

Meeting of the Business, Resources and Infrastructure Committee
To be held on Tuesday 3 December 2024 at 4.00pm
Hybrid: Boardroom Kilmarnock Campus or Remotely via Microsoft Teams

AGENDA

- 1 Welcome and Declarations of Interest
 - 2 Apologies
 - 3 Minutes of the meeting held 17 September 2024
 - BRIC Action & Decision Tracker
 - 4 Matters Arising
- Part A - For Discussion, Decision and Approval**
- 5 People Strategy (2/6/9)
 - 6 Infrastructure Strategy (2/14)
 - 7 Employer Engagement Strategy (2 /14)
 - 8 Procurement Annual Report (3)
 - 9 Health, Safety and Wellbeing Annual Report (4/5/7/8/10)
 - 10 Health, Safety and Wellbeing Policy (4/5/7/8/10)
- Part B - Regular Reporting/Monitoring**
- 11 HR & HSW Update Report (August to October 2024) (4/5/7/8/10)
 - 12 Property Update Report (11/12/14)
 - 13 IT Update Report (3)
 - 14 Transformational Projects Update (12/13)
 - 15 Management Accounts as at 31 October 2024 (18/20)
 - 16 Financial Matters Update Report (21)
 - 17 2023-24 BOM Report & Financial Statements (24)
- Part C- Risk Management**
- 18 Strategic Risk Register (25)
- Part D - For Information/AOB**
- 19 AOB
 - 20 **Date of Next Meeting** – Tuesday 11 March 2025 at 4.00pm **1st Floor Boardroom, Kilmarnock**

(C/P) Confirmed minutes will be published; (P) Papers will be published on the College website; (R) Papers will not be published for reasons of commercial sensitivity or for reasons of personal data confidentiality

**Minute of the Business, Resources and Infrastructure Committee
Held via Microsoft Teams on Tuesday 17 September 2024**

Present:

Mathew Wilson	Chair
Tracey Dalling	Non-Executive Board Member
Michael Ross	Non-Executive Board Member
Lisa Keggans	Elected Member, Service/Support Staff
Darcie Hamilton	Elected Student President
Angela Cox	Principal, Ex-Officio
Janette Steel	Elected Member, Curriculum

In attendance:

David Davidson	Vice Principal – People, Performance and Transformation
Alan Ritchie	Vice Principal – Finance and Infrastructure
Gillian Brown	Strategic People Partner
Martin Hammond	Head of Health, Safety and Wellbeing (up to item13)
Brad Johnstone	Director of Digital Infrastructure
Alistair Rodgers	Director of Enterprise Development
Liz Walker	Chief Financial Controller
Hilary Denholm	Board Governance Advisor
June Northcote	Executive Assistant (Minutes)

1. Welcome and Declarations of Interest

The Chair welcomed everyone to the meeting, particularly new Non-Executive Board Member Tracey Dalling and the newly elected Student President Darcie Hamiton.

The Chair congratulated new and associate members of SLT who recently achieve promoted posts.

The meeting was confirmed as quorate.

The Chair, Matthew Wilson, made a declaration of interest regarding item 11.

2. Apologies

Apologies were noted from Vice Chair of BRIC, Norman Bone, Non-Executive Board members Faroque Hussain and Gordon Neil, and Anne Campbell, Vice Principal, Skills & Enterprise.

3. Minutes of the Previous Meeting held on 28 May 2024 (Paper 1) (C/P)

The minute was approved as an accurate account.

Proposed: Angela Cox

Seconded: Lisa Keggans

Action & Decision Log (Paper 1a) (P)

The Committee noted all previous decisions and one outstanding action (BRIC27: A01) scheduled for completion during the academic year, with the status to be reviewed at the next meeting.

Business, Resources & Infrastructure Committee - Action and Decision Log
Meeting No 30 – 03 December 2024

(Paper 01(a))

Meeting Date	Agenda Item	Reference	Details	Action Owner	Due Date	Action Decision	Open Complete Approved Declined
12.03.24	Business Growth 6-month report	BRIC27: A01	A Stakeholder Engagement Strategy is to be introduced by the next cycle of Board meetings.	A Rodgers	28.05.24 03.10.24	Action	Complete
17.09.24	2024-25 BRIC Committee Terms of Reference and Workplan	BRIC29: D01	The Committee recommended the BRIC 2024-25 Committee Terms of Reference and Workplan to the Board for approval.	N/A	03.10.24	Decision	Approved
17.09.24	SFC Financial Forecast return (FFR)	BRIC29: D02	The Committee recommended the SFC Financial Forecast Return to the Board for approval.	N/A	03.10.24	Decision	Approved
17.09.24	Management Accounts as at 31 July 2024	BRIC29: D03	The Committee recommended the Management Accounts as of 31 July 2024 to the Board of Management for approval.	N/A	03.10.24	Decision	Approved
17.09.24	2024-25 Strategic Risk Register	BRIC29: D04	The Committee reviewed and approved the Strategic Risk Register for consideration and approval to the Board of Management.	N/A	03.10.24	Decision	Approved

Title of Meeting:	Business, Resources and Infrastructure Committee
Date:	3 December 2024
Title:	2023-24 Procurement Annual Report
Purpose:	To summarise the Colleges performance, in relation to procurement for the period 1 August 2023 to 31 July 2024.
Recommendation:	Members are asked to approve the report.

1. Executive Summary

The Procurement Reform (Scotland) Act 2014 (PRA) requires public organisations, that have an estimated annual regulated spend of greater than £5m to develop and implement a Procurement Strategy, which is reviewed annually. Organisations must also publish an Annual Procurement Report describing procurement activities conducted during the same period as the Procurement Strategy update.

The attached Annual Procurement Report (Appendix 1) summarises how the College has performed in its procurement activities and on delivery of its Procurement Strategy during the period 1 August 2023 to 31 July 2024.

The table on page 3 of the report shows the continuing progress of the College in relation to the level of collaborative contract spend. The College now spends 59% of its costs through framework and other contracted methods compared to 45% the previous year. The College continues to review the number of suppliers it interacts with and has seen a 17% reduction as it attempts to consolidate its expenditure. The College continues to pay the majority of suppliers within the agreed 30-day period, with only a minor number of suppliers being paid out with their agreed terms. Where possible the College will engage with local small and medium suppliers.

2. Associated Risks

The report advises of adjustments to the Procurement Strategy, which are necessary to secure future performance improvements and to enable the College to respond to local, national and global economic, political, social, and financial risks.

3. Equality and Diversity Impact Assessment

An EqIA is not required.

4. Publication

This paper will be published on the College website.

Liz Walker
Chief Financial Controller
13 November 2024

Annual Procurement Report (2023-24)

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Executive Summary

This Annual Procurement Report (APR) summaries how the College has performed in its procurement activities and in the delivery of the strategic objectives set out in its [Procurement Strategy](#) . It covers the period of 1 August 2023 to 31 July 2024 and is the seventh report published by the College.

The College's Procurement Strategy is the outcome of consultation and discussion with internal and external stakeholders who have an interest in the College's approach to procurement and its impact. Stakeholders take part in the annual review of the College's regulatory compliance, obtaining value for money, as defined as the best balance of cost, quality and sustainability] and delivery of the College's strategic aims and objectives, in line with [Scotland's National Outcomes](#). This annual report tracks the progress in line with these objectives.

The Procurement Strategy objectives align with the 2023-24 College strategic objectives and Section 2 reports on the delivery of these during the reporting period.

Moving forward, the College has reviewed its strategic ambitions and the revised Procurement Strategy will align with these and the [Public Procurement Strategy for Scotland](#) which supports the 4 overarching objectives of public procurement of being Good for Businesses and their Employees; Good for Places and Communities; Good for Society and Open and Connected.

As part of meeting the Sustainable Procurement Duty this APR will summarise efforts made to improve the economic, social and environmental wellbeing of their area and how procurement has contributed to the response to the global climate emergency.

Regulated Procurements and Spend Analysis¹

The College has analysed its non-pay expenditure and has identified that over the period of this report the following expenditure has occurred:

- Regulated procurements above the Public Contracts (Scotland) Regulations 2015 threshold amounted to **£1,916,650**. There were **8** such procurements completed (see Appendix 1)².
- **3** had a contract value over the Government Procurement Agreement (GPA) threshold of £213,477 (incl. VAT) for goods and services.
- No works contracts over £5,336,937 (inc VAT) were awarded during the reporting period.

More information on the regulated procurements during the reporting period, sorted into procurement categories, is provided in sections 1 and 2 and additional detailed information is also reported in Annex 1 of this report and the headline figures are entered in the table below with a year-on-year comparison.

¹ The Scottish Government define a regulated contract as 'Public contract (other than a public works contract) threshold of £50,000 and Public works contract threshold £2,000,000', This is lower than the GPA (previously EU) thresholds which covers all of UK.

² The source of this data is the institution dashboard contained within the APUC Buyer's Guide Portal (APUC Collaboration Site).

Year 2023-24 Spend Summary

The College's total non-salary expenditure was **£12,828,269** (excluding VAT). This is down **7%** on 2022-23 with the construction and fitting out of the Kilwinning campus skills hub completed in the first quarter of the reporting year.

The core procurement influenceable expenditure, excluding NPD/PFI repayments, was **£5,259,577** with **£4,891,407 (93%)** of procurement expenditure under contract.

Collaboratively, **£3,113,494 (59%)** of procurement spend, excluding works, were sourced through Category A, B and C1 contracts and agreements. This has increased from 45% in previous years³.

	2021-22	2022-23	2023-24
Total Spend	£13,202,577	£13,780,040	£12,828,269
Procurement Spend⁴	£5,978,957	£5,635,425	£5,259,577
Collaborative Contract Spend	£2,134,149 (43%)	£2,563,547 (45%)	£3,113,494 (59%)
Savings (% of Collaborative Spend)	£111,294 (5%)	£158,002 (6%)	£127,737 (4%)

- The College has **1,070** active suppliers (2022-23: **1,284**) on its purchase ledger and did business with **604** companies in the reporting period.
- **9,107** invoices were processed during the year, comparable to 2022-23
- An average of 26 days from invoice receipt to suppliers being paid, with **99%** of all invoices paid within the 30 day payment period, which is similar to the previous year. Those paid out with the terms was because of queries over price and or delivery details and did not result in any late payment notices.

The College is committed to supporting local businesses in Ayrshire and the rest of Scotland and recognises that this is *'good for businesses'* and *'good for places and communities'*. For this reason, engaging with and supporting local suppliers, wherever possible, remains a key element of our Procurement Strategy. During 2023-24, **149** of the College's suppliers (**22%**) were based in Ayrshire, with **50%** of all suppliers based in Scotland (**52%** in 2022-23). The College did business with **506** SMEs and **64%** of the total spend. This is consistent with spend in previous years.

³ APUC are still collecting framework spend and savings figures still need checked

⁴ Influencable non-pay spend after rent, rates, subscriptions etc have been removed

This report comprises 5 sections which address mandatory reporting requirements:

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

This report has been produced by the Head of Procurement and approved by Ayrshire College's Board of Management on 19 December 2024

Signed:

Angela Cox, Principal and Chief Executive

Section 1: Summary of Regulated Procurements Completed

The College works to ensure that all its procurements are carried out in an open and inclusive manner.

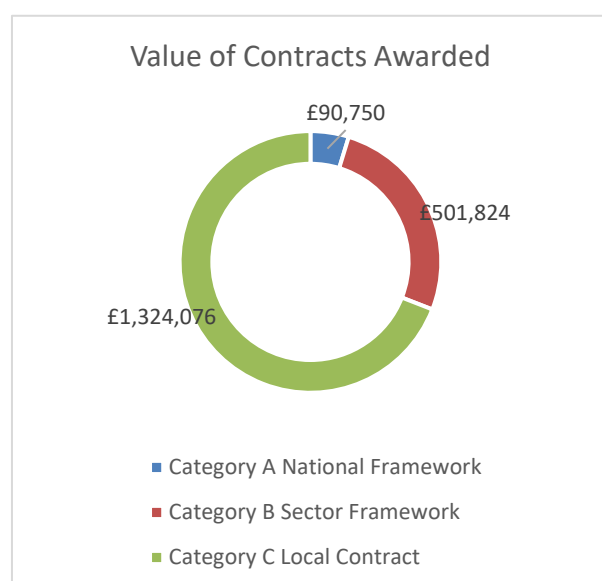
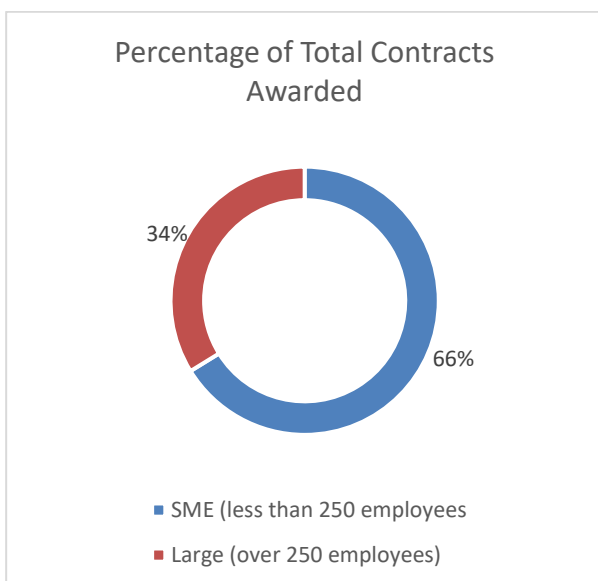
Full details of regulated procurements completed during the reporting period are set out in **Appendix 1**. That information, combined with the publication of [Ayrshire College Contracts Register](#) and the systematic use of Public Contracts Scotland and Quick Quotes, assists in providing visibility of the College's procurement activity.

In **Appendix 1**, information is set out to show lower value regulated procurements completed and Public Contracts (Scotland) 2015 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:

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

In summary, there were **8** contracts with estimated values over the £50,000 regulated procurement threshold during 2023-24 with a total contract value of **£1,916,650**. **4** were awarded to SMEs with an estimated total contract value of **£1,269,076**, i.e. **66%** or total contract value awarded during the reporting period.

Collaboratively, the College awarded **3** regulated contracts under national and sector frameworks with a total value of **£592,574**



Section 2: Review of Regulated Procurement Compliance

Successful delivery against the procurement strategy objectives is part of a customer valued, continual improvement process that seeks incremental improvements to process and outcomes over time. Procurement activities at the College are subject to regular, independent review. In June 2024 the College underwent the new Procurement & Commercial Improvement Plan (PCIP) Pulse Check Lite review which confirmed progress in all areas moving the College into the silver banding. The table below provides an update of the actions and progress against the objectives that appear in the Procurement Strategy action plan.

Procurement Strategic Objective	Delivery and compliance in 2023-24
To sustain and further develop partnerships within the sector, with other publicly funded bodies, with professional bodies and appropriately with supply markets that will yield intelligence, innovation and deliver value to users of procurement service	Procurement continues to participate in national and sector workstreams as well as the local Ayrshire growth deal procurement. The Procurement Manager (PM) is participating in the Scottish Government procurement enhancement consultation group feeding into what and how national contracts are developed.
To work with internal academic budget holders, professional support service colleagues and suppliers to deliver innovation and best value to the teaching and learning, and service support communities, through the development of an effective and coordinated purchasing effort within the College	Regular meetings with the main category leads such as Estates and ICT ensures early engagement in new procurements as well as recurring contracts. In 2023/24 an online procurement awareness module has been developed and when complete will be rolled out to all staff with purchasing responsibility.
To promote the delivery of value for money through good procurement practice and optimal use of procurement collaboration opportunities	The PM is part of the College's digital transformation project which commenced in 2023/24 and has ensured consultation about the best routes for ICT cloud hosting and equipment procurement and engagement with the supply chain to help advise the College on its specification. This, together with monthly review of contracts due for review and analysing spend against contract has resulted in 93% of spend being under contract with plans in place to address the non-compliant spend in 2024/25
To seek out professional development opportunities to enrich and enhance experience and capability of procurement practitioners and to work with the supply chains to ensure continued value, managed performance and minimal risk throughout the life of contracts for the benefit of College staff and students.	The contract risk register is updated quarterly, and forms part of monthly contract register review report and APUC supply chain status reports are circulated to senior management. PM participates in relevant training identified in annual development review.
To develop sound and useful procurement management information in order to measure and improve procurement and supplier performance in support of corporate planning conducted through a fair and transparent process	Spend data and contract compliance along with procurement performance is reported to the College senior leadership team on a quarterly basis and the top 10 key suppliers are managed to monitor their performance under frameworks.

Procurement Strategic Objective	Delivery and compliance in 2023-24
To embed sound ethical, social and environmental policies within the College's procurement function and to comply with relevant Scottish, UK and where still relevant, EU legislation in performance of the sustainable procurement duty	50% i.e. 4 of the 8 regulated contracts let in 2023/23 had sustainability objectives and criteria embedded in them and all College contracts have Fair Work First considerations embedded in the terms and conditions.

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. The College has conducted all its regulated procurements in compliance with Public Contracts (Scotland) 2015 principles of equal treatment, non-discrimination, transparency, proportionality and mutual recognition.

The following part details the College compliance and performance during 2023-24 against the general duties and specific measures of the Procurement Reform (Scotland) Act 2014 that institutions are required to report on:

Procurement Reform (Scotland) Act 2014 duties and measures	Compliance and Performance
Contribution of Procurement to the Carrying Out of its Functions and Achievements of its Purpose	<p>Procurement is proactive in supporting the College aim to achieve its objective⁵ <i>'of being a place where businesses and communities can access skills, expertise and innovation that supports local and national economic development and inclusive growth... through strong collaboration and partnership working'</i></p> <p>This is achieved internally by engaging with contract leads/budget holders to understand the curriculum and support services procurement requirements for the coming period, identifying opportunities to collaborate with others and by reviewing non-pay expenditure on a quarterly basis to identify tender and efficiency opportunities and plan procurement activity. Tender strategies have considered the impact, risk, value and strategic importance of the procurement and how that aligns with the College's strategic aims and objectives.</p>
Delivering Value for Money	<p>Procurement discusses the forthcoming goods and service requirements of the curriculum and support sectors of the College as well as understanding the budget allocations and constraints. By working with users, budget holders and other stakeholders at the start of the procurement process, procurement ensures consideration is given to the balance of quality, whole life costs and sustainability.</p> <p>Strategic contracts are then managed with the contract leads and supplier performance assessments carried out to ensure that the contract delivers the College requirements and value. A review of the continued need for the contract and the performance of the contractor is carried out before any contract is extended or re-tendered.</p>

⁵ [Ayrshire College's Statement of Ambition 2030](#)

Procurement Reform (Scotland) Act 2014 duties and measures	Compliance and Performance
	<p>Along with spend analysis at a College level, the APUC contract and supplier management tool, Hunter, has helped identify where aggregated purchasing and collaborative opportunities can be established and APUC's Contract Uptake tool aids the review of the College's spend through collaborative frameworks and contracts. In 2023-24 the College used collaborative contracts for £3,113,494 or 59% of its purchases which is similar on 2022-23. These sector and national frameworks have delivered £127,737 of savings Category A and B spend in 2023-24.</p>
Acting in a Transparent and Proportionate Manner	<p>The College makes sure that procurement documentation such as the invitation to tender documents are as simple as possible and follow a standard format. The full evaluation criteria and scoring methodology are clearly stated in our invitation to tender documents to reduce the resource impact on suppliers.</p> <p>Tender notices are all published via the Public Contracts Scotland (PCS) portal and we actively take steps to make procurement opportunities accessible to smaller and local businesses through the use of PCS Quick Quote, information about the College's procurement process on its Procurement webpage which also has a link to the Contracts Register</p> <p>During the reporting period, the College published 2 over threshold and 3 regulated tender notices for category C/C1 contracts (see Appendix 1). In addition to this, 14 quick quotes were issued – 3 of which were further competition invites for regulated value call off contract. The others were for under threshold purchases. A total of 87 suppliers were invited to quote.</p>
Treating Relevant Economic Operators Equally And Without Discrimination	<p>The College's procurement policy and procedures reflect the Procurement Journey and all regulated procurements are advertised on Public Contracts Scotland (PCS) and UK Find a Tender. For those procurements below the regulatory thresholds, where appropriate, the College uses PCS Quick Quotes. Where potential supplier make enquiries about supplying the College and are not registered on PCS, these suppliers are encouraged to do so with the benefits of being registered and guidance on how to register interest in relevant notices.</p> <p>Outcome specifications and clear evaluation criteria as well as lotting requirements where possible to make the procurement as accessible to as many suppliers as possible.</p> <p>The College continues to seek opportunities to encourage SMEs to participate in procurement activity. For example, during the reporting period of 4 of the 8 regulated contracts awarded were to SMEs (see Appendix 1) and 7 of the 14 quick quotes.</p>

Procurement Reform (Scotland) Act 2014 duties and measures	Compliance and Performance
Consulting and engaging with those affected by its procurements.	<p>For each procurement, the College considers the community affected by the resultant contract and ensures that any affected organisations/persons are consulted (e.g. impact on service for students, or a local contract that could be combined with other similar institutions' needs. Such consultation will always be on a scale and approach relevant to the procurement in question. The feedback informs the College of possible necessary adjustments and improvements to strategies, specification and the contract performance criteria.</p> <p>Suppliers who have participated in any procurement with the College are offered feedback. This is offered to both successful and unsuccessful suppliers to encourage ongoing improvement and to ensure an understanding of the evaluation process.</p>
Prompt Payment Performance	<p>The College's standard terms of payment are to pay 'within 30 days' of receipt of a valid invoice. The College paid 99% of its invoices within the period and those out with that timescales were delayed due to queries or disputes over evidence of delivery or price. On average, the College paid invoices within 26 days. Compared to the previous year's average of 27 days.</p> <p>In accordance with the government's policy to embed prompt payment policies throughout supply chains involved in public procurement, the prompt settlement clause is included in College's conditions of contract and require bidders to have systems in place so that their sub-contractors are paid within the same timeframe.</p>
Sustainable Procurement Duty	<p>The College's strategic objective of responding '<i>to the climate change emergency by being environmentally responsible, embedding sustainability in our learning and teaching and business operation</i>⁶' along with its sustainable procurement duties is a driver in ensuring that, in all its regulated procurement activities the environmental, social and economic issues and impacts are considered with the College utilising tools such as whole life cycle mapping, sustainability testing and prioritisation.</p> <p>In all procurements consideration is given to environmental, ethical, economic and social impacts during the tender strategy of each procurement and throughout the procurement journey. The next part of the table details the College's activities regarding its sustainable procurement duty:</p>
Community Benefits	<p>Although the College has not awarded a contract over £4m in the reporting period it does consider what Community Benefits can be included in regulated procurements and more detail of the community benefits realised in 2023-24 is given in Section 3 of this report.</p>

⁶ [Ayrshire College's Statement of Ambition 2030](#)

Procurement Reform (Scotland) Act 2014 duties and measures	Compliance and Performance
	<p>The College will always consider the Scottish Government supported business framework when sourcing relevant goods and third sector bodies and supported businesses are always considered for relevant procurement activities.</p>
Fair and Ethically Traded Goods and Services	<p>APUC's Sustain Supply Chain Code of Conduct is included in all regulated procurements with suppliers being required to confirm they and their supply chains, will adhere to the Code of Conduct.</p> <p>The College sources Fair Trade hot drinks ingredients and in 2023-24 the spend was £18,438</p> <p>The College has published its own Modern Slavery Act Statement and complies with its duties under the Modern Slavery Act by seeking to only to contract with suppliers that comply with all appropriate and relevant legislation and updated annually.</p> <p>The College has tagged those key suppliers that are participating in the Ecovadis sustainability assessment scheme where environmental, labour and human rights ethics and sustainable procurement is evaluated.</p>
The provision of food to improve the health, wellbeing and education of communities in the authority's area and promote the highest standards of animal welfare.	<p>The College continues to source the majority of its fresh food requirements from APUC and TUCO frameworks to ensure that the food is sourced from suppliers operating to the highest standards of animal welfare and it is using hot beverage ingredients sought from fair trade suppliers.</p> <p>The College is continuing its improving health and wellbeing initiatives of offering students a free breakfast of cereal or porridge and lunch of soup and roll following its success in previous years.</p>
Living Wage	<p>The College is a living wage accredited employer and as required in the PRA, where relevant and proportionate, the requirement for contractors to have Fair Work First practices in place is incorporated into evaluation criteria.</p>
Response to the Global Climate Emergency	<p>The College is committed to the Supply Chain Climate and Ecological Emergency Strategy that the University and College sectors in Scotland have published. In conjunction with APUC From Now to 2030 (FNT2030) action plans to reduce emissions in the 6 identified primary areas of Estate operations & development, catering, furniture, information technology & services, laboratories and travel & transport have been developed and are regularly reviewed in the progress made.</p> <p>In addition to this the College's Sustainability Strategy sets out the College's desire to be a sustainable organisation and a driver of sustainability for Ayrshire to be operationally net-zero by 2040 and has the key objective of</p>

Procurement Reform (Scotland) Act 2014 duties and measures	Compliance and Performance
	<p>‘The College’s procurement arrangements use sustainable and ethical supply chains and promote best practice to our suppliers.’</p> <p>The College acknowledges that behaviour changes are needed from staff and students to reduce College emissions and this forms part of the engagement of procurement with staff when looking at current and potential procurement activity. As part of its digital transformation strategy, the College is moving from classroom ICT devices which are under employed to a library of laptops which students can request when needed only.</p>
Health and Safety at Work Act 1974	<p>The College requires contractors and sub-contractors to comply with the Health and Safety at Work Act 1974 (c.37) and any provision made under that Act. All contractors conducting works within the College campuses must be Site Safety in Procurement (SSIP) scheme members and submit risk assessments and method statements prior to work commencing on site and must evidence that staff have the relevant training and certification.</p>
Alignment with the Procurement Strategy for Scotland	<p>The College has been working to ensure that in carrying out its procurement activity alignment with the objectives of the Scottish Government Public Procurement Strategy for Scotland 2024-2028</p> <ul style="list-style-type: none"> • Good for Businesses and their employees <p>The College is working to maximise the impact of procurement to boost a green, inclusive and wellbeing economy, and to promote innovation. There is much activity in this area as the College is a key partner in the Ayrshire Growth Deal aerospace project.</p> <ul style="list-style-type: none"> • Good for society <p>Through participation in the procurement workstream of the Ayrshire Community Wealth Building strong community engagement and aimed to deliver social and economic outcomes. The College is providing training for local company employees to encourage the expansion of these businesses.</p> <ul style="list-style-type: none"> • Good for places and communities <p>The College has sought continuous improvement to help achieve a fairer and more equal society.</p> <p>Where relevant and proportionate the Living Wage and fair work practices of suppliers are promoted in tender documentation.</p> <p>The College is an accredited Living Wage organisation</p> <ul style="list-style-type: none"> • Open and connected

Procurement Reform (Scotland) Act 2014 duties and measures	Compliance and Performance
	The College works to build communications both internally and externally with staff, stakeholders and suppliers, holding events on campus with its industry partners.

Section 3: Community Benefit Summary

In line with the Procurement Reform Act and sustainable procurement, the College's policy on identifying community benefit requirements is to consider on a case-by-case basis, the relevance and proportionality to the subject matter of the procurement. The requirement is then built into the procurement specification and into the eventual conditions of contract performance.

As part of the tendering process suppliers were invited to describe their approach to delivering community benefits or achieving social value through a contract, where relevant. Relevant community benefits included the following:

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

In 2023-24, although no contract over £4m was awarded, the following community benefits and sustainability benefits were fulfilled:

- toolbox talks and training in renewable heating systems was provided to students by James Frew Ltd
- sponsors of the graduation ceremony by Asleigh Scotland Ltd and Reids Foodservice Ltd
- in working to minimise its environmental impacts, the College's biomass contractor, Land Energy Girvan Ltd became 'Grown in Britain' certified with all its timber being grown in the UK only. This has reduced transport emissions.

Section 4: Supported Business Summary

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

In 2023-24 the College did not reserve any contracts with a supported business. It did spend **£1,446** with Hansel Alliance, a supported business in Ayrshire, for laundry services and **£2,809** with Hey Girls CIC on sanitary products.

Section 5: Future Regulated Procurements Summary

By giving notice to suppliers of tendering opportunities that are expected to commence over the next two financial years, the College aims to encourage competition by promoting optimal participation in its procurement process and achieve best value for money in its procurements. The list of projected individual regulated procurement exercises is outlined in **Appendix 2**.

Overall, there are **15** potential contracts required at a value of **£1,830,650** and it is expected that there will be circa **9** current contracts that will re-let or considered for extension, with an estimated contract value of **£899,150**.

From discussions with managers about future requirements and analysis of spend over last 4 years, there are areas where regulated contracts will be required such as minor works for repairs and maintenance in Estates. From this, **6** potential contracts have been identified with an approximate value of **£931,500**.

In preparing this forward projection of anticipated regulated procurements, it is difficult to be precise about the details of the actual College requirements. Over a forecast period of two years, it is very probable that circumstances and priorities will change so the list of projected individual regulated procurement exercises outlined in Appendix 2 should be viewed with this in mind.

The information provided in Appendix 2- List of Future Regulated Procurements covers:

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

Appendix 1: List of Regulated Procurements (Compliant and Non-Compliant) Completed in 2023-24

Compliant:

Category Subject	Supplier Name	Date of Award	Owner: Cat A/B/C or C1	Start Date	End Date	Value over contract Period ex VAT	SME status	Supported Business
Supply and Delivery of Catering and Hospitality Student Clothing, Footwear and Kits	Russums	17/06/2024	C	01/08/2024	31/07/2026	£576,000	Small (10-49 employees)	no
Ayrshire College Grounds Maintenance and Winter Gritting Service	Mitie Landscapes Ltd	26/04/2024	C	26/04/2024	25/04/2026	£55,000	Large (over 250 employees)	no
Ayrshire College ICT Infrastructure Support 2024	Specialist Computer Centres Ltd	30/04/2024	A	30/04/2024	29/04/2025	£90,750	Large (over 250 employees)	no
Supply of Biomass Fuel to Ayrshire College	LandEnergy Girvan Limited	25/04/2024	C	25/04/2024	24/04/2026	£497,280	Small (10-49 employees)	no
The Provision of Student Psychological Assessments	Upeel Ltd	09/11/2023	C	09/11/2023	08/11/2024	£82,800	Micro (1-9 employees)	no
Website Services for Ayrshire College	Bright Signals	20/10/2023	C	23/10/2023	22/10/2025	£112,996	Small (10-49 employees)	no
Citrix Licences for Ayrshire College 2023	Softcat PLC	09/10/2023	B	09/10/2023	08/10/2024	£62,000	Large (over 250 employees)	no
Microsoft Campus Agreement for Ayrshire College	Phoenix Software Ltd	04/08/2023	B	23/08/2023	22/08/2026	£439,824	Large (over 250 employees)	no
TOTAL						£1,916,650		

Non-Compliant:

None

Appendix 2: List of Regulated Procurements planned to commence in next two Financial Years, 2024/25 and 2025/26

Category Subject	Owner: Cat A/B/C or C1?	New, extended or re-let procurement	Expected contract notice publication date	Expected Date of Award	Expected Start Date	Expected End Date	Estimated Value over contract period
ICT VEEAM Renewal	B	re-let	30/09/2024	07/10/2024	07/10/2024	06/10/2027	£60,000
Vehicle Leasing	A	new	21/09/2024	14/10/2024	14/10/2024	13/10/2028	£350,000
Kitchen and Ventilation System Deep Cleaning Service	B	re-let	12/09/2024	14/10/2024	21/10/2024	30/10/2026	£60,000
Staff Compliance Course E-Learning Platform	C	re-let	28/08/2024	01/11/2024	01/12/2024	31/11/2026	£62,650
Catering Supplies- Confectionery and Soft Drinks	C1	new	07/10/2024	09/12/2024	06/01/2025	05/01/2027	£170,000
Gas Boiler Servicing and Maintenance	C	New	04/11/2024	02/12/2024	06/01/2025	05/01/2027	£52,000
Mobile Telephony Service	A	re-let	18/11/2024	10/01/2025	17/01/2025	16/01/2028	£50,000
Air Conditioning Maintenance and Repair	C	new	02/12/2024	20/01/2025	03/02/2025	02/02/2027	£60,000
Alarm and CCTV Systems Maintenance	C	new	20/01/2025	17/02/2025	24/02/2025	23/02/2027	£50,000
Estates Minor Works Framework	C	new	20/01/2025	03/03/2025	03/03/2025	02/03/2027	£100,000
Similarity Detection Service	B	re-let	09/06/2025	11/07/2025	11/08/2025	10/08/2027	£52,000
Waste Services	B	re-let	13/05/2026	04/07/2026	16/08/2026	15/08/2028	£80,000
Adobe Campus Licence	B	re-let	30/05/2026	30/06/2026	17/08/2026	16/08/2029	£50,500
Microsoft Agreement	B	re-let	30/06/2026	31/07/2026	23/08/2026	22/08/2029	£400,000
Student Psychological Assessments	C	re-let	01/08/2026	30/10/2026	09/11/2026	08/11/2028	£84,000
TOTAL							£1,830,650

Glossary of Terms

Contract Categories-A, B, C and C1 Contracts

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

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

[APUC's 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 APUC Sustain Supply Chain Code of Conduct with respect to their organisation and their supply chain.

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

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

Social, equality and / or environmental improvements

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

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

Community Benefits are requirements which deliver wider benefits in addition to the core purpose of a contract. These can relate to social- economic and or environmental. Benefits. Community Benefits clauses are requirements which deliver wider benefits in addition to the core purpose of a contract. These clauses can be used to build a range of economic, social or environmental conditions into the delivery of College contracts.

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

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

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

Government Procurement Agreement (GPA) Procurement Thresholds The Thresholds as set out by the World Trade Organisation. The present thresholds are inclusive of VAT:

Contract Type	1st January 2022 to 31st December 2023	1st January 2024 to 31st December 2025
Supply, Services and Design Works	£213,477 inc VAT (£177,897 ex VAT)	£214,904 inc VAT (£179,087 ex VAT)
	£5,336,937 inc VAT (£4,447,447 ex VAT)	£5,372,609 inc VAT (£4,477,174 ex VAT)

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

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

This information means that individual organisations and Centres of Expertise can identify where collaborative opportunities might exist and where transactional efficiencies could be made. For more information, visit the Scottish Government's [Hub](#) page.

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

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

Living Wage - this is the real Living Wage. It is a voluntary age 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

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

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

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

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

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.

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.

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

Small and Medium Sized Enterprises (SMEs) encompass –

Micro enterprises: enterprises which employ fewer than 10 persons and whose annual turnover and/or annual balance sheet total does not exceed £1.57 million.

Small enterprises: enterprises which employ fewer than 50 persons and whose annual turnover and/or annual balance sheet total does not exceed £7.86 million.

Medium enterprises: enterprises which are neither micro nor small, which employ fewer than 250 persons and which have an annual turnover not exceeding £39.28 million, and/or an annual balance sheet total not exceeding £33.78 million.

Social Enterprises are revenue-generating businesses with primarily social objectives whose surpluses are reinvested for that purpose in the business or in the community, rather than being driven by the need to deliver profit to shareholders and owners.

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

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

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

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

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

- Goods – tangible products such as stationery, which are often also known as supplies.
- Services – provision of an intangible product such as refuse collection, elderly home care, whether carried out internally or externally.
- Works – including construction works and utilities, i.e. energy costs.

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

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

<u>1. Organisation and report details</u>	
a) Contracting College Name	Ayrshire College
b) Period of the annual procurement report	01/08/23 to 31/07/24
c) Required by s18 Procurement Reform (Scotland) Act 2014 to prepare an annual procurement report? (Yes / No)	Yes
<u>2. Summary of Regulated Procurements Completed</u>	
a) Total number of regulated contracts awarded within the report period	8
b) Total value of regulated contracts awarded within the report period	£1,916,650
c) Total number of unique suppliers awarded a place on a regulated contract awarded during the period	8
i) how many of these unique suppliers are SMEs	4
ii) how many of these unique suppliers how many are Third sector bodies	0
<u>3. Review of Regulated Procurements Compliance</u>	
a) Number of regulated contracts awarded within the period that complied with your Procurement Strategy	8
b) Number of regulated contracts awarded within the period that did not comply with your Procurement Strategy	0
<u>4. Community Benefit Requirements Summary</u>	
Use of Community Benefit Requirements in Procurement:	
a) Total number of regulated contracts awarded with a value of £4 million or greater.	0
b) Total number of regulated contracts awarded with a value of £4 million or greater that contain Community Benefit Requirements.	0
c) Total number of regulated contracts awarded with a value of less than £4 million that contain a Community Benefit Requirements	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 (<i>Each contracting college sets its own priority groups</i>)	0
e) Number of Apprenticeships Filled by Priority Groups	0
f) Number of Work Placements for Priority Groups	0
g) Number of Qualifications Achieved Through Training by Priority Groups	0
h) Total Value of contracts sub-contracted to SMEs	0
i) Total Value of contracts sub-contracted to Social Enterprises	0
j) Total Value of contracts sub-contracted to Supported Businesses	0
k) Other community benefit(s) fulfilled	0

5. Fair Work and the real Living Wage

a) Number of regulated contracts awarded during the period that have included a scored Fair Work criterion.	0
b) Number of unique suppliers who have committed to pay the real Living Wage in the delivery of a regulated contract awarded during the period.	3
c) Number of unique suppliers who are accredited Living Wage employers and were awarded a regulated contract awarded during the period.	3

6. Payment performance

a) Number of valid invoices received during the reporting period.	9,107
b) Percentage of invoices paid on time during the period (“On time” means within the time period set out in the contract terms.)	99%
c) Number of regulated contracts awarded during the period containing a contract term requiring the prompt payment of invoices in public contract supply chains.	8
d) Number of concerns raised by sub-contractors about the timely payment of invoices within the supply chain	0

of public contracts.

7. Supported Businesses Summary

a) Total number of regulated contracts awarded to supported businesses during the period	0
b) Total spend with supported businesses during the period covered by the report, including:	£4,255
i) spend within the reporting year on regulated contracts	£0
ii) spend within the reporting year on non-regulated contracts	£4,255

8. Spend and Savings Summary

a) Total procurement spend for the period covered by the annual procurement report.	£5,259,577
b) Total procurement spend with SMEs during the period covered by the annual procurement report.	£4,519,199
c) Total procurement spend with Third sector bodies during the period covered by the report.	£1,446
d) Percentage of total procurement spend through collaborative contracts.	45%
e) Total targeted cash savings for the period covered by the annual procurement report	Target not set
f) Total delivered cash savings for the period covered by the annual procurement report	£423,646

9. Future regulated procurements

a) Total number of regulated procurements expected to commence in the next two financial years	14
b) Total estimated value of regulated procurements expected to commence in the next two financial years	£1,331,150

