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**

# **ANNUAL PROCUREMENT REPORT**

**1 August 2022 - 31 July 2023**

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# **Purpose & Executive Summary**

**Purpose**

The Procurement Reform (Scotland) Act 2014 (‘PRA’) requires Scottish contracting authorities which have an estimated regulated expenditure of £5 million or more per annum to prepare a procurement strategy, and to review it annually. Authorities, including universities, are also required to publish an Annual Procurement Report (‘APR’) which addresses how, within the relevant reporting period, the strategy has been implemented.

In accordance with Section 15 of the Act, the University published its Procurement Strategy, initially for the period 2016/17 to 2017/18. This strategy describes the role procurement has in supporting the delivery of the University’s strategic objectives. The strategy includes a set of broad procurement objectives which align with the outcomes stated in the University’s Strategic Plan 2016-2021.

The procurement strategy, last reviewed in July 2023, was found to be sufficiently focused on, and supportive of, the final year of the University’s Strategic Plan Addendum (2021-23).

This report covers the period of 1 August 2022 to 31 July 2023 and addresses activities that have been undertaken to deliver the University’s procurement strategy.

Note: A revised procurement strategy will be published in 2024. This will support the new University Strategic Plan which was approved in October 2023.

**Executive Summary**

The Procurement Strategy is currently aligned with the University’s [strategic focus of ‘25-50-100-i’ objectives.](https://www.stir.ac.uk/about/our-vision/our-strategy/)

Stakeholder engagement informed the development of the Procurement Strategy and has continued to impact regular assessments of the achievement of regulatory compliance, the pursuit of value for money (defined as the best optimal balance of cost, quality, and sustainability) and delivery against the University’s broader aims and objectives, in line with Scottish Government’s ‘National Outcomes’.

All regulated procurements carried out FY 2022/23 complied with the University’s Procurement Strategy.

Accordingly, the University of Stirling is pleased to publish its Annual Procurement Report for 1 August 2022 to 31 July 2023.

The University has analysed non-pay expenditure for this period and identified that the total non-pay expenditure was £40,842,733.

The value of all regulated tender awards during the reporting period was £6,574,761 (i.e., values recorded on our Contracts Register during FY 2022/23).

Implementation of the strategy is supported by, and is complementary to, the University’s Financial Strategy and any adjustments are informed by a review and reporting process.

The University has analysed third party expenditure and identified, that over the period covered by this report, the following procurements occurred:

* Higher value regulated procurements amounted to £5,907,124[[1]](#footnote-2). A total of 10 procurements of this type were completed.
* Lower value regulated procurements amounted to £667,637. A total of 6 procurements of this type were completed.

More detailed information on the regulated procurements is provided in **Annex A** ‘Regulated Procurements Summary’.

Local spend, with (132) suppliers located in Stirling and Clackmannanshire council areas, was 20.8% of the non-pay total.

SME spend, with 908 small and medium sized enterprises, was 47.5% of the non-pay total.

The impact of the COVID-19 pandemic, Brexit and the war in Ukraine continued to evolve and impact the University’s supply chain. These recent events have highlighted the fragility of global supply chains. The *longer-term* impact on businesses and their supply chains is still to determined. Procurement Services has endeavoured to monitor supply chain risk, with expert market intelligence from APUC (Advanced Procurement for Universities and Colleges), the wider UK HE sector, and Scotland Excel, being shared to key stakeholders.

**Annex E** contains a summary of this entire report.

**Key progress and achievements for this reporting period include:**

**Value for Money, Effectiveness and Efficiency**

Procurement Services (‘PS’) has led or supported procurements that have delivered cash savings and non-cash enhancements in service delivery and efficiency savings. A total of £6.2m worth of regulated procurements were undertaken by the University.

Procurement activity contributed an estimated total of £0.5M of cash savings for the University (the total delivered cash savings for local and collaborative contracts), together with non-cash quality enhancements in service delivery and efficiency savings.

**Statutory Duties**

Publication of the Annual Procurement Report.

Publication of the Annual Modern Slavery Statement.

Annual review of the Procurement Strategy.

**Procedures**

The University followed the Scottish Government’s ‘Procurement Journey’. Regulated procurement included strategies ensuring optimum route to market, use of output-based specifications and clear evaluation criteria ensured accessibility of bidder and best commercial solutions.

**Stakeholder Engagement**

PS has continued its engagement with Faculties and Service Directorates.The team regularly consults with internal and external stakeholders to identify opportunities for increased value for money, savings, and efficiencies, as well as to understand the opportunities and risks which require procurement support. PS actively seeks and considers both informal and formal feedback from the stakeholders and suppliers on potential improvements to inform improvements to our processes and procedures.

**Sustainability**

PS continues to commit to integrating sustainability into everyday practice and decision-making processes, thereby minimising our environmental impact and optimising social and environmental outcomes associated with our operations. Embedding sustainability considerations within our procurement processes supports implementation of the University’s Addendum Strategy, our [sustainability policy](https://www.stir.ac.uk/about/professional-services/estates-and-campus-services/safety-environment-security-and-continuity/environment-and-sustainability/sustainability-policy/) and attainment of the UNs Sustainability Development Goals.

Drafting of the University's Net Zero Strategy has focused, amongst other considerations, upon the University’s ‘Scope 3’ supply chain-related carbon reduction ambitions.

**Collaborative Spend**

The University has made optimal use of national (i.e., Scottish Procurement or Crown Commercial Services), sectoral (i.e., APUC), local or regional (‘C1’) collaborative contracts and frameworks. As well as bringing leveraged 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 significantly reduced. Overall, 33.6% of University’s spend went through all types of collaborative agreement.

This report comprises the following five sections which address mandatory reporting requirements:

Section 1: Regulated Procurements Completed

Section 2: Regulated Procurement Compliance

Section 3: Community Benefits Delivered

Section 4: Supported Business Engagement

Section 5: Future Regulated Procurements

**Report Approved:** 13 November 2023

**By**: Audit Committee

**Signed:** Professor Sir Gerry McCormac

**Position:** Vice-Chancellor and Principal

**Section 1: Regulated Procurements Completed**

|  |
| --- |
| *Section 18(2) of the PRA requires organisations to include ‘a summary of the regulated procurements that have been completed during the year covered by the report’.* |

The University conducted its procurements in an open and inclusive manner with procurement objectives being aligned to the Strategic Plan Addendum (2021-23).

Between 1 August 2022 and 31 July 2023, the University awarded 16 regulated (GPA and Scottish) contracts with a total value of £6,574,761 for goods, services and works. A high-level summary of the University’s regulated procurements can be found below (**Table 1** and **Table 2**).

Section 9 of the Procurement Reform (Scotland) Act 2014 details the Sustainable Procurement Duty including engagement with small and medium sized enterprises (SMEs). During the period covered by this report, 79%, by value, of the regulated procurements, was awarded to SMEs.

**Annex A** comprises a detailed list of the regulated GPA and regulated PRA procurements awarded within the reporting period.

These are shown in chronological order based on the date of award, separated into contract categories, and distinguishing collaborative contracts from institutional ones. For each completed regulated procurement, the information provided shows:

* the date of award.
* the name of the supplier.
* the category (A, B, C).
* collaborative or institution owned.
* the start dates.
* the end dates.
* estimated value of the contract (total over contract period).
* SME/supported business status.

The University has been optimising the use of collaborative contracts and frameworks. By using such frameworks, the burdens of risk and contract management is shared with the wider HE sector. About 33.6% of the University’s influencible expenditure was routed via collaborative agreements.

This information, coupled with the publication of the [institutional Contracts Register](http://www.apuc-scot.ac.uk/#!/institution?inst=26) and the systematic use of the Public Contracts Scotland tendering portal, provided complete visibility of the University’s procurement activity over the reporting period.

**Table 1: Number of Regulated Procurements Completed**

|  |  |
| --- | --- |
| **Number of Procurements** | **Year 2022/23** |
| GPA Regulated Procurements | 10 |
| PRA Regulated Procurements | 6 |
| Total | 16 |

**Table 2: Value of Regulated Procurements Completed**

|  |  |
| --- | --- |
| **Value of Procurements** | **Year 2022/23** |
| GPA Regulated Procurements | £5,907,124 |
| PRA Regulated Procurements | £667,637 |
| Total | £6,574,761 |

# **Section 2: Regulated Procurement Compliance**

|  |
| --- |
| *Section 17 of the PRA requires that Regulated Procurements be carried out in accordance with the organisation’s procurement strategy, so far as reasonably practical. Section 18(2)(b) states that the annual report must include ‘a review of whether those procurements complied with the authority’s procurement strategy’ and, under 18(2)(c), ‘to the extent that any Regulated Procurements did not comply, a statement of how the University intends to ensure that future Regulated Procurement do comply’.* |

The University’s Procurement Strategy set outs how regulated procurement will be undertaken in compliance with the PRA, and how this strategy will support the University’s Strategic Plan 2016-21 and the Addendum Strategy, 2021-23.

‘Regulated Procurement’ refers to any procurement above £50,000 for goods and services, and £2,000,000 for works. These will include new contracts, framework agreements and ‘mini competitions’ conducted under existing frameworks.

The University’ procurement policies and procedure align with the guidelines set out in the Scottish Government’s Procurement Journey and have met the objectives and obligations set out above.

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

In conducting its regulated procurements, care was taken to ensure that the University awarded business to suppliers who were capable, reliable and who could demonstrate that they meet appropriate ethical standards and values in the conduct of their business.

Successful delivery against the procurement strategy objectives was part of a continual improvement process. This identifies and facilitates the implementation of incremental improvements to processes and outcomes over time. The University benefits from linking its own CIP to the Scottish Government’s Procurement and Commercial Improvement Programme (‘PCIP’).

PCIP delivers periodic assessments of key benchmarks and recommends what necessary improvements might be prioritised, planned, and implemented.

The most recent PCIP assessment was conducted in 2019 when the University scored 67%. The next PCIP, in the form of a ‘Pulse Check’, will take place in December 2023, and will focus on higher level and more strategic areas.

Following on from the audit of the University’s ‘contract management framework’ (conducted in May 2022) guidance has been updated and a SharePoint ‘hub’ has been rolled out to help Faculties and Service Directorates implement better (and proportionate) contract management.

Where appropriate and applicable exemptions under the Public Contracts (Scotland) Regulations 2015 were considered and exercised.

Note: The University’s Procurement Services is currently reviewing its procurement strategy. It is expected that an updated strategy will be published in February 2024.

**Compliance with each part of the procurement strategy is shown in the table below:**

| **Procurement Strategy**  **Statement** | **Commentary on Strategy Delivery and Compliance** |
| --- | --- |
| To work with academic budget holders, professional support service colleagues and suppliers to deliver innovation and best value to the learning, research, and service support communitiesthrough the development of an effective and co-ordinated purchasing effort within the University. | Procurement activities follow best practice and the guidelines set out in the ‘Procurement Journey’. This approach helps to manage the expectations of stakeholders, customers and suppliers and facilitates the adoption of best practise and consistent methodology across the Scottish public sector.  For each regulated procurement, a bespoke strategy is developed and agreed, through consultation with key stakeholders, end users, and where appropriate, suppliers. This approach also helps to identify opportunities to innovate and to improve skills and competencies in securing the most appropriate procurement routes to market that will yield best value, sustainable and socially responsible outcomes.  For non-regulated procurement, a similar approach is adopted, commensurate with the expected contract value and the anticipated impact of the goods, services and works in question.  For every procurement over £4m, the University considers how it can improve the economic, social, or environmental wellbeing of its local area through the inclusion of community benefits clauses. Where practicable and proportionate, such clauses may be included in procurements below £4m.  Care is taken to ensure that procurement operations are consistent with and supportive of the University’s strategic objectives.  Training on operational and strategic procurement is provided to Faculty and Service Area staff.  The PS team works with colleagues in the wider Finance Office to streamline and standardise the purchase-to-pay process to increase efficiencies. All new supplier account requests are reviewed and approved to prevent off-contract spend, ensure compliance with procurement regulations, and to mitigate the risk of fraud.  Regular engagement between the procurement team and customers in the Faculties and Service Directorates informs procurement planning, identifies best routes to market, explores consolidation and collaboration opportunities and tests robustness of policies and procedures. |
| To develop sound and useful procurement management information to measure and improve procurement and supplier performance in support of corporate planning conducted through fair and transparent process. | Procurement activities, irrespective of value, follow the guidelines set out in the Procurement Journey. This ensures that current best practice is adopted and that a consistent methodology is across the University’s procurement activities. Internal procedures, policies, and sector-developed tools have been introduced to effect improvements to procurement process and to enhance efficiency.  Expenditure data and segmentation analysis located on the Scottish Procurement Information Hub, Hunter (including Contracts Registers) and APUC’s Institutional Data Dashboard is vital in this regard. Improved analysis of internal raw procurement data continues to inform broad category strategies.  Where relevant, use is made of appropriate standards and labels in procurements to take account of fair and ethical trading concerns, with due consideration thereby being given to equivalent tender offerings from suppliers.  The Public Contracts Scotland portal (‘PCS’) is used to publish both regulated and non-regulated procurement opportunities. As appropriate use is made of lotting, output-based specifications, and clear evaluation criteria to ensure that procurements are accessible to as many bidders (including SMEs) as possible.  The procurement policy includes a non-competitive action procedure and lays down the procedural requirements for regulated and non-regulated procurements. |
| To promote the delivery of value for money through good procurement practice and optimal use of procurement collaboration opportunities. | The University adopts a pro-active approach to deliveries efficiencies and value for money. Procurement activity is conducted consistent with ‘Scottish Model of Procurement’. Accordingly, the optimal balance of cost, quality and sustainability is consistently used to determine how best value for money can be delivered and to identify sensible and legitimate aggregation of opportunities through collaborative contracting.  The University manages procurements by category and has an organisational structure within Procurement Services which best supports this approach. How goods, services and works are bought – whether by collaborative purchasing, through the using local, regional, and national framework agreements, or by consolidated contracting – is subject to annual review with APUC and, through user consultation, best category strategies are agreed, practicable aggregation opportunities are exploited, category and commodity strategies are developed, recorded, signed off and processed.  The University continues to maximise its use of beneficial national and sectoral frameworks and contracts, thereby leveraging savings and support in contract and supply chain risk management.  All regulated procurements are advertised on PCS and UK Find a Tender (for EU funded projects). For significant procurements with values below the regulatory thresholds we use PCS Quick Quotes thereby expanding the opportunity for SMEs to compete for public contracts.  The University’s Procurement Services also engages with other bodies, via HE/FE-specific, Scottish public sector and UK-wide events.  The Procurement team comprise professionally qualified and in training staff who have access to competency-based training, and skills development programmes. |
| To seek out professional development opportunities to enrich and enhance experience and capability of procurement practitioners. | The defined procurement process is managed through a professionally qualified procurement team with access to competency-based training, skills development programmes and career development opportunities.  Devolved procurement activity is monitored across the institution to secure optimum value delivery while managing supply side risks and taking account of consolidation opportunities.  Individual annual performance and development reviews (using the University’s ‘Achieving Success’ appraisal process) of the central Procurement staff are undertaken to ensure best outputs and to address any development gaps. |
| To embed sound ethical, social, and environmental policieswithin the Institution’s procurement function and to comply with relevant public procurement legislation in performance of the sustainable procurement duty. | The University’s policies and procedures require that consideration of environmental, social, and economic issues (and related risks and potential benefit) on a contract-by-contract basis during the planning and strategy development stages of a procurement.  Procedures are in place to ensure that consideration of environmental, social, and economic issues and benefits is made, where appropriate, on a contract-by-contract basis. During the planning stage, tools including Prioritisation and the Flexible Framework are utilised.  The University ensures that all potential suppliers comply with the APUC Supply Chain Code of Conduct in all regulated procurements.  Procedures are also in place to ensure that regulated procurements are only awarded to businesses that are capable, reliable and, where relevant, meet appropriate ethical standards and values in the conduct of their business. Where appropriate, and on a contract-by-contract basis, the institution will assess the legislation applicable to a procurement and take steps to ensure bidders comply with it e.g., Health and Safety, Late Payment, GDPR legislation. Where relevant, the requirement for suppliers to have fair work practices is addressed in tender documentation.  The University complies with its duties under the Modern Slavery Act and is therefore committed to ensuring that modern slavery and human trafficking is not taking place in any parts if its operation within the University and its supply chain. We are committed to maintaining and improving our systems and processes to avoid any complicity in human rights violations, both in relation to our own operations and those of our supply chain.  A sustainable procurement strategy was agreed to inform all the University’s City Regional Deal procurements.  Procurement Services staff are trained on the principles of sustainable procurement. |
| To engage with the supply chains to ensure continued value, managed performance, and minimal risk throughout the life of contacts for the benefit of customers and students. | The University sorts its procurements by procurement category. The means by which these goods, services and works are bought (i.e., locally, or via regional or national frameworks, is subject to regular review by the procurement team.  The Procurement team develops optimal procurement strategies for all regulated procurements and undertakes, with the support of customers, supply market research to determine best routes to market. This approach helps to identify routes that will deliver best value outcomes, consistent with the guidelines set out in the Procurement Journey.  Post-procurement reviews are carried out where appropriate to check that tendering outcomes are delivering against category strategies/business case objectives. These are in turn consolidated by category-based contract and supplier management routines to proportionately monitor performance and introduce any improvements required.  Transformational change is delivered by embedding ‘fit for purpose’ procurement practices across the University and by employing appropriate technology.  For several major contracts, a more rigorous contract management regime is necessary. Regular meetings between the University and the supplier will discuss performance, outstanding and planned activity, and opportunities to reduce cost and delivery efficiencies. |
| 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 services. | Engagement with internal and external stakeholders and suppliers provides valuable feedback and enables the University to test the ‘fitness’ of its strategies, processes, and procedures.  The University contributes to sectoral contracting plans and, whenever appropriate, explores opportunities to coordinate procurement efforts on a regional basis with a nearby FE institution (i.e., Forth Valley College) to deliver local collaborative (‘C1’) contracts.  The Head of Procurement is an active member of APUC’s Procurement Strategy Group for Universities (PSGU). |

**Note**: In 2024 the current procurement strategy will be reviewed and revised to support and fully integrate with the new institutional strategic plan.

# **Section 3: Community Benefits Delivered**

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| *Section 18(2)(d) of the PRA states that it is mandatory for an annual procurement report to include ‘a summary of any Community Benefit requirements imposed as part of a regulated procurement that were fulfilled during the year covered by the report. Section 25 of the PRA mandates that all contracting authorities “must consider whether to impose Community Benefit requirement as part of the procurement” when the estimated contract value is greater than or equal to £4,000,000.* |

The University of Stirling is committed to maximising community benefits delivered by its procurement activities.

For every procurement over £4m, the University considered how it could 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 practicable, relevant, and proportionate, and where they were considered not to have a negative impact on the delivery of value for money, such clauses were included in regulated procurements valued at below £4m.

The University’s approach to identifying community benefit requirements is to conduct opportunities and risk assessments, on a procurement-by-procurement basis, through stakeholder consultation and engagement. 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, and as part of the tendering process, suppliers are encouraged to describe how community benefits will be successfully delivered through the contract and be promoted to contract users/owners. Where community benefits are included in a procurement (at or above the £4 million threshold), the award notice will include a statement of the benefits that are expected to be derived from the contract.

Community benefits considered by the University typically include (but are not limited to):

* work experience opportunities for students and staff.
* employment and vocational training opportunities.
* apprenticeships.
* local subcontractor opportunities available to SMEs, 3rd sector and supported businesses.
* Industry engagement with local schools.
* Requirements targeted at specific groups.

The principal deliverables from our community benefit opportunities include commitments in respect of apprenticeships, training, and work experience placements.

The University had no contracts over the regulated community benefits threshold of £4m during the reporting period.

The focus of the University during the reporting period was the implementation of community benefits delivery strategies linked to Stirling and Clackmannanshire City Region Deal City procurements. In accordance with contract awards and start dates, these will be reported in APR 23-24.

As stated earlier in this report, a revised procurement strategy will be published early in 2024. This will support the new strategic plan and, critically, will include a community benefits strategy. A revision of the Procurement Policies will follow. This will formally embed community benefit requirements in all our regulated procurement activity.

# **Section 4: Supported Business Engagement**

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| *Section 18(2) (e) of the PRA requires organisations to include ‘a summary of any steps taken to facilitate the involvement of supported businesses in regulated procurements during the year covered by the report’.* |

Where engagement with supported businesses is especially well facilitated, we alerted customers to this option. Individual procurement strategies included where appropriate, this route to market.

The University reviews each regulated procurements to determine whether a service or supply requirement could be fulfilled by a Supported Business, whilst remaining compliant with UK and Scottish procurement legislation and ensuring value for money for the institution.

During the reporting period the University awarded no regulated contracts to supported businesses.

In 2023-24 the University’s aim is to ensure that we work with customers to facilitate opportunities for supported businesses and third sector organisations where possible.

# **Section 5 – Future Regulated Procurements**

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| --- |
| *Section 18(2) (f) of the PRA states that it is mandatory that an annual procurement report must include ‘a summary of the regulated procurements the authority expects to commence in the next two financial years’.* |

The University is keen to encourage competition by promoting optimal participation in its procurement process and to 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.

Future Regulated Procurements have been identified via:

* Current contracts recorded in our contract register that will expire and need to be extended or re-let.
* New requirements identified in future work plans provided by Faculties and Service Directorates and within the current Capital Infrastructure Plan.
* Procurement Services, working with key stakeholders, will identify and realise opportunities where greater value for money can be leveraged from re-let contracts.

In preparing this forward projection of anticipated regulated procurements, it is difficult to be precise about providing details of actual requirements (including the likely route to market) particularly in the current fraught economic and political circumstances. Over a forecast period of two years, it is very probable that priorities will change so the list of projected individual regulated procurements outlined in **Annex D** should be viewed with this caveat in mind.

Note: The content of this Annex represents the output of a non-exhaustive analysis of anticipated expenditure in the period 1 August 2023 - 31 July 2025.

The full list of anticipated Regulated Procurements in the next two years 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.

## Annex A - Regulated Procurements Summary

**Note:** the award of contracts and framework agreements are included.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Category Subject** | **Supplier** | **CAT A/B or C** | **Date of Award** | **Contract Start Date** | **Final Date** | **Contract Value** | **SME Status** |
| Window, Signage and Bus Shelter Cleaning Services | Dysart Cleaning Services Ltd | C-Recurrent | 27/06/22 | 01/08/22 | 31/07/2025 | £200,000 | Small |
| Arboricultural Services | Taylor Trees Limited | C-Recurrent | 30/05/22 | 01/08/22 | 31/07/25 | £220,000 | Small |
| Air Conditioning, Refrigeration &Dehumidification Equipment Maintenance | Chillforce Ltd | C- Recurrent | 06/07/22 | 01/08/22 | 31/07/25 | £240,000 | Small |
| Visualisation Platform (Forth Era) | 3DEO NI Ltd | C- Contract | 26/07/22 | 01/08/22 | 31/07/24 | £250,000 | Small |
| Legal Services | Thorntons Law | C-Recurrent | 08/07/22 | 01/08/22 | 31/07/25 | £627,000 | Medium |
| Travel Management Services (2nd provider) | Key Travel Ltd | C-Framework Call off | 25/08/22 | 25/08/22 | 25/08/23 | £500,000 | Medium |
| Design Team (Muirhead House Refurb) | Hypostyle Design Limited | C-Framework | 21/09/22 | 21/09/22 | 20/02/24 | £149,950 | Small |
| Lift Maintenance Services | Orona Limited | C- Recurrent | 09/09/22 | 01/10/22 | 30/09/25 | £150,000 | Medium |
| Outdoor Sports Equipment | The Pitchmark Group Ltd | C- Contract | 20/12/22 | 20/12/22 | 19/12/27 | £117,000 | Small |
| Architects (Learning & Teaching Spaces) | Hypostyle Design Limited | C-Framework call off | 08/03/23 | 08/03/23 | 07/03/24 | £20,811 | Small |
| Lifts Upgrade | Consult Lift Services | C-Contract | 17/03/23 | 17/03/23 | 16/01/24 | £230,000 | Small |
| Door Maintenance Services | Dasco Entrance Technology Ltd | C-Recurrent Contract | 13/03/23 | 01/04/23 | 31/03/26 | £250,000 | Small |
| Audio Visual Equipment | SSUK Limited | C-Framework call off | 14/03/23 | 01/04/23 | 31/03/26 | £3,000,000 | Medium |
| Card Acquiring Service | Lloyds TSB Cardnet Merchant Services | C-Recurrent Contract | 14/04/23 | 14/04/23 | 13/04/26 | £120,000 | Large |
| Business Advisory Services | Evison Consulting | C-Framework call off | 15/03/23 | 01/05/23 | 30/04/25 | £100,000 | Micro |
| Sustainability Consultancy | Arcadis NV | C-Framework call off | 01/01/23 | 01/01/23 | 31/12/24 | £400,000 | Large |

## Annex B - Community Benefits Summary

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Category Subject | Supplier name | Start Date | End Date | Benefit Value | Benefit Type |
|  |  |  |  |  |  |

The University had no contracts over the regulated community benefits threshold of £4M during the reporting period.

## Annex C – Supported Business Engagement Summary

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Category Subject** | **Supplier name** | **Date of Award** | **Owner: Cat A/B or C** | **Start Date** | **End Date** | **Spend Over Contract** |
|  |  |  |  |  |  |  |

During the reporting period, the University awarded no regulated contracts to supported businesses.

## Annex D – Future Regulated Procurements (2023/24 - 2024/25)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Category Subject** | **Owner: Cat A/B or C** | **New, Extended or Re-let** | **Expected contract notice publication date** | **Expected Date of Award** | **Expected Start Date** | **Expected End Date** | **Estimated Value over Contract Period** |
| IT Storage Equipment | C | Re-let |  |  | 01/08/24 | 31/07/27 | £300,000 |
| Stationery | C | Re-let |  |  | 01/08/23 | 29/09/24 | £30,000 |
| Duvets, Pillows, Mattress Protectors and Bedding Packs | C | Re-let |  | 16/02/24 | 04/03/24 | 03/03/25 | £95,000 |
| Air Quality Sensors (Forth ERA) | C | New |  | 31/03/24 | 01/04/24 | 30/09/25 | £80,000 |
| Insurance Brokerage Services | C | Re-let |  | 01/09/24 | 30/09/24 | 31/10/24 | £700,000 |
| Vending Machine Services | C | Re-let |  | 05/02/24 | 01/04/24 | 31/03/26 | £0 |
| Sanitary Disposal and related products and services | C | Re-let | 17/11/23 | 22/01/24 | 01/03/24 | 28/02/27 | £70,000 |
| Survey Maintenance and Testing of Fire Dampers | C | Re-let |  | 05/04/23 | 01/05/24 | 30/04/27 | £50,000 |
| BEMS Controls Maintenance Services | C | Re-let |  | 17/06/23 | 01/08/24 | 31/07/27 | £100,000 |
| Security Systems Maintenance, Repair and Minor Works (Door Access & Intruder Alarms) | C | Re-let |  | 16/12/24 | 01/02/25 | 31/08/28 | £350,000 |
| ePurchase Cards | B | Re-let |  |  | 02/12/23 | 02/12/26 | TBC |
| Waste Services | B | Re-let |  |  | 30/11/24 | 01/12/28 | £500,000 |
| Media Buying Services | B | Re-let |  | 27/09/24 | 01/04/25 | 31/03/27 | £980,000 |
| Card Acquiring Services | C | Re-let |  |  | 14/04/26 | 13/04/29 | £120,000 |
| University Insurances | B | Re-let |  | 29/03/24 | 01/08/24 | 31/07/27 | £1,000,000 |
| Research Management System | C | Re-let |  |  | 20/11/24 | 19/11/29 | £450,000 |
| Trading Bootcamp | C | Re-let |  | 23/02/24 | 12/04/24 | 11/04/28 | £104,000 |
| China Digital Marketing Partner | C | Re-let |  | 20/02/24 | 01/08/24 | 31/07/27 | £495,000 |
| Pest Control Services | C | Re-let |  | 04/11/24 | 01/12/24 | 30/11/27 | £8,000 |
| Linen Hire and Laundry Services | B | Re-let |  |  | 01/10/25 | 30/09/27 | £160,000 |
| Mobile Phones | A | Re-let |  |  | 01/12/23 | 30/11/28 | £30,000 |
| Janitorial and Cleaning Supplies | B | Re-let |  |  |  |  | TBC |
| Digital Campus Map | C | New |  |  | 01/08/24 | 31/07/27 | £200,000 |
| Multi-functional Devices | A | Re-let |  |  | 01/08/24 | 31/07/29 | £250,000 |
| Hotel and Accommodation Booking System | B | New |  |  | 01/08/24 |  | TBC |
| Estate Development | C |  |  |  |  |  | £8,604,981 |
| Core IT | C |  |  |  |  |  | £3,005,769 |
| Campus Development | C |  |  |  |  |  | £11,994,593 |
| Business and Academic Systems | C |  |  |  |  |  | £3,980,119 |
| Equipment Replacement | C |  |  |  |  |  | £1,233,788 |
| Research Facilities and Equipment | C |  |  |  |  |  | £1,420,337 |
| Campus Facilities | C |  |  |  |  |  | £11,896,310 |

## **Annex E - Annual Procurement Report Summary**

1. Organisation and report details

a) Contracting Authority Name University of Stirling

b) Period of the annual procurement report 1 Aug 2022 - 31 July 2023

c) Required by s18 Procurement Reform (Scotland) Act 2014 to prepare an annual procurement report? Yes

2. Summary of Regulated Procurements Completed

a) Total number of regulated contracts awarded within the report period 16

b) Total value of regulated contracts awarded within the report period £6,574,761

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

i) how many of these unique suppliers are SMEs 16 ii) how many of these unique suppliers how many are Third Sector bodies 0

3. Review of Regulated Procurements Compliance

a) Number of regulated contracts awarded within the period that complied with your Procurement Strategy 16

b) Number of regulated contracts awarded within the period that did not comply with your Procurement Strategy 0

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 0

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

d) Number of Jobs Filled by Priority Groups (Each contracting authority sets its own priority groups) Not currently reported

e) Number of Apprenticeships Filled by Priority Groups Not currently reported

f) Number of Work Placements for Priority Groups Not currently reported

g) Number of Qualifications Achieved Through Training by Priority Groups Not currently reported

h) Total Value of contracts sub-contracted to SMEs Not currently reported

i) Total Value of contracts sub-contracted to Social Enterprises Not currently reported

j) Total Value of contracts sub-contracted to Supported Businesses Not currently reported

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 0

contract awarded during the period.

c) Number of unique suppliers who are accredited Living Wage employers and were awarded a regulated 3

contract awarded during the period.

d) Number of unique suppliers who have signed up to the Scottish Business Pledge and were awarded a 2

regulated contract awarded during the period.

6. Payment performance

a) Number of valid invoices received during the reporting period. 25,538

b) Percentage of invoices paid on time during the period (“On time” means within the period set out in 91.3

the contract terms.)

c) Number of regulated contracts awarded during the period containing a contract term requiring the prompt 0

payment of invoices in public contract supply chains.

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:

i) spend within the reporting year on regulated contracts 0

ii) spend within the reporting year on non-regulated contracts 0

8. Spend and Savings Summary

a) Total procurement spend for the period covered by the annual procurement report. £40,842,733

b) Total procurement spend with SMEs during the period covered by the annual procurement report. 47.5

c) Total procurement spend with Third Sector bodies during the period covered by the report. Not currently recorded.

d) Percentage of total procurement spend through collaborative contracts. 33.6%

e) Total targeted cash savings for the period covered by the annual procurement report 0

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 £506,883

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 £1,611,048

9. Future regulated procurements

a) Total number of regulated procurements expected to commence in the next two financial years 40

b) Total estimated value of regulated procurements expected to commence in the next two financial years 48,207,897

## Annex F - Glossary of Terms

**Category A** **Contracts** are collaborative contracts available to all public bodies.

**Category B Contracts** are collaborative contracts available to public bodies within a specific sector.

**Category C Contracts** arelocal contracts for use by individual public bodies.

**Category C1 Contracts** are local or regional collaborations between public bodies.

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

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

**Flexible Framework** **Self-Assessment Tool** enables measurement against various aspects of sustainable procurement.

**GPA -** The Agreement on Government Procurement of the World Trade Organization (WTO), commonly known as the GPA, establishes a framework of rights and obligations for government procurement among the WTO members that have signed it.

**GPA Regulated Procurements** are those whose values require that they are conducted in compliance with the Public Contracts (Scotland) Regulations 2015.

**GPA Thresholds** - the present thresholds are (net of VAT): - for Supply, Services and Design Contracts, £181,302, for Works Contracts £4,551,413. Public contracts thresholds are revised every 2 years - next revision due on 01/01/2024.

**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.

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

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

**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)** focuses on the policies and procedures driving procurement performance and more importantly, the results they deliver.

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

**Scotland Excel** is the Centre of Procurement Expertise for the Scottish local government sector. (The University of Stirling is an associate member).

**Scottish Regulated Procurements** are those conducted in compliance with the Procurement Reform (Scotland) Act 2014. The current thresholds are £50,000 excluding VAT for goods & services and £2,000,000 excluding VAT for works.

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

**Small and Medium Sized Enterprises (SMEs)** encompass -

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

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

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

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

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

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

**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.

**Sustain** is the APUC supply chain sustainability web portal, a central hub where sector suppliers can complete and store sustainability compliance data. The portal is the core supply chain sustainability tool supporting HE and FE institutions and their suppliers in delivering a transparent, environmentally positive, ethical, and socially responsible 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** 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 – 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.

1. Completed when the award notice is published or where the procurement process otherwise comes to an end - this assumption covers contracts and framework agreements. [↑](#footnote-ref-2)