

# Annual Procurement Report

1<sup>st</sup> August 2021 - 31<sup>st</sup> July 2022

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|------------------------------------|--------------------------------|
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| <b>Primary Content</b>             | Procurement Manager            |

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## Executive Summary

The Procurement Reform (Scotland) Act 2014 (PRA) required any public organisation which has an estimated annual regulated<sup>1</sup> spend of £5 million or more to develop a procurement strategy and then review it annually. This requirement took effect from 31<sup>st</sup> December 2016. Organisations (including HE and FE institutions) required to develop and publish a procurement strategy were also required to publish an Annual Procurement Report (APR), reflecting on the relevant reporting period of the procurement strategy.

This APR covers the period of 1<sup>st</sup> August 2021 to 31<sup>st</sup> July 2022 and addresses performance and achievements in delivering Forth Valley College's procurement strategy 2020-2022<sup>2</sup>.

The development of the procurement strategy was the outcome of consultation and discussion with internal and external stakeholders who have an interest in Forth Valley College's approach to procurement and its impact. Stakeholder engagement will also feature 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 institution may need to adjust.

The College and its suppliers continue to face uncertainty as the COVID-19 pandemic, trade barriers and economic conditions evolve. Throughout these challenges, the Procurement service has continued to monitor supply chain risks and support internal stakeholders and suppliers. Changes in the labour market, shifts in customer demand and recent geopolitical events have highlighted the vulnerability of supply chains to unforeseen events, and it is clear that the current economic instability, rising energy and food prices, extreme weather events and an increase in fraud and cybercrime will cause more disruption to businesses. These challenges also present us with opportunities to future-proof our supply chains through digital transformation, supplier diversification and net zero action.

Forth Valley College has analysed third party expenditure and has completed 17 regulated procurements during the period covered by this report:

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<sup>1</sup> '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 and services (or £2,000,000 excluding VAT for a public works contract).

<sup>2</sup> Procurement Strategy 2020 – 2022: <https://www.forthvalley.ac.uk/media/7443/procurement-strategy-2020-2022.pdf>.

- Lower value regulated procurements (goods and services worth more than £50,000 and works worth more than £2 million) amounted to £2,141,894.19. There were 15 such procurements completed<sup>3</sup>.
- GPA higher value regulated procurements (goods and services worth more than £177,897, light touch regime services worth more than £552,950 and works worth more than £4,447,447)<sup>4</sup> amounted to £1,060,635.26. There were 2 such procurements completed.

More detailed information on the regulated procurements is provided in [Section 1](#), [Section 2](#) and in [Appendix B](#) of this report.

Forth Valley College has 445 active suppliers with whom the College did business in the reporting period. At least 83 of these suppliers were from the Forth Valley region.

The total non-pay expenditure<sup>5</sup> was £8,389,670.00, with £5,229,818.52 of regulated expenditure, £1,744,222.69 of non-regulated expenditure, and £1,415,628.80 of non-core expenditure<sup>6</sup>.

At least £3,361,602.84 was spent on 358 SMEs during the reporting period who constitute 80% of the total active suppliers, and 48% of core spend<sup>7</sup>. 22 SMEs featured in the award of regulated procurements.

Forth Valley College has been optimising use of national (A), sectoral (B), local (C) or regional (C1) collaborative contracts and frameworks. As well as bringing leverage based savings, the burdens of risk, contract and supplier management are shared and the number of resource-intensive formal local tenders that need to take place is reduced significantly. 33% of the College spend went through collaborative agreements in 2020/2021 (latest verified collaborative spend).

This report comprises of five sections that cover mandatory reporting.

[Section 1: Summary of Regulated Procurements Completed](#)

[Section 2: Review of Regulated Procurement Compliance](#)

[Section 3: Community Benefit Summary](#)

[Section 4: Supported Businesses Summary](#)

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<sup>3</sup> Deemed completed when the award notice is published or where the procurement process otherwise comes to an end - covers contracts and framework agreements.

<sup>4</sup> Current [GPA public contracts thresholds](#) applicable from 1<sup>st</sup> January 2022 to 31<sup>st</sup> December 2023. These are revised every 2 years and are inclusive of VAT. Please see [Appendix E](#) for further information.

<sup>5</sup> Non-pay expenditure covers all third-party expenditure. It excludes directly employed workers and associated costs such as national insurance, pension contributions and administration costs.

<sup>6</sup> Non-core expenditure is third-party expenditure excluded from the scope of the Procurement Regulations.

<sup>7</sup> Core expenditure covers regulated and non-regulated expenditure excluding non-core expenditure.

[Section 5: Future Regulated Procurements Summary](#)

**Report Approved: 8<sup>th</sup> November 2022**

**By: Leadership Management Team**

**Report Approved: 15<sup>th</sup> November 2022**

**By: Finance Committee**

**Signed: Senga McKerr**

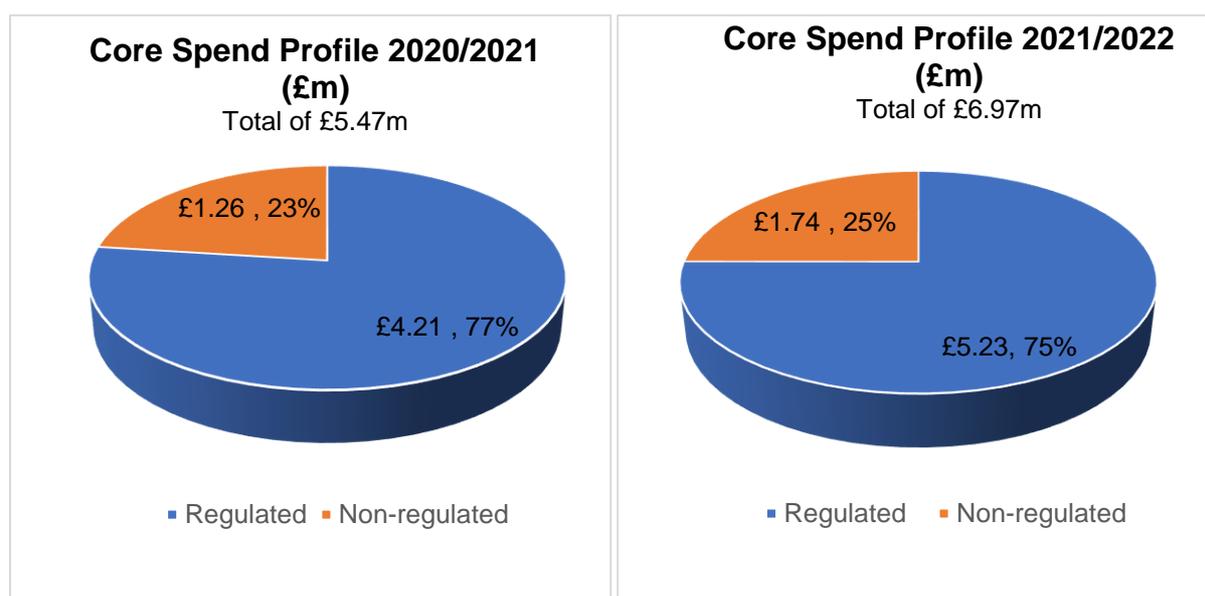
**Position: Director of Finance**

## Section 1: Summary of Regulated Procurements Completed

Forth Valley College strongly believes in conducting its procurements in an open and inclusive manner with procurement objectives aligned to the College's Strategic Plan 2017-2022.

The detailed summary of regulated procurements completed during the period of this report is set out in [Appendix B](#). That information, coupled with the publication of our [Contracts Register](#)<sup>8</sup> and the systematic use of Public Contracts Scotland (PCS) and Quick Quotes, provides complete visibility of the College's procurement activity over the reporting period.

Between 1<sup>st</sup> August 2021 and 31<sup>st</sup> July 2022, the College has spent £6.97m on goods, services and works (regulated and non-regulated expenditure), excluding non-core<sup>9</sup> expenditure. Our core spend has increased 27% from the previous reporting period, as shown in the graphs below, as a result of the increase in categories such as catering supplies, consultancy (excluding building related), travel, furniture, ground resurfacing works or counselling services.



Our percentage of collaborative spend is also estimated to have been increased from 33% in 2020/2021 to 35%<sup>10</sup> in 2021/2022.

In [Appendix B](#), information is set out to show lower value and GPA higher value regulated procurements completed. These are separated into contract categories and distinguish collaborative contracts from institutional ones. For each completed regulated procurement the information provided shows:

<sup>8</sup> See our Contract Register on <http://www.apuc-scot.ac.uk/#!/institution?inst=34>

<sup>9</sup> Non-core expenditure is all expenditure outwith the scope of the Procurement Regulations.

<sup>10</sup> Collaborative spend in 2021/2022 is still pending of APUC Ltd verification.

- the date of award
- the contract start date
- the category subject matter
- the name of the supplier
- estimated total value of the contract over contract period
- collaborative or institution owned
- the end date provided for in the contract or a description of the circumstances in which the contract will end
- the SME and supported business status

## **Section 2: Review of Regulated Procurement Compliance**

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.

Successful delivery against our procurement strategic objectives is part of a customer valued, continual improvement process (CIP) that seeks incremental improvements to process and outcomes over time.

Our CIP is based on the Scottish Government Procurement & Commercial Improvement Programme (PCIP). The PCIP is a useful tool through which the College is periodically assessed and which can provide valuable benchmarks by which necessary improvements might be identified, consulted over, planned and implemented.

The College's most recent assessment was conducted in October 2019 and the score was 79% within the gold band (lite assessment), an increase from the silver banding assessment in 2016. The intention now is to continue to improve upon this score for the next assessment due in 2023/2024.

Forth Valley College has procurement processes 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 and the following general duties and specific measures of the Procurement Reform (Scotland) Act 2014:

### **a) Contributing to Carrying out our Function and the Achievement of our Purposes**

Forth Valley College has carried out an analysis of the non-pay expenditure for the reporting period.

The Procurement service analyses non-pay expenditure on a quarterly basis to identify tender and efficiency opportunities and plan procurement activity.

The regulated procurements completed in the reporting period have been carried out with the involvement and consultation of relevant stakeholders. Tender or project strategies have considered the risk, value and strategic importance of the procurement and have been aligned to the College's strategic aims and objectives.

The College manages regulated procurement contracts and suppliers with the aim of ensuring that contracts deliver the required standards, provide value for money, risks are identified and managed and we continually improve contracts and supplier performance.

## **b) Delivering Value for Money**

We have consistently sought to apply the principle of value for money (best balance of cost, quality and sustainability) and we include whole-life costing in our regulated procurements.

Where appropriate, Forth Valley College has made use of collaborative contracts to deliver improved contract terms, supported contract and supplier management, sustainable procurement outcomes and the best balance of cost, quality and sustainability.

Key contracts and suppliers have been pro-actively managed to ensure contract deliverables and objectives are achieved.

It is estimated that during the reporting period, locally tendered savings were £69,870 at BT1<sup>11</sup> and £23,333 at BT8<sup>12</sup>. Savings through framework agreements facilitated by the Procurement team were approximately £152.4k at BT1 and £344.0k at BT2<sup>13</sup>, pending APUC verification of 2021/2022 savings figures.

## **c) Treating Relevant Economic Operators Equally and without Discrimination**

The College has conducted all its regulated procurements in compliance with the principles of openness, transparency and non-discrimination.

All regulated procurements are published on PCS and we have made use of separate lots, where appropriate.

In our tender documents, we have included straightforward output based specifications and clear evaluation criteria to ensure that procurement exercises and contracts are accessible to as many bidders as possible.

## **d) Acting in a Transparent and Proportionate Manner**

We ensure that procurement documentation is simplified wherever possible, using plain English and contain the appropriate number of evaluation criteria questions to reduce the resource impact on suppliers. The full evaluation criteria and scoring methodology are clearly stated in our invitation to tender documents which we publish on PCS.

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<sup>11</sup> **Benefit Type 1:** direct price based savings calculated versus previous price paid (for re-tenders) or against the average price of top 5 compliant bids (for new or ad hoc requirements).

<sup>12</sup> **Benefit Type 8:** external provider price calculated versus in-house costs to identify savings that would have been lost if the procurement had not been conducted.

<sup>13</sup> **Benefit Type 2:** price versus market savings calculated against market prices to identify savings that would have been lost if the procurement had not been conducted.

We actively take steps to make our contracts accessible to smaller and local businesses through the use of PCS Quick Quote, information contained on the College Procurement webpage<sup>14</sup> and attending supplier/buyer engagement events and meetings.

During the reporting period, we have:

- Published 3 contract notices and 1 Prior Information Notices (PIN) on PCS, and 4 on PCS Quick Quote.
- Updated our Procurement policy and updated relevant information on our Procurement webpage.
- Sought to obtain the views and feedback of our key suppliers via our annual supplier survey, and contract and supplier management activity.

#### **e) Sustainable Procurement Duty and Supporting Scotland's Response to the Global Climate Emergency**

We consistently give consideration to environmental, ethical, economic and social impacts as well as the promotion of positive impacts and innovation relating to all regulated procurements during the tender strategy of each procurement and throughout the procurement journey. We included community benefits, fair work, equality, health and safety or sustainability evaluation criteria in the following procurements in 2021/2022:

- Student counselling (regulated): equality and diversity and fair work.
- Foundation apprenticeship transport (regulated): equality and diversity, health and safety, sustainability and vehicle emissions, fair work and community benefits.
- Single occupancy work pods (regulated): health and safety and carbon output.
- Training services for the Oil and Gas Technical Apprentice Programme (regulated): equality and diversity, fair work and community benefits.
- Student accommodation (regulated): fair work and health and safety.
- PPE, work wear and associated services (regulated): community benefits, fair work, ethical trade, sustainability and circular products and services.
- Employee assistance programme (non-regulated): sustainable outcomes and fair work.

We make use of available sustainability tools and systems including the Prioritisation Tool, the Sustainability Test, Life Cycle Impact Mapping, the Scottish Flexible Framework as well as the Sustain Supply Code of Conduct, Electronics Watch and EcoVadis.

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<sup>14</sup> FVC Procurement webpage: <https://www.forthvalley.ac.uk/about-us/procurement/>

We take proportionate actions to involve SMEs, third sector bodies and supported businesses in our procurement activities. For example by:

- Engaging with SMEs and third sector suppliers as part of pre-tender market engagement;
- Considering reserving contracts to supported businesses;
- Being transparent about our tendering plans, publishing our Procurement Strategy and Annual Procurement Reports on our College website and advertising our regulated contracts on PCS;
- Providing debriefing to bidders and asking for their feedback, and
- Dividing our requirements into lots, where relevant.

The Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Amendment Order 2020, which came into force in November 2020, updated reporting requirements in two key ways relating to procurement:

- With effect from March 2022, we must report in our Public Bodies Climate Change Duties (PBCCD) annual reports, “targets for reducing indirect emissions of greenhouse gases”. Indirect emissions include supply chain emissions; and
- We are also required to report in our PBCCD annual reports how we align spending plans and use of resources to contribute to reducing emissions and delivering emissions reduction targets.

Forth Valley College will report Scope 3<sup>15</sup> supply chain emissions in our PBCCD annual report for the first time this year by 30<sup>th</sup> November 2022.

The College takes account of climate impacts and circular economy considerations in its procurement activity contributing to the [Scottish Colleges Statement of Commitment on the Climate Emergency](#).

Scottish University and College supply chains are seen as a key focus for early attention across all institutions to significantly reduce greenhouse gas emissions (GHG) emissions. A shared [Supply Chain Climate and Ecological Emergency Strategy](#) has been agreed by the Principals' groups of both the University and College sectors in Scotland. We are focusing on producing action plans to reduce emissions in Primary Impact Areas of Climate Change (PIACC): Estate Operations & Development, Catering, Furniture, Information Technology & Services, Laboratories and Travel & Transport.

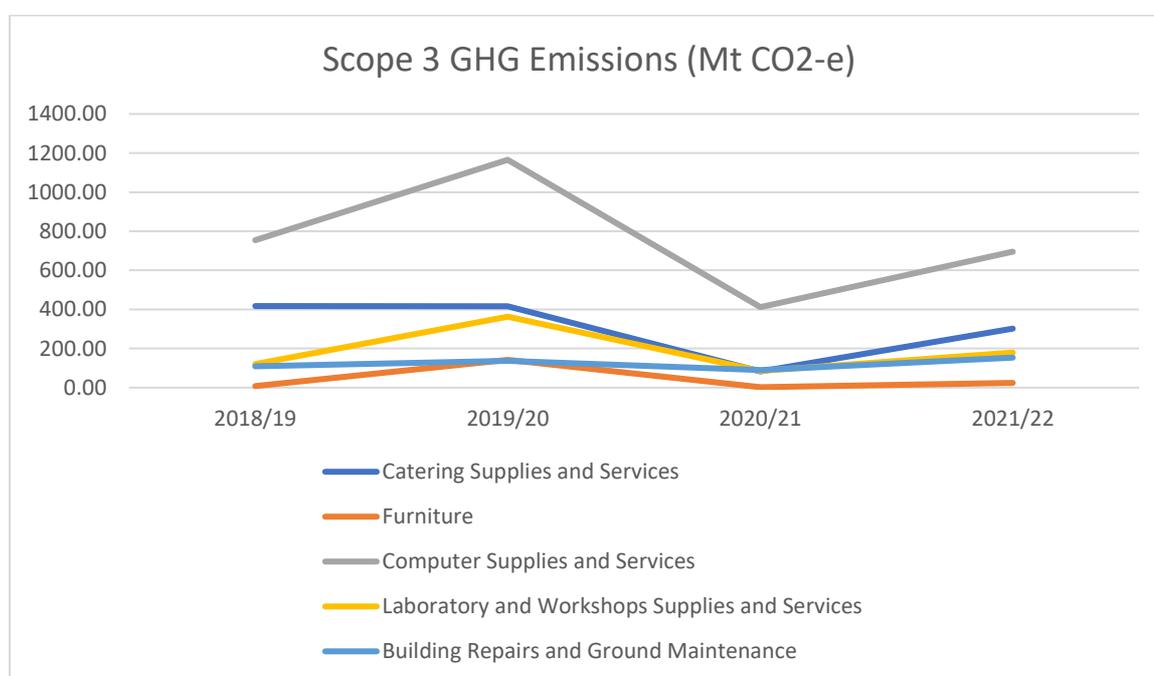
The following Scope 3 GHG emissions (Mt CO<sub>2</sub>-e) have been calculated using

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<sup>15</sup> Scope 1 emissions are direct operational emissions (arising from owned or controlled sources e.g. combustion of fuel in facilities or owned vehicles). Scope 2 are indirect emissions from purchased energy (e.g. purchased electricity, heating and cooling). Scope 3 emissions are in the organisation's value chain. For example, procurement of goods and services, business travel, staff commuting, water and waste.

spend-based method:

| Procurement Category                                      | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|---|---------|---------|---------|---------|
| Catering Supplies and Services                            | 417.19  | 416.26  | 82.73   | 301.27  |
| Furniture   | 7.33    | 141.92  | 2.20    | 23.88   |
| Computer Supplies and Services                            | 754.59  | 1165.62 | 411.73  | 695.05  |
| Laboratory and Workshops Supplies and Services            | 120.67  | 362.80  | 85.38   | 179.01  |
| Travel and Transport (incl. Vehicle hire and Subsistence) | 352.62  | 251.70  | 182.13  | 601.64  |
| Building Repairs and Ground Maintenance                   | 109.05  | 136.28  | 89.82   | 153.42  |



The move to the new Falkirk campus in 2019/2020 increased demand for IT devices, laboratory equipment and furniture. The COVID-19 pandemic, and the shift to hybrid ways of working and studying, has altered demand for products and services, as shown in the graph above.

#### f) Community Benefits

The College considers for each of its procurements of £4m or greater how it can improve the economic, social or environmental wellbeing of the Forth Valley region through the inclusion of community benefit requirements. There were no procurements of this value in 2021/2022.

In addition, for procurements of less than £4m, the College includes community benefits award criteria where appropriate, as part of the sustainable procurement duty considerations. Please see [Section 3](#) for details of community benefits delivered.

#### **g) Consulting and Engaging with those Affected by its Procurements**

As part of the development of project or tender strategies prior to the publication of regulated procurement tenders, we carry out market research, consult and engage with relevant internal and external stakeholders to ensure the procurement is aligned to the College's strategic aims and objectives, stakeholders' views are taken into account and they can contribute to the development of the project or tender strategy.

We offer debriefs to all tenderers (successful and unsuccessful alike) with an aim to demonstrate transparency, ensure a full understanding how the award decision was reached and to encourage continuous improvement.

We have also issued our annual satisfaction surveys to suppliers to understand their views and experiences of doing business with the College, and to internal stakeholders to highlight opportunities for improvement.

#### **h) Living Wage**

As an organisation who is a Living Wage Accredited Employer, where relevant and proportionate, sustainability requirements including support for Fair Work practices and the Living Wage have been considered for all regulated procurements. A Living Wage statement has been incorporated within invitation to tender or quote documents and scored where appropriate as part of Fair Work award criteria. Please see [Appendix C](#) for sustainability benefits, which include the Living Wage.

#### **i) Compliance with the Health and Safety at Work Act 1974**

As an organisation that holds the Healthy Working Lives Gold award, Forth Valley College is committed to contracting only with suppliers that comply with Health and Safety legislation and we consider Health and Safety at projects strategy stage.

Where appropriate, the College assesses the legislation applicable to a procurement and has taken steps to ensure bidders comply with such legislation. Where proportionate, the College also seeks to assess the compliance of subcontractors.

## **j) Procurement of Fairly and Ethically Traded Goods and Services**

Forth Valley College actively supports the sourcing of goods that are fairly and ethically traded.

We consider sustainability including fairly and ethically traded goods and services throughout the procurement journey in our regulated procurements from project strategy to contract and supplier management.

## **k) 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 always striving to offer nutritious and seasonal food throughout our refectories and Gallery restaurant with the vast majority of food and catering requirements purchased through APUC and TUCO framework agreements. The products and services under these agreements comply with all relevant legislation and standards.

Where relevant, the nutritional requirements of food and the welfare of animals are taken into account in regulated procurements as part of TUCO and APUC tendering, with tenderers undergoing a rigorous assessment of environmental credentials.

In recent times we have adjusted our food offerings to reduce the use of red meats and promote plant based and white meat options given the current understandings that these are more beneficial to health and wellbeing. We continue to look at adding further plant based dishes to all of our offerings and also run vegan food classes.

We also look and listen to the current custom and over the last few years we have introduced Halal option given a large part of the customer base require availability of these products.

## **l) Payment Terms**

The College recognises the importance of paying suppliers promptly once services or goods have been delivered.

Our standard payment terms are set on our finance system to be 30 days from the date of receipt of a valid invoice. On an exception basis, it is possible to reduce these standard payment terms if requested.

Invoices are paid on a fortnightly basis by the due date and when they are authorised for payment on our finance system.

During the reporting period the average number of days between invoice date and payment was 29 days. This has improved on the prior year (2020/21 was 34 days). 85.9% of invoices were paid within 30 days.

We issue our standard terms and conditions with our regulated procurements and we require our contractors to pay relevant sub-contractors within 30 days of receipt of a valid and payable invoice.

We also measure progress against our 5 strategic procurement objectives (PO):

PO1 - To maximise collaborative procurement opportunities in the delivery of value for money and efficiency.

PO2 - To further develop a College wide approach to procurement which is co-ordinated, efficient and effective in the achievement of value for money, and which supports the delivery of high quality learning.

PO3 - To develop sound and useful procurement management information in order to measure and improve procurement and supplier performance in support of the College Strategic Priorities and Objectives.

PO4 - To embed relevant and appropriate procurement strategies to manage or reduce risk to the College.

PO5 - To embed sound economic, social and environmental procurement policies, and to comply with relevant Scottish and UK legislation in performance of the Sustainable Procurement Duty.

Please see our Procurement Action Plan ([Appendices F](#) and [G](#)) for details of the main activity we have undertaken during the reporting period and our Key Performance Indicators (KPIs) and targets.

### **Section 3: Community Benefit Summary**

For every procurement over £4m, Forth Valley College considers 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.

Forth Valley College's approach to identifying community benefit opportunities is to conduct risk and opportunities assessments through stakeholder consultation and engagement on a case-by-case basis. Where relevant and proportionate 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 are cited such as:

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

Tenderers are invited to describe how such benefits will be successfully delivered through the contract and promoted to contract users. Where community benefits are included in a procurement (at or above the £4 million threshold), the award notice would include a statement of the benefits that are expected to be derived from the contract.

Forth Valley College has not awarded a regulated procurement of £4m or greater in the reporting period. We have awarded 3 regulated procurements at below £4m with community benefits:

- Foundation apprenticeship transport.
- Training services for the Oil and Gas Technical Apprentice Programme.
- PPE, work wear and associated services.

In the reporting period, the following community benefits and sustainability benefits were fulfilled:

- Reduction in packaging with more sustainable materials used.
- Delivery of a virtual operator training plant saving the resources required for the construction of a new plant.
- Supply of environmentally friendly merchandise.
- Supplier partnership with a charity who recycle IT equipment with a view to fighting digital poverty.
- Placements and employment for Design students.
- Sponsorship of staff recognition awards.

A detailed breakdown of community benefits and sustainability benefits for regulated procurements is provided in [Appendix C](#).

## Section 4: Supported Business Summary

Lower value regulated procurements (between £50k and GPA thresholds) and higher value regulated procurements (those equal to and above the GPA thresholds) are conducted in line with Routes 2 and 3 respectively of the Procurement Journey. Both Routes 2 and 3 mandate the use of the Single Procurement Document (SPD (Scotland)). The SPD covers exclusion, selection and award criteria and includes questions relating to companies self-certifying themselves in terms of size (micro, small or medium), or whether they are supported businesses. Please see [Appendix E - Glossary of Terms](#) for definitions.

Forth Valley College reviews each procurement to determine whether it could be fulfilled by a supported business, whilst remaining compliant with Scottish Procurement Legislation and ensuring value for money for the College (using the [Supported Business Register](#)<sup>16</sup> currently available and published by Partnership for Procurement (P4P)).

The College did not reserve or award any new contracts to supported businesses in the reporting period. The following 2 contracts are with supported businesses:

| Category Subject  | Supplier Name       | Date of Award | Cat A,B,C or C1 | Contract Start Date | Value over reporting period (GBP) | SME Status |
|-------------------|---------------------|---------------|-----------------|---------------------|-----------------------------------|------------|
| Offsite storage   | Capture All Limited | January 2020  | C               | February 2020       | 3,161.90                          | Small      |
| Sanitary products | Hey Girls CIC       | December 2018 | B               | December 2018       | 5,440.99                          | Small      |

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<sup>16</sup>See P4P Ready for Business Register website: <https://p4p.org.uk/ready-for-business-register/>

## **Section 5: Future Regulated Procurements Summary**

Forth Valley 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.

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 D](#) should be viewed with this caveat in mind.

Please note that when regulated procurements are to be completed via a framework agreement, a contract notice will not be published and only suppliers within the relevant framework will be able to participate in the exercise.

The information provided in [Appendix D – 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

## Appendix A: Annual Procurement Report Summary

NOTE: reference to contract is also to be construed as meaning a framework agreement.

### 1. Organisation and report details

a) Contracting Authority Name

|  |
|--|
| Forth Valley College of Further and Higher Education |
|--|

b) Period of the annual procurement report

|  |
|--|
| 1 <sup>st</sup> August 2021 – 31 <sup>st</sup> July 2022 |
|--|

c) Required by s18 Procurement Reform (Scotland) Act 2014 to prepare an annual procurement report? (Yes / No)

|     |
|-----|
| Yes |
|-----|

### 2. Summary of Regulated Procurements Completed

a) Total number of regulated contracts awarded within the report period

|    |
|----|
| 17 |
|----|

b) Total value of regulated contracts awarded within the report period

|               |
|---------------|
| £3,202,529.45 |
|---------------|

c) Total number of unique suppliers awarded a place on a regulated contract awarded during the period

|    |
|----|
| 29 |
|----|

i) how many of these unique suppliers are SMEs

|    |
|----|
| 22 |
|----|

ii) how many of these unique suppliers are Third sector bodies

|   |
|---|
| 2 |
|---|

### 3. Review of Regulated Procurements Compliance

a) Number of regulated contracts awarded within the period that complied with your Procurement Strategy

|    |
|----|
| 15 |
|----|

b) Number of regulated contracts awarded within the period that did not comply with your Procurement Strategy

|   |
|---|
| 2 |
|---|

### 4. Community Benefit Requirements Summary

#### 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

|   |
|---|
| 3 |
|---|

**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 (Each contracting authority sets its own priority groups) | 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   | 5 |

**5. Fair Work and the real Living Wage**

|   |    |
|---|----|
| a) Number of regulated contracts awarded during the period that included a Fair Work criterion.   | 5  |
| 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.   | 11 |
| c) Number of unique suppliers who are accredited Living Wage employers and were awarded a regulated contract awarded during the period.           | 5  |
| d) Number of unique suppliers who have signed up to the Scottish Business Pledge and were awarded a regulated contract awarded during the period. | 2  |

**6. Payment performance**

|  |       |
|--|-------|
| a) Number of valid invoices received during the reporting period.  | 7,903 |
| b) Percentage of invoices paid on time during the period (“On time” means within the time period set out in the contract terms.)                                 | 85.9% |
| c) Number of regulated contracts awarded during the period containing a contract term requiring the prompt payment of invoices in public contract supply chains. | 15    |
| 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
- b) Total spend with supported businesses during the period covered by the report, including:
- i) spend within the reporting year on regulated contracts
  - ii) spend within the reporting year on non-regulated contracts

|           |
|-----------|
| 0         |
| £8,602.89 |
| £0        |
| £8,602.89 |

## 8. Spend and Savings Summary

- a) Total procurement spend for the period covered by the annual procurement report.
- b) Total procurement spend with SMEs during the period covered by the annual procurement report.
- c) Total procurement spend with Third sector bodies during the period covered by the report.
- d) Percentage of total procurement spend through collaborative contracts.
- e) Total targeted cash savings for the period covered by the annual procurement report
- i) targeted cash savings for Cat A contracts
  - ii) targeted cash savings for Cat B contracts
  - iii) targeted cash savings for Cat C contracts
- f) Total delivered cash savings for the period covered by the annual procurement report
- i) delivered cash savings for Cat A contracts
  - ii) delivered cash savings for Cat B contracts
  - iii) delivered cash savings for Cat C contracts
- g) Total non-cash savings value for the period covered by the annual procurement report

|                             |
|-----------------------------|
| £6,974,041.20 <sup>17</sup> |
| £3,361,602.84               |
| £25,549.25                  |
| 35% <sup>18</sup>           |
| Not recorded                |
| Not recorded                |
| Not recorded                |
| Not recorded                |
| £222,264.40 <sup>19</sup>   |
| £57,106.90                  |
| £95,287.12                  |
| £69,870.38                  |
| £347,334.90                 |

## 9. Future regulated procurements

- a) Total number of regulated procurements expected to commence in the next two financial years
- b) Total estimated value of regulated procurements expected to commence in the next two financial years

|             |
|-------------|
| 27          |
| £14,233,000 |

<sup>17</sup> Core expenditure.

<sup>18</sup> Estimated spend figure for 2021/2022. Latest validated figure was 33% for 2020/2021.

<sup>19</sup> Estimated savings for 2021/2022. Final figure is pending of APUC Ltd verification.

## Appendix B: List of Regulated Procurements Completed in the Reporting Period 1<sup>st</sup> August 2021 – 31<sup>st</sup> July 2022

### Compliant

| Category Subject   | Supplier Name   | Date of Award | Cat A,B,C or C1 | Start Date | Current End Date | End Date including Extensions | Value over Contract Period (GBP) | SME Status  | Supported Business   |
|--|---|---------------|-----------------|------------|------------------|-------------------------------|----------------------------------|---|--|
| Student Counselling Service  | The Talking Rooms Ltd   | 01/09/2021    | C               | 30/08/2021 | 29/08/2023       | 29/08/2025                    | 140,000.00                       | Micro   | No   |
| Hotel Accommodation for ECITB Apprentices 2021/2022                | The Park Hotel (Falkirk) Limited part of Hannigan Hotels Group  | 01/09/2021    | C               | 01/09/2021 | 31/05/2023       | 31/05/2023                    | 647,000.00                       | Small   | No   |
| Foundation Apprenticeship Transport                                | <ul style="list-style-type: none"> <li>• Hairy Haggis Tours Ltd</li> <li>• Midland Bluebird Limited</li> <li>• Merlin Travel</li> <li>• Order of Malta Dial-a-Journey Trust</li> <li>• Premier Executive (Scotland) Travel Ltd</li> <li>• Roundabout Executive Travel</li> </ul>  | 24/09/2021    | C               | 09/08/2021 | 08/08/2023       | 08/08/2025                    | 712,500.00                       | <ul style="list-style-type: none"> <li>• Micro</li> <li>• Large</li> <li>• Micro</li> <li>• Small</li> <li>• Micro</li> <li>• Micro</li> </ul>  | <ul style="list-style-type: none"> <li>• No</li> <li>• No</li> <li>• No</li> <li>• No</li> <li>• No</li> <li>• No</li> </ul>   |
| Fresh Dairy Products   | Grahams The Family Dairy Limited  | 12/11/2021    | B               | 25/10/2021 | 24/10/2023       | 24/10/2025                    | 57,000.00                        | Large   | No   |
| Single Occupancy Work Pods   | Claremont Office Furniture Ltd  | 08/12/2021    | B               | 08/12/2021 | 07/04/2022       | 07/04/2022                    | 87,036.00                        | Small   | No   |
| Enterprise Performance Management Software and Associated Services | Kick ICT Group Limited  | 09/12/2021    | A               | 01/01/2022 | 31/12/2022       | 31/12/2024                    | 71,697.00                        | Medium  | No   |
| Adobe Creative Cloud Subscription                                  | Academia Limited  | 15/12/2021    | B               | 21/12/2021 | 20/12/2024       | 20/12/2024                    | 68,859.00                        | Large   | No   |
| Associate Trainers   | <ul style="list-style-type: none"> <li>• DG Training and Leisure Consultancy</li> <li>• Enrich IT Limited</li> <li>• First2Train Ltd</li> <li>• GTS Solutions CIC</li> <li>• On Track Advertising Limited T/A The Go To Agency</li> <li>• Raeburn Training Limited</li> <li>• Safe Hands First Aid Training Ltd</li> <li>• Sticky Plaster Training</li> <li>• Successful Learning Solutions Ltd</li> <li>• Synergy Training Services</li> <li>• The Moulinburn Partnership</li> </ul> | 05/01/2022    | C               | 05/01/2022 | 04/01/2024       | 04/01/2026                    | 91,943.00                        | <ul style="list-style-type: none"> <li>• Micro</li> <li>• Micro</li> <li>• Micro</li> <li>• Small</li> <li>• Micro</li> </ul> | <ul style="list-style-type: none"> <li>• No</li> </ul> |

| Category Subject   | Supplier Name  | Date of Award | Cat A,B,C or C1 | Start Date | Current End Date | End Date including Extensions | Value over Contract Period (GBP) | SME Status | Supported Business |
|--|--|---------------|-----------------|------------|------------------|-------------------------------|----------------------------------|------------|--------------------|
| Training Services for the Oil and Gas Technical Apprentice Programme   | Survivex Ltd T/A AIS Survivex                                  | 21/01/2022    | C               | 01/02/2022 | 31/01/2024       | 31/01/2027                    | 141,954.00                       | Medium     | No                 |
| Microsoft Licencing Agreement  | Softcat Plc  | 15/02/2022    | B               | 01/03/2022 | 28/02/2025       | 28/02/2025                    | 99,183.36                        | Large      | No                 |
| Laptops  | Dell Corporation Limited                                       | 07/06/2022    | B               | 07/06/2022 | 07/06/2022       | 06/08/2022                    | 94,145.82                        | Large      | No                 |
| Laptops  | HP INC UK Limited  | 19/07/2022    | A               | 19/07/2022 | 18/09/2022       | 18/09/2022                    | 55,500.00                        | Large      | No                 |
| Proprietary Devices and Associated Accessories                         | XMA Limited  | 27/07/2022    | A               | 27/07/2022 | 26/09/2022       | 26/09/2022                    | 50,930.00                        | Large      | No                 |
| Student Accommodation  | The Park Hotel (Falkirk) Limited part of Hannigan Hotels Group | 28/07/2022    | C               | 11/09/2022 | 10/06/2024       | 10/06/2024                    | 318,703.00                       | Small      | No                 |
| PPE (Personal Protective Equipment), Work Wear and Associated Services | Aspire Industrial Services Limited                             | 01/08/2022    | C               | 28/07/2022 | 27/07/2024       | 27/07/2027                    | 144,364.80                       | Small      | No                 |
|  |  |               |                 |            |                  | <b>TOTAL</b>                  | <b>2,780,815.98</b>              |            |                    |

## Non-Compliant

There were 2 non-compliant regulated procurements during the reporting period awarded without competition.

| Category Subject                            | Supplier Name                 | Start Date | End Date     | Value over Contract Period (GBP) | SME Status | Compliance Issue   | Proposed Solution  |
|---|-------------------------------|------------|--------------|----------------------------------|------------|--|--|
| Maintenance of Network Equipment            | Virgin Media Business Limited | 01/03/2022 | 28/02/2023   | 73,578.21                        | Large      | The College made a direct award to Virgin Media. The College did not advertise the opportunity or issue an invitation to tender. | Future requirements will be subject to the relevant procurement procedures.  |
| Fuel Change Project 2020/2021 and 2021/2022 | Paradigm Futures Ltd          | 01/06/2020 | 31/03/2023   | 348,135.26                       | Micro      | Not advertised and awarded without competition.  | The project will no longer be part of Forth Valley College after March 2023. Procurement rules reinforced to project team. |
|   |                               |            | <b>TOTAL</b> | <b>421,713.47</b>                |            |  |  |

## Appendix C: List of Regulated Procurements with Community Benefit Requirements Fulfilled

There were 5 regulated procurements with community benefit requirements fulfilled during the reporting period. Please see [Section 3: Community Benefit](#) Summary for more details.

| Category Subject                    | Supplier Name                               | Start Date | End Date including Extensions | Value over Contract Period (GBP) | Benefit                                  |
|-------------------------------------|---|------------|-------------------------------|----------------------------------|--|
| Furniture                           | Claremont Office Furniture Ltd              | 01/12/2018 | 31/05/2023                    | 540,455.00                       | Sponsorship of staff recognition awards. |
| Fresh Fruit and Vegetables          | Mark Murphy part of the Total Produce Group | 16/01/2019 | 15/12/2023                    | 176,000.00                       | Sponsorship of staff recognition awards. |
| Fresh Butcher Meat                  | Campbells Prime Meat Ltd                    | 05/03/2019 | 04/03/2023                    | 116,166.41                       | Sponsorship of staff recognition awards. |
| Foundation Apprenticeship Transport | Roundabout Executive Travel                 | 09/08/2021 | 08/08/2025                    | 712,500.00                       | Sponsorship of staff recognition awards. |
| Fresh Dairy Products                | Graham's the Family Dairy                   | 25/10/2021 | 24/10/2025                    | 57,000.00                        | Sponsorship of staff recognition awards. |

There were 8 procurements awarded with secured sustainability benefits BT14:

| Category Subject   | Supplier Name                 | Start Date | End Date including Extensions | Value over Contract Period (GBP) | Benefit   |
|--|-------------------------------|------------|-------------------------------|----------------------------------|---|
| Associate Trainers   | GTS Solutions CIS             | 05/01/2022 | 04/01/2026                    | 91,943.00                        | The supplier is an accredited living wage employer and have signed up to Scottish Business Pledge.  |
| Training Services for the Oil and Gas Technical Apprentice Programme | Survivex Ltd T/A AIS Survivex | 01/02/2022 | 31/01/2027                    | 141,954.00                       | Upskilling opportunities: "toolbox talks", open forums, 1-1 consultations, eLearning and R3 continual learning tool. The supplier have signed Sustain Supply Chain Code of Conduct. |

| Category Subject   | Supplier Name                      | Start Date | End Date including Extensions | Value over Contract Period (GBP) | Benefit   |
|--|------------------------------------|------------|-------------------------------|----------------------------------|---|
| Student Counselling Service  | The Talking Rooms Ltd              | 30/08/2021 | 29/08/2025                    | 140,000.00                       | <p>Offering support and space for religious observance, meditation and reflection to ensure individuals from different religions will feel more inclusive, and young people can have access to a safe space.</p> <p>Completing workshops which are specifically aimed at BAME students and LGBTQ+ students, highlighting specific mental health and welfare considerations and encouraging greater participation in our services.</p> <p>Operating a full diversity calendar throughout the contract, raising awareness for considerations of mental health within multi-cultural and religious events, and awareness events such as Mental Health Awareness, LGBTQ+ History and Black History Month.</p> <p>Fair Work First: Flexible working to employees to offer more of a work/life balance. The supplier pays the real Living Wage to all employees; inclusive of any potential sub-contractors/agency workers.</p> <p>Equal pay audit annually to ensure that pay systems are fair and transparent.</p> <p>The supplier has signed the Sustain Supply Chain Code of Conduct.</p> |
| PPE (Personal Protective Equipment), Work Wear and Associated Services | Aspire Industrial Services Limited | 28/07/2022 | 27/07/2027                    | 144,364.80                       | <p>The supplier has offered a range of sustainable products made of recycled materials and certified organic cotton.</p> <p>Repair service in house.</p> <p>Provision of collection bins for old garments for recycling.</p> <p>Offer to take back boxes and packaging.</p> <p>Reduction in packaging through partnership and removing wrapping of garments.</p> <p>Some electric vehicles used for deliveries.</p> <p>Anti-Slavery / Human Rights Policy published and supply chain assurance programme in place to confirm to policy.</p> <p>Commitment to only work with manufacturers who hold Sedex or similar accreditations and comply with ETI and ILO standards.</p> <p>The supplier is a real Living Wage accredited employer and flexible working patterns are available to staff from day 1 of employment.</p> <p>The supplier has signed the Sustain supply chain code of conduct and Declaration of non-involvement in human trafficking and labour.</p>  |

| Category Subject   | Supplier Name  | Start Date | End Date including Extensions | Value over Contract Period (GBP) | Benefit  |
|--|--|------------|-------------------------------|----------------------------------|--|
| Single Occupancy Work Pods   | Claremont Office Furniture Ltd   | 08/12/2021 | 07/04/2022                    | 87,036.00                        | Carbon Footprint (embodied carbon) – 528 kg CO2 per unit<br>Recycled Content – 57%<br>Recyclable Content – 99%<br>The product has Intertek Clean Air Gold certification.   |
| Enterprise Performance Management Software and Associated Services | Kick ICT Group Limited   | 01/01/2022 | 31/12/2024                    | 71,697.00                        | The supplier is an accredited UK Living Wage Employer.   |
| Microsoft Licencing Agreement                                      | Softcat Plc  | 01/03/2022 | 28/02/2025                    | 99,183.36                        | The supplier is an accredited UK Living Wage Employer.   |
| Foundation Apprenticeship Transport                                | Roundabout Executive Travel<br>Midland Bluebird Limited<br>Order of Malta Dial-a-Journey Trust<br>Premier Executive (Scotland) Travel Ltd<br>Hairy Haggis Tours Ltd<br>Merlin Travel | 09/08/2021 | 08/08/2025                    | 712,500.00                       | Roundabout Executive Travel: plans to upgrade their vehicles to higher EURO standard within the next 12 months. All staff gets paid living wage. Student work experience and advice on transport to students.<br><br>Midland Bluebird Limited: Member of the ECO star scheme. Plans to upgrade vehicles with higher EURO standard in 2 years. Work experience placements and careers focused talks.<br><br>Order of Malta Dial-a-Journey Trust: The supplier is a real Living Wage Employer. Student talks and work experience placements.<br><br>Premier Executive (Scotland) Travel Ltd: They pay the living wage. Work experience and student talks.<br><br>Hairy Haggis Tours Ltd: Member of ECO star scheme. Plans to upgrade vehicles to higher EURO standards. Work experience and student talks available.<br><br>Merlin Travel: Member of ECO star scheme. They pay the real living wage. Student talk available. |

## Appendix D: List of Future Regulated Procurements (planned to commence in next two financial years 2022/2023 and 2023/2024)

| 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 (including extensions) | Estimated Value over contract period (GBP) |
|--|-------------------------|-------------------------------------|---|------------------------|---------------------|--|--|
| HR and Payroll System                                  | C                       | New                                 | N/A – via framework                       | November 2022          | November 2022       | November 2026                            | £250k                                      |
| Soft Drinks  | B                       | Re-let                              | N/A – via framework                       | December 2022          | December 2022       | December 2026                            | £225k                                      |
| Catering and Front of House Uniforms                   | B                       | Re-let                              | N/A – via framework                       | December 2022          | February 2023       | February 2027                            | £55k                                       |
| Consultancy for Total Facilities Management Contract   | A                       | New                                 | N/A – via framework                       | January 2023           | January 2023        | June 2024                                | £50k                                       |
| CCTV Upgrade   | C                       | New                                 | December 2023                             | January 2023           | February 2023       | March 2023                               | £90k                                       |
| ePortfolio System                                      | A                       | Re-let                              | N/A via framework                         | March 2023             | August 2023         | August 2028                              | £140k                                      |
| General Stationery and Office Paper                    | A                       | Re-let                              | N/A – via framework                       | April 2023             | April 2023          | April 2027                               | £95k                                       |
| Fresh Butcher Meat                                     | B                       | Re-let                              | N/A – via framework                       | April 2023             | April 2023          | April 2027                               | £276k                                      |
| Internal Audit Services                                | B                       | Re-let                              | N/A – via framework                       | April 2023             | June 2023           | June 2027                                | £64k                                       |
| Managed Print Solution (MFDs and Print Unit Equipment) | A                       | Re-let                              | January 2023                              | May 2023               | August 2023         | August 2030                              | £546k                                      |
| Multi Campus Taxi and Private Hire Services            | C                       | Re-let                              | March 2023                                | May 2023               | June 2023           | June 2027                                | £160k                                      |
| Sustainable Timber Products                            | B                       | Re-let                              | N/A – via framework                       | May 2023               | May 2023            | May 2027                                 | £278k                                      |
| Fresh Fruit and Vegetables                             | B                       | Re-let                              | N/A – via framework                       | June 2023              | June 2023           | June 2027                                | £170k                                      |
| Info4education Platform                                | B                       | Re-let                              | N/A – via framework                       | June 2023              | June 2023           | June 2026                                | £54k                                       |

| 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 (including extensions) | Estimated Value over contract period (GBP) |
|--|-------------------------|-------------------------------------|---|------------------------|---------------------|--|--|
| Support and Maintenance Services for Student Management System | C                       | Re-let                              | N/A – non-competitive action              | June 2023              | August 2023         | August 2028                              | £240k                                      |
| Non-life Insurance Services                                    | B                       | Re-let                              | April 2023                                | June 2023              | August 2023         | August 2027                              | £343k                                      |
| Teaching Qualification for Further Education (TQFE)            | B                       | Re-let                              | N/A – via framework                       | June 2023              | August 2023         | August 2027                              | £57k                                       |
| Student Accommodation  | C                       | Re-let                              | April 2023                                | July 2023              | September 2023      | May 2026                                 | £638k                                      |
| Educational Psychologist Services                              | A                       | Re-let                              | May 2023                                  | July 2023              | August 2023         | August 2027                              | £54k                                       |
| Endpoint Security Solution                                     | B                       | Re-let                              | N/A – via framework                       | December 2023          | February 2024       | January 2028                             | £50k                                       |
| Hot Beverages  | B                       | Re-let                              | N/A via framework                         | January 2024           | February 2024       | February 2028                            | £130k                                      |
| Total Facilities Management Service                            | A or C                  | Re-let                              | May 2023                                  | January 2024           | July 2024           | June 2031                                | £7m  |
| Grocery Provisions, Frozen and Chilled Food                    | B                       | Re-let                              | N/A via framework                         | March 2024             | May 2024            | May 2024                                 | £335k                                      |
| Water and Wastewater Billing Services                          | A                       | Re-let                              | N/A via framework                         | April 2024             | April 2024          | March 2028                               | £220k                                      |
| Electricity  | A                       | Re-let                              | N/A via framework                         | April 2024             | April 2024          | March 2030                               | £2.6m                                      |
| Art and Craft Supplies   | B                       | Re-let                              | N/A – via framework                       | May 2024               | May 2024            | May 2028                                 | £52k                                       |
| Occupational Health and Health Surveillance Services           | C                       | Re-let                              | May 2024                                  | July 2024              | August 2024         | August 2028                              | £61k                                       |
|  |                         |                                     |   |                        |                     | <b>TOTAL</b>                             | <b>£14.2m</b>                              |

## Appendix E: Glossary of Terms

### A, B, C and C1 Contracts

|                    |   |
|--------------------|---|
| <b>Category A</b>  | Collaborative Contracts available to all public bodies <ul style="list-style-type: none"> <li>• Scottish Procurement</li> <li>• Crown Commercial Service</li> </ul>   |
| <b>Category B</b>  | Collaborative Contracts available to public bodies within a specific sector <ul style="list-style-type: none"> <li>• Scottish Procurement</li> <li>• APUC and other UK FHE Consortia</li> <li>• Scotland Excel</li> <li>• NHS National Procurement</li> </ul> |
| <b>Category C</b>  | Local Contracts for use by individual public bodies   |
| <b>Category C1</b> | 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.

**BT8 - Make Versus Buy / Outsourcing** - these savings are reported as transfer of internal production or service to / from external suppliers. The same business requirements and quality standards are still met. These are non-cash 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** – are revised every 2 years and the present thresholds are inclusive of VAT. The present threshold values excluding the standard VAT rate of 20% are indicative only:

| Contract Type                   | 1 <sup>st</sup> January 2022 to 31 <sup>st</sup> December 2023 | 1 <sup>st</sup> January 2020 to 31 <sup>st</sup> December 2021 |
|---------------------------------|--|--|
| Supply, Services and Design     | £213,477 inc VAT<br>(£177,897 ex VAT)                          | £189,330 ex VAT  |
| Light Touch Regime for Services | £663,540 inc VAT<br>(£552,950 ex VAT)                          | £663,540 ex VAT  |
| Works                           | £5,336,937 inc VAT<br>(£4,447,447 ex VAT)                      | £4,733,252 ex VAT  |

Higher value regulated procurements are advertised in line with GPA thresholds on a new UK e-notification system called Find a Tender System (FTS), which replaced the Official Journal of the European Union (OJEU) following the UK exit of the EU.

**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<sup>20</sup>](#) 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

<sup>20</sup> See website: <https://www.gov.scot/publications/scottish-procurement-information-hub-contract/>

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.

**Light touch regime for services** - is a specific set of rules for certain service contracts that are generally of lower interest to cross-border competition. These services are specified in [Schedule 3 to the Public Contract \(Scotland\) Regulations 2015](#) and cover certain educational, hotel, legal, postal services and other.

**Living Wage** - this is the real Living Wage. It is a voluntary wage rate of pay that is enough to ensure that those receiving it can have an acceptable standard of living, and applies to all employees 18 and over. It is calculated by the Resolution Foundation and overseen by the Independent Living Wage Commission. The rate is reviewed annually by the [Living Wage Foundation](#). The payment of the real Living Wage can be mandated in relevant and proportionate contracts as part of fair work considerations<sup>21</sup>.

**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.

**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

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<sup>21</sup> See website: <https://www.gov.scot/policies/public-sector-procurement/fair-work-in-procurement/>

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.

**Scope 3 emissions** - Greenhouse gas emissions are categorised into three groups or 'Scopes' by the most widely-used international accounting tool, the Greenhouse Gas (GHG) Protocol. Scope 1 covers direct emissions from owned or controlled sources. Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting company. Scope 3 includes all other indirect emissions that occur in a company's value chain<sup>22</sup>.

**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.

**Spend-based method** – GHG emissions have been estimated on the economic value of goods and services purchased and multiplying it by using Department for Business, Energy & Industrial Strategy (BEIS), formerly DEFRA conversion factors. The calculation tool has been developed by the Responsible Procurement Group Scope 3 sub-group, UKUPC, EAUC and HEPA<sup>23</sup>.

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<sup>22</sup> Carbon Trust website 2022, accessed 31<sup>st</sup> October 2022, <https://www.carbontrust.com/resources/briefing-what-are-scope-3-emissions>

<sup>23</sup> Environmental Association for Universities and Colleges (EAUC), 2022, *The Sustainability Exchange website*, accessed 31 October 2022, [https://www.sustainabilityexchange.ac.uk/hescet\\_tool](https://www.sustainabilityexchange.ac.uk/hescet_tool)

**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.

**Appendix F: Procurement Action Plan  
(Refer to Appendix G for KPI Actual Figs. and Targets)**

**Forth Valley College – Procurement Action Plan**

|  |   |  |   |  |  |   |            |
|--|---|--|---|--|--|---|------------|
| <b>SFC Priority Outcome</b>  | <ul style="list-style-type: none"> <li>• <b>Efficient and Sustainable</b></li> </ul>  |  |   |  |  |   |            |
| <b>FVC Strategic Plan Value Statement</b>  | <ul style="list-style-type: none"> <li>• <b>Leading as a business that is champion for governance, financial control and balanced risk taking</b></li> <li>• <b>Delivering a whole system approach. Simply effective, efficient and consistent</b></li> </ul> |  |   |  |  |   |            |
| <b>Scottish Model of Procurement Objective</b>   | <ul style="list-style-type: none"> <li>• <b>Maximising efficiency and collaboration</b></li> <li>• <b>Delivering Savings and Benefits</b></li> </ul>  |  |   |  |  |   |            |
| <b>Procurement Objective 1</b>   | <b>Target/Outcome</b>   | <b>Main Actions</b>  | <b>Benchmark Data/Sources</b>   | <b>KPI/Measure</b>   | <b>Target Date for Review</b>          | <b>PCIP Ref</b>   | <b>RAG</b> |
| <b>To maximise collaborative procurement opportunities in the delivery of value for money and efficiency</b> | To maximise the use of collaborative Framework Agreements and Contracts (CAT A, B and C1)   | <ul style="list-style-type: none"> <li>• Review expenditure analysis on an annual basis to identify non-pay expenditure not covered by regulated contract</li> </ul>   | <ul style="list-style-type: none"> <li>• Scottish Procurement Information Hub/FVC expenditure analysis</li> <li>• APUC Annual Benefits Statement</li> </ul>   | Increase uptake of available Collaborative Framework Agreements and Contracts annually (% of collaborative contracts used) | November 2022 then annually thereafter | <ul style="list-style-type: none"> <li>• Dashboard</li> <li>• Assessment Q2.1</li> <li>• Assessment Q3.3</li> </ul> |            |
|  |   | <ul style="list-style-type: none"> <li>• Develop forward contracting plan and identify opportunities to utilise collaborative opportunities</li> <li>• Identify any sectoral or regional opportunities to collaborate</li> </ul>                             | <ul style="list-style-type: none"> <li>• FVC expenditure analysis</li> <li>• CoEs and other Publicly funded Bodies Contracts Registers</li> </ul>   |  |  |   |            |
|  |   | <ul style="list-style-type: none"> <li>• Further embed collaborative procurement into policies and procedures (aligned to Procurement Journey)</li> <li>• Work with relevant College staff to maximise use of Framework Agreements where possible</li> </ul> | <ul style="list-style-type: none"> <li>• FVC procurement policy and procedures</li> <li>• Framework Agreement information on FVC SharePoint site</li> <li>• Periodic departmental review meetings</li> <li>• Quarterly expenditure reports</li> </ul> |  |  |   |            |

|   |   |   |  |  |   |   |                            |
|---|---|---|--|--|---|---|----------------------------|
| <b>SFC Priority Outcome</b>   | <ul style="list-style-type: none"> <li>• <b>Efficient and Sustainable</b></li> <li>• <b>High Quality Learning</b></li> <li>• <b>Right Learning in the right place</b></li> </ul>  |   |  |  |   |   |                            |
| <b>FVC Strategic Plan Value Statement</b>   | <ul style="list-style-type: none"> <li>• <b>Leading as a business that is champion for governance, financial control and balanced risk taking</b></li> <li>• <b>Delivering a whole system approach. Simply effective, efficient and consistent</b></li> </ul> |   |  |  |   |   |                            |
| <b>Scottish Model of Procurement Objective</b>  | <ul style="list-style-type: none"> <li>• <b>Maximising efficiency and collaboration</b></li> <li>• <b>Delivering Savings and Benefits</b></li> </ul>  |   |  |  |   |   |                            |
| <b>Procurement Objective 2</b>  | <b>Target/Outcome</b>   | <b>Main Actions</b>   | <b>Benchmark Data/Sources</b>  | <b>KPI/Measure</b>   | <b>Target Date for Review</b>   | <b>PCIP Ref</b>   | <b>RAG</b>                 |
| <b>To further develop a College wide approach to procurement which is co-ordinated, efficient and effective in the achievement of value for money, and which supports the delivery of high quality learning</b> | To increase the number of regulated contracts for College wide use for commonly purchased goods, services and works   | <ul style="list-style-type: none"> <li>• Review expenditure analysis to identify categories of goods, services and works which are not currently covered by a College wide contract</li> <li>• Engage with relevant departments/staff to understand common requirements and develop appropriate procurement strategy (including route to market)</li> <li>• Implement College wide contracts, including appropriate contract management approach</li> </ul> | <ul style="list-style-type: none"> <li>• Scottish Procurement Information Hub/FVC expenditure analysis</li> <li>• Stakeholder Focus Groups/Surveys</li> <li>• CoEs and other Publicly funded Bodies Contracts Registers</li> <li>• FVC Contracts Register (website)</li> <li>• FVC SharePoint page (intranet)</li> </ul> | <p>Increase the proportion of annual non-pay expenditure covered by a regulated contract (CAT A, B, C or C1)</p> <p>Increase the number of regulated contracts in FVC Contracts Register</p> | <p>November 2022 then annually thereafter</p> <p>November 2022 then annually thereafter</p> | <ul style="list-style-type: none"> <li>• Dashboard</li> <li>• Assessment Q3.3</li> </ul>                            | <p>Green</p> <p>Yellow</p> |
|   | To maximise efficiency of processes relating to the requisition and invoicing of goods, services and works  | <ul style="list-style-type: none"> <li>• Ensure procurement policy and procedures maximise efficiency relevant to value/risk of purchase</li> <li>• Maximise use of available electronic processes and tools</li> <li>• Reduce the cost of processing orders and invoices throughout the purchasing cycle</li> </ul>  | <ul style="list-style-type: none"> <li>• Relevant staff/stakeholder survey/feedback</li> <li>• FVC procurement policy and procedures</li> <li>• P2P purchasing system</li> <li>• Procurement Cards</li> <li>• PCS/PCS-T</li> <li>• P2P purchasing system/Finance system</li> <li>• Finance Reports</li> </ul>            | <p>Reduce total number of Purchase Orders and Invoices processed per annum</p>   | <p>November 2022 then annually thereafter</p>   | <ul style="list-style-type: none"> <li>• Dashboard</li> <li>• Assessment Q2.3</li> <li>• Assessment Q4.1</li> </ul> | <p>Yellow</p>              |
|   | To improve the awareness of procurement policies and procedures amongst   | <ul style="list-style-type: none"> <li>• Monitor use of short Procurement induction course on Moodle for relevant new staff</li> </ul>  | <ul style="list-style-type: none"> <li>• HR induction plan</li> <li>• Moodle Report</li> </ul>   | <p>Total number of FVC staff that have completed the Induction course</p>  | <p>July 2022 then annually thereafter</p>   |   | <p>Green</p>               |
|   |   |   |  |  |   |   |                            |

|  |  |   |   |  |  |   |  |
|--|--|---|---|--|--|---|--|
|  | relevant College staff and suppliers through various sources of information  |   |   | Outputs of staff and supplier surveys/feedback (staff)     | November 2022 then annually thereafter | <ul style="list-style-type: none"> <li>• Assessment Q1.4</li> <li>• Assessment Q1.5</li> </ul>  |  |
|  | <ul style="list-style-type: none"> <li>• Undertake periodical review meetings/training opportunities with departments to provide relevant updates</li> </ul> | <ul style="list-style-type: none"> <li>• Records of meetings/training sessions held and relevant information discussed.</li> </ul>  | Maintain number of training sessions delivered to FVC staff on Procurement topics   | July 2022 then annually thereafter                         |  |   |  |
|  | <ul style="list-style-type: none"> <li>• Improve the awareness of procurement information available for College staff</li> </ul>                             | <ul style="list-style-type: none"> <li>• Periodical department meetings</li> <li>• Procurement SharePoint page</li> <li>• Relevant staff/stakeholder survey/feedback</li> <li>• E-Focus bulletins</li> </ul>  | Increase the satisfaction percentage in the Procurement Satisfaction Survey (staff)   | November 2022 then annually thereafter                     |  |   |  |
|  | <ul style="list-style-type: none"> <li>• Improve the awareness of procurement information available for suppliers</li> </ul>                                 | <ul style="list-style-type: none"> <li>• FVC website</li> <li>• Supplier survey/feedback as appropriate</li> <li>• Supplier engagement events</li> </ul>  | Increase the satisfaction percentage in the Procurement Satisfaction Survey (suppliers)                                     | November 2022 then annually thereafter                     |  |   |  |
|  | To ensure that our procurement policies and procedures continue to deliver the requirements of the College in an efficient and effective manner              | <ul style="list-style-type: none"> <li>• Review approaches to gathering feedback from College staff about the service provided by Procurement and suggestions for improvement</li> <li>• Continue to review and improve our policies and procedures based on feedback received</li> </ul> | <ul style="list-style-type: none"> <li>• Stakeholder Focus Groups/Surveys</li> <li>• Procurement SharePoint Page</li> </ul> | Outputs of staff and supplier surveys/feedback (suppliers) | November 2022 then annually thereafter | <ul style="list-style-type: none"> <li>• Assessment Q1.5</li> <li>• Assessment Q1.6</li> <li>• Assessment Q2.3</li> <li>• Assessment Q3.1</li> <li>• Assessment Q3.2</li> </ul> |  |

|  |   |   |   |  |  |   |            |
|--|---|---|---|--|--|---|------------|
| <b>SFC Priority Outcome</b>  | <ul style="list-style-type: none"> <li>• <b>Efficient and Sustainable</b></li> </ul>  |   |   |  |  |   |            |
| <b>FVC Strategic Plan Value Statement</b>  | <ul style="list-style-type: none"> <li>• <b>Leading as a business that is champion for governance, financial control and balanced risk taking</b></li> <li>• <b>Delivering a whole system approach. Simply effective, efficient and consistent</b></li> </ul> |   |   |  |  |   |            |
| <b>Scottish Model of Procurement Objective</b>   | <ul style="list-style-type: none"> <li>• <b>Maximising efficiency and collaboration</b></li> <li>• <b>Delivering Savings and Benefits</b></li> </ul>  |   |   |  |  |   |            |
| <b>Procurement Objective 3</b>   | <b>Target/Outcome</b>   | <b>Main Actions</b>   | <b>Benchmark Data/Sources</b>   | <b>KPI/Measure</b>   | <b>Target Date for Review</b>          | <b>PCIP Ref</b>                                       | <b>RAG</b> |
| <b>To develop sound and useful procurement management information in order to measure and improve procurement and supplier performance in support of College Strategic Priorities and Objectives</b> | To continue to record savings and efficiencies achieved through procurement activity  | <ul style="list-style-type: none"> <li>• Record local savings and efficiencies using agreed sector methodology</li> <li>• Review APUC Annual Benefits Statement for savings and efficiencies achieved through Frameworks</li> </ul>   | <ul style="list-style-type: none"> <li>• FVC procurement savings report/Hunter database</li> <li>• APUC Annual Benefits Statement</li> </ul>  | Annual Report to Senior Management Team showing overall totals of: <ul style="list-style-type: none"> <li>• Cash Savings</li> <li>• Non-Cash Savings</li> <li>• Added Value</li> </ul> | November 2022 then annually thereafter | Dashboard Assessment Q2.3<br>Assessment Q2.4          |            |
|  | To report the benefits delivered by the Procurement function in support of College objectives   | <ul style="list-style-type: none"> <li>• Preparation of periodic reports that address the aims and objectives of the College, and the requirements of Procurement Reform (Scotland) Act 2014</li> <li>• Prepare Annual Report on performance against Procurement Strategy</li> </ul>  | <ul style="list-style-type: none"> <li>• FVC procurement savings report/Hunter database</li> <li>• FVC Contracts Register</li> <li>• Stakeholder Focus Groups/Surveys</li> <li>• PCIP report</li> <li>• Forward Contracting Plan</li> </ul> | Annual Report showing the achievement of strategic objectives in line with the requirements of the Procurement Reform (Scotland) Act   | November 2022 then annually thereafter | Assessment Q1.2<br>Assessment Q2.4                    |            |
|  | To seek to continually improve supplier performance through the management of performance on contracts  | <ul style="list-style-type: none"> <li>• Seek feedback from College staff/departments on key suppliers/contracts</li> <li>• Hold periodic supplier reviews with key suppliers and discuss feedback and/or provide feedback to relevant CoE's for Framework Agreements</li> <li>• Seek supplier feedback on performance and opportunities to deliver further improvements</li> </ul> | <ul style="list-style-type: none"> <li>• Stakeholder Focus Groups/Surveys</li> <li>• Contract KPI's/SLA's</li> <li>• Supplier feedback/performance improvement reports</li> </ul>   | Maintain level of staff satisfaction/positive feedback on supplier performance from Focus Groups and Surveys   | July 2022 then annually thereafter     | Assessment Q3.1<br>Assessment Q3.2<br>Assessment Q3.3 |            |

|  |  |   |   |   |                                    |  |            |
|--|--|---|---|---|------------------------------------|--|------------|
| <b>SFC Priority Outcome</b>  | <ul style="list-style-type: none"> <li>• <b>Efficient and Sustainable</b></li> </ul>   |   |   |   |                                    |  |            |
| <b>FVC Strategic Plan Value Statement</b>  | <ul style="list-style-type: none"> <li>• <b>Leading as a business that is champion for governance, financial control and balanced risk taking</b></li> </ul>   |   |   |   |                                    |  |            |
| <b>Scottish Model of Procurement Objective</b>   | <ul style="list-style-type: none"> <li>• <b>Delivering Savings and Benefits</b></li> <li>• <b>Maximising efficiency and collaboration</b></li> <li>• <b>Embedding Sustainability in all we do</b></li> </ul> |   |   |   |                                    |  |            |
| <b>Procurement Objective 4</b>   | <b>Target/Outcome</b>  | <b>Main Actions</b>   | <b>Benchmark Data/Sources</b>   | <b>KPI/Measure</b>  | <b>Target Date for Review</b>      | <b>PCIP Ref</b>  | <b>RAG</b> |
| <b>To embed relevant and appropriate procurement strategies to manage or reduce risk to the College.</b> | To understand risks relating to key suppliers/contracts and implement relevant management approach   | <ul style="list-style-type: none"> <li>• Embed risk as a key consideration when developing contract/commodity strategy</li> <li>• Through detailed spend analysis, identify supplier/contract risk levels and determine appropriate tactical and strategic approaches to supply markets and contract management</li> <li>• Review the procurement risk register regularly to collate and manage all identified procurement risks</li> <li>• Communicate appropriate risks to Senior Management Team for inclusion in College Risk Register</li> </ul> | <ul style="list-style-type: none"> <li>• FVC Commodity Procurement Strategy in conjunction with relevant FVC staff</li> <li>• FVC Expenditure Analysis</li> </ul>   | Review procurement risk register regularly  | Quarterly                          | Dashboard<br>Assessment Q1.5<br>Assessment Q1.6<br>Assessment Q3.1 |            |
|  | To reduce the College's exposure to any forms of risk relating to procurement activity   | <ul style="list-style-type: none"> <li>• Embed risk management processes into Policy and Procedures, including:               <ul style="list-style-type: none"> <li>- Schemes of Delegation</li> <li>- Conflict of Interest</li> <li>- Gifts and Hospitality</li> <li>- Counter Fraud</li> </ul> </li> <li>• Continue to communicate Policy and Procedures to all FVC staff involved in procurement activity</li> </ul>  | <ul style="list-style-type: none"> <li>• FVC procurement policy and procedures</li> <li>• Procurement SharePoint page (intranet)</li> <li>• Periodical departmental meetings</li> <li>• Moodle induction</li> </ul> | Maintain total number of FVC staff that have completed the Induction course       | July 2022 then annually thereafter |  |            |
|  |  |   |   | Maintain number of training sessions delivered to FVC staff on Procurement topics | July 2022 then annually thereafter |  |            |

|   |  |   |  |  |  |   |            |
|---|--|---|--|--|--|---|------------|
| <b>SFC Priority Outcome</b>   | <ul style="list-style-type: none"> <li>• <b>Efficient and Sustainable</b></li> <li>• <b>High Quality Learning</b></li> <li>• <b>A developed workforce</b></li> <li>• <b>Equalities</b></li> </ul>  |   |  |  |  |   |            |
| <b>FVC Strategic Plan Value Statement</b>   | <ul style="list-style-type: none"> <li>• <b>Cultivating a vibrant learning organisation where learners develop skills, achieve qualifications valued by industry and progress seamlessly</b></li> <li>• <b>Instilling an energy and passion for our people, celebrating success and innovation</b></li> <li>• <b>Enhancing our position as the business and community partner of choice</b></li> </ul> |   |  |  |  |   |            |
| <b>Scottish Model of Procurement Objective</b>  | <ul style="list-style-type: none"> <li>• <b>Embedding Sustainability in all we do</b></li> <li>• <b>Improving supplier access to public contracts</b></li> </ul>   |   |  |  |  |   |            |
| <b>Procurement Objective 5</b>  | <b>Target/Outcome</b>  | <b>Main Actions</b>   | <b>Benchmark Data/ Sources</b>   | <b>KPI/Measure</b>   | <b>Target Date for Review</b>          | <b>PCIP Ref</b>   | <b>RAG</b> |
| <b>To embed sound economic, social and environmental procurement policies and to comply with relevant Scottish and UK legislation in performance of the Sustainable Procurement Duty.</b> | To maximise the economic, social and environmental outcomes from our procurement activity  | <ul style="list-style-type: none"> <li>• Embed sustainability considerations into relevant commodity procurement strategies through the use of the Sustainability Test (including Sustainable Procurement Duty considerations)</li> <li>• Identify and maximise Community Benefit opportunities from contracts where appropriate</li> </ul> | <ul style="list-style-type: none"> <li>• Scottish Government Public Procurement Prioritisation Tool</li> <li>• FVC Commodity Procurement Strategy in conjunction with relevant FVC staff</li> <li>• FVC Contracts Register (website)</li> <li>• FVC procurement policy and procedures</li> </ul> | Measure of sustainability benefits secured in contracts awarded, including Sustainable Procurement Duty considerations               | November 2022 then annually thereafter | Dashboard Assessment Q1.2<br>Assessment Q2.2<br>Assessment Q2.4 | Green      |
|   |  | <ul style="list-style-type: none"> <li>• Award a contract to at least one Supported Business</li> <li>• Seek to maximise opportunities for SMEs and local businesses, particularly for below regulated procurement opportunities</li> </ul>   | <ul style="list-style-type: none"> <li>• PCS/PCS-T</li> </ul>  | Award a contract to a Supported Business   | November 2022 then annually thereafter | Dashboard Assessment Q2.4                                       | Yellow     |
|   | To support the achievement of the College's overall Sustainability targets and objectives  | <ul style="list-style-type: none"> <li>• Actively participate in the College Sustainability Committee</li> <li>• Report on economic, social and environmental</li> </ul>  | <ul style="list-style-type: none"> <li>• Sustainability Committee actions/Sustainable Procurement KPI's</li> <li>• Summary of outcomes contained in Award Recommendation Report</li> </ul>   | Annual Report showing the achievement of strategic objectives in line with the requirements of the Procurement Reform (Scotland) Act | November 2022 then annually thereafter | Assessment Q1.2   | Green      |

|  |  |  |   |   |  |                 |  |
|--|--|--|---|---|--|-----------------|--|
|  |  | <p>outcomes from our procurement activity</p> <ul style="list-style-type: none"> <li>Maintain Level 2 of Flexible Framework as a minimum</li> <li>Communicate Sustainable Procurement objectives to College stakeholders</li> </ul>                            | <ul style="list-style-type: none"> <li>Annual Report</li> <li>Flexible Framework Assessment/Action Plan</li> <li>Procurement SharePoint page</li> </ul> | Maintain Level 2 of Flexible Framework                                      | July 2022 then annually thereafter     |                 |  |
|  | Increase supplier engagement in relation to FVC's sustainable procurement objectives | <ul style="list-style-type: none"> <li>Improve information available to suppliers on how to do business with the College, and sustainability objectives</li> <li>Attend supplier engagement events in the Forth Valley area, such as Meet the Buyer</li> </ul> | <ul style="list-style-type: none"> <li>FVC website</li> <li>Supplier survey/feedback as appropriate</li> <li>Supplier engagement events</li> </ul>      | Maintain the satisfaction percentage in the Procurement Satisfaction Survey | November 2022 then annually thereafter | Assessment Q2.4 |  |

**RAG Key:**

|                            |
|----------------------------|
| KPI/Measure target met     |
| KPI/Measure target not met |

## Appendix G: Procurement Action Plan – KPI Figures and Targets

| Procurement Objective | KPI   | Target 2019/2020                                | Actual 2019/2020                     | Target 2020/2021                                | Actual 2020/2021                                 | Target 2021/2022  | Actual 2021/2022  |
|-----------------------|---|---|--------------------------------------|---|--|---|---|
| 1                     | Increase uptake of available collaborative FW Agreements (% of collaborative frameworks used) | 63%   | 52%                                  | 65%   | 33%  | 65% <sup>24</sup>   | 35% (pending of APUC verification) <sup>25</sup>              |
| 2                     | Increase the proportion of annual non-pay expenditure covered by a regulated contract         | 77%   | 75%                                  | 78%   | 66%  | 78% <sup>26</sup>   | 72%   |
|                       | Increase the number of regulated contracts in FVC Contracts Register                          | 50  | 56                                   | 33  | 48   | 33 <sup>27</sup>  | 46  |
|                       | Reduce total number of PO's and Invoices processed per annum                                  | Invoices - reduce by 100<br>POs - reduce by 100 | Invoices: 6393<br>POs: 1803          | Invoices - reduce by 100<br>POs - reduce by 100 | Invoices: 4406<br>POs: 1902                      | Invoices - reduce by 100<br>POs - reduce by 100 <sup>28</sup> | Invoices: 7903<br>POs: 2006                                   |
|                       | Total number of FVC staff completed induction course  | 4   | 6                                    | 6   | 3  | 6   | 11  |
|                       | Outputs of Staff and supplier surveys/feedback (staff)  | 95%   | 5 staff responses - 80% satisfied    | 97%   | 15 staff responses - 67% satisfied <sup>29</sup> | 97%   | 29 staff responses – 69% staff satisfied <sup>30</sup>        |
|                       | Number of Training sessions delivered to FVC Staff on Procurement Topics                      | Increase by 50% (including refresher courses)   | 18                                   | 16 staff  | 54 staff (15 sessions)                           | 16 staff  | 36 staff (11 sessions) <sup>31</sup>                          |
|                       | <b>Internal staff</b> - increase the satisfaction percentage in the Procurement Survey        | 95%   | 5 staff - 80% satisfied              | 97%   | 15 staff responses - 67% satisfied               | 97%   | 29 staff responses – 69% staff satisfied <sup>30</sup>        |
|                       | <b>Supplier</b> - Increase the satisfaction percentage in the procurement Satisfaction Survey | 100% satisfied                                  | 2 suppliers responses 100% satisfied | 100% satisfied                                  | 17 supplier responses - 88% suppliers satisfied  | 100% satisfied  | 31 supplier responses – 87% suppliers satisfied <sup>32</sup> |
|                       | Outputs of staff and supplier surveys/feedback (suppliers)                                    | 100% satisfied                                  | 2 suppliers responses 100% satisfied | 100% satisfied                                  | 17 supplier responses - 88% suppliers satisfied  | 100% satisfied  | 31 supplier responses – 87% suppliers satisfied <sup>32</sup> |

<sup>24</sup> The collaborative framework target was reviewed in the Procurement Strategy 2022/2025 in June 2022 and the 2022/2023 target is 36%.

<sup>25</sup> APUC verified figure will be available around January 2023.

<sup>26</sup> The maximum percentage achievable in 2021/2022 was 75% as 25% of our spend was non-regulated. The way we calculate compliant non-pay expenditure was reviewed in June 2022 in the in the Procurement Strategy 2022.

<sup>27</sup> The number target of regulated contracts in contracts register was removed in June 2022 in the Procurement Strategy 2022-2025. The number of contracts varies throughout the year, depends on the College needs at the time and contract expiry dates. The 2022/2023 target is to have all regulated contracts in our public contracts register as required by regulations. We had 77 regulated and non-regulated contracts in our contracts register in May 2022 and 46 regulated contracts in July 2022.

<sup>28</sup> The target to reduce the number of purchase orders (POs) and invoices was removed in June 2022 in the Procurement Strategy 2022/2025 to increasing the percentage of invoices with associated POs.

<sup>29</sup> This has been revised from Annual Procurement Report 2020/2021 from 62% to 67% to capture 2 additional staff survey responses.

<sup>30</sup> Based on staff survey question "How satisfied are you with the procurement service?" 10 staff gave 5 stars, 10 staff gave 4 stars, 3 staff gave 3 stars, 4 staff gave 2 stars and 2 staff gave 1 star (out of 5). 5 and 4 stars have been counted as satisfied.

<sup>31</sup> Induction, refresher and evaluation training sessions.

<sup>32</sup> Based on survey question "Overall, I am satisfied with the way FVC engaged with my business" 14 suppliers strongly agree, 13 suppliers agree and 4 supplier neither agree or disagree. Strongly agree and agree responses have been counted as satisfied.

| Procurement Objective | KPI  | Target 2019/2020               | Actual 2019/2020                            | Target 2020/2021                           | Actual 2020/2021  | Target 2021/2022   | Actual 2021/2022   |
|-----------------------|--|--------------------------------|---|--|---|--|--|
| 3                     | Annual report to SMT – showing<br>Cash savings<br>Non cash savings<br>Added value  | November 2020                  | Report presented to LMT on 16 November 2020 | November 2021                              | Report presented to LMT on 16 November 2021                       | By end of December 2022                                  | Report presented to LMT on 8 November 2022                     |
|                       | Annual report showing achievement of strategic objectives in line with requirements of Procurement Reform (Scotland) Act             | November 2020                  | Report presented to LMT in November 2020    | November 2021                              | Report presented to Finance Committee on 16 November 2021         | By end of December 2022                                  | Report presented to Finance Committee on 15 November 2022      |
|                       | Level of staff satisfaction/positive feedback on supplier performance from Focus Groups and Surveys                                  | Aim for 100% positive feedback | 5 staff responses – 60% positive feedback   | Maintain Level of Positive Feedback – 100% | 15 staff responses – 40% positive feedback <sup>33</sup>          | Maintain Level of Positive Feedback – 100% <sup>34</sup> | 29 staff responses – 34% positive feedback <sup>35</sup>       |
| 4                     | Review Procurement Risk Register regularly (update to show Bi-annually)  | Review March 2020              | Reviewed March 2020                         | Review March 2021                          | Reviewed in September 2020 and April 2021                         | Review March 2022  | Reviewed in Sept 2021 and Feb 2022                             |
|                       | Total no. of FVC staff that have completed induction course  | Increase by 50%                | 6 completed                                 | Maintain level - 6                         | 3 completed   | 6  | 11 completed   |
|                       | No. of training sessions delivered to FVC staff on different Procurement topics  | Increase by 50%                | 18 sessions completed                       | Maintain level - 16                        | 54 staff (15 sessions)  | 16 staff   | 36 staff (11 sessions)   |
| 5                     | Measure of sustainability benefits secured in contracts awarded, including Sustainable Procurement Duty considerations               | 3                              | 4   | 3  | 7   | 3  | 8  |
|                       | Award a contract to a Supported Business   | 1                              | 1 (below regulated threshold)               | 1  | 0   | 1  | 0 <sup>36</sup>  |
|                       | Annual Report showing the achievement of strategic objectives in line with the requirements of the Procurement Reform (Scotland) Act | November 2020                  | November 2020                               | November 2021                              | Report presented to Finance Committee on 16 November 2021         | By end of December 2022                                  | Report presented to Finance Committee on 15 November 2022      |
|                       | Maintain Level 2 of Flexible Framework   | July 2020                      | Level 2 maintained – July 2020              | July 2021                                  | Level 2 maintained – completed in October 2021 covering 2020/2021 | July 2022  | Level 2 maintained – review in October 2022 covering 2021/2022 |
|                       | Maintain the satisfaction percentage in the Procurement Supplier Satisfaction Survey   | 100% satisfied                 | 2 suppliers responses<br>100% satisfied     | 100% satisfied                             | 17 supplier responses - 88% suppliers satisfied                   | Maintain Level of Positive Feedback – 100%               | 31 supplier responses – 87% suppliers satisfied <sup>32</sup>  |

<sup>33</sup> This has been revised from Annual Procurement Report 2020/2021 from 38% to 40% to capture 2 additional staff survey responses.

<sup>34</sup> The 2022/2023 target on staff feedback about contracts delivering good value is 60%.

<sup>35</sup> Based on staff survey question on contracts: “Contracts negotiated by the procurement service deliver quality and value for money”. 1 staff strongly agree, 9 agree, 15 neither agree nor disagree, 2 disagree and 2 strongly disagree. Strongly agree and agree responses have been counted as positive. Some staff comments: “more opportunities for local suppliers”; “understand the need of the service and engage with more companies”; “procurement training should be mandatory for those who deal with finance aspect in their job”; “refresh training for all”; “excellent service”; “always willing to contact suppliers on our behalf to fix issues”; “approachable and always happy to provide advice and guidance”; “love the new catalogue option”; “we have excellent communication with supply/chain procurement”; “some information about procurement could be given to staff when they first start working at the college”; “I’d quite like an overview of suppliers...and where we should to order”; “provide information about your team and what you do”; “let the staff know more about who you are, what you do and how it works”;

<sup>36</sup> Please see [Section 4: Supported Business Summary](#) for details of contracts with supported businesses.