delivery of institutional 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 and procurement category).

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.

Core expenditure/spend - covers regulated and non-regulated expenditure excluding non-core expenditure.

GPA regulated procurements - those whose values require that they are conducted in compliance with the Public Contracts (Scotland) Regulations 2015, Procurement (Scotland) Regulations 2016 and the Procurement Reform (Scotland) Act 2014.

GPA – The Agreement on Government Procurement is a plurilateral agreement within the framework of the World Trade Organisation (WTO). For more information visit [WTO website](#).

GPA Thresholds – Higher value regulated procurements are advertised in line with GPA thresholds on a new UK e-notification system called [Find a Tender System](#) (FTS).

Public contracts (GPA) thresholds are revised every 2 years and the present

thresholds are (including VAT): - for Supply, Services and Design Contracts, £213,477, for Works Contracts £5,336,937.

Flexible Framework - Self-Assessment Tool (FFSAT) that 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](#)¹² page.

Hunter - Hunter has been developed by the APUC 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.

Institutional dashboard - is the area within the APUC Buyers Portal providing easy access to institutions' 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

¹² See website: <https://www.gov.scot/publications/scottish-procurement-information-hub-contract/>

Non-core expenditure/spend – third-party expenditure excluded from the scope of the Procurement Regulations.

Non-pay expenditure/spend - covers all third-party expenditure including non-core expenditure It excludes directly employed workers and associated costs such as national insurance, pension contributions and administration costs.

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 - 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) - the national advertising portal used to advertise all public sector goods, services or works contract opportunities.

PCS-Tender - 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 - 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.

Supported business - 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 - 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.

Sustain Supply Chain 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 Sustain Supply Chain Code of Conduct with respect to their organisation and their supply chain.

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 – excludes non-core expenditure and it is calculated based upon the total value of invoices paid per annum, excluding VAT, to all suppliers for the purchase of goods, services and works. 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 – 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.