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ANNUAL PROCUREMENT REPORT 2023-24

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**Purpose & Executive Summary**

**Purpose**

The Procurement Reform (Scotland) Act 2014 (‘the Act’) requires all 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. Additionally, authorities are required to publish an Annual Procurement Report that outlines how the strategy has been implemented within the relevant reporting period.

The procurement strategy highlights procurement’s role in advancing the University’s strategic objectives. Specifically, it sets out the key procurement objectives that align with the outcomes in the University’s Strategic Plan.

This report addresses the period from 1 August 2023 to 31 July 2024, detailing the activities undertaken to support the University’s procurement strategy. The strategy was, following review, found to be broadly supportive of the new University strategic plan 2023-2030 which was published in October 2023.

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.

*Note: An entirely new procurement strategy will be published in early 2025. This will better support the University Strategic Plan 2030.*

**Executive Summary**

All regulated procurements carried out FY 2023/24 complied with the University’s Procurement Strategy.

Stakeholder engagement informed the approval 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. These objectives are in line with Scottish Government’s ‘National Outcomes’.

The University non-pay expenditure for Financial Year 2023-24 was £38,204,572. (Note:this figure excludes all expenditure relating to council rates, statutory and government bodies, other universities, colleges, charities, pensions related spend). A total of 22 regulated procurements were completed. The value of these regulated tender awards during the reporting period was £14,436,830.

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

Local spend, with suppliers located in the Clackmannanshire, Falkirk and Stirling council areas, was 19.7% of the non-pay total.

Spend with small and medium sized enterprises was 53.7% of the non-pay total.

In the reporting period, 11% of our spend was conducted with businesses that are monitored by the Ecovadis supply chain sustainability platform.

Global events have continued to impact the University’s supply chain and highlight disruption and inflationary pressure in many markets. Consequently, Procurement Services has endeavoured to assess supply chain risk. As appropriate, expert market intelligence from APUC (Advanced Procurement for Universities and Colleges), the wider HE sector, and Scotland Excel, has been shared with key stakeholders.

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

**Key Progress and Achievements for this Reporting Period:**

**Effectiveness and Efficiency**

A total of £14.4m worth of regulated procurements were undertaken by the University. Procurement Services has led or supported procurements that have delivered cash savings (the total delivered cash savings for local and collaborative contracts) and non-cash enhancements in service delivery and efficiency savings. See **Annex E** for details.

**Governance**

In accordance with current statutory requirements, the Annual Procurement Report for 2022-23, and the Annual Modern Statement for 2022-23, were published.

**Procedures**

The University followed the Scottish Government’s [‘Procurement Journey](https://www.procurementjourney.scot/)’ Following these guidelines, regulated procurement included strategies that ensured an optimum route to market, the use of output-based specifications, and clear evaluation criteria which ensured **openness** to bidders and the selection of the best commercial solutions.

**Stakeholder Engagement**

Procurement Services (PS) continued its engagement with Faculties and Service Directorates.The team regularly consulted 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 sought and considered both informal and formal feedback from stakeholders and suppliers on potential improvements to inform to our processes and procedures.

**Sustainability**

PS continued 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 supported implementation of the University’s 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.

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

**Collaborative Spend**

The University 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 leveraging savings, the burdens of risk, contract and supplier management responsibilities, were shared, and the number of resource-intensive formal local tenders was significantly reduced. Overall, 25.8% of University’s spend went through all types of collaborative agreement.

**Community Benefits**

During the reporting period, significant and varied community benefits were secured on seven City Regional Deal and University procurements. Faculty and Service Directorate support for adding targeted benefits to ‘core’ requirements noticeably increased. This was especially encouraging, as it highlights that University procurement staff, working collaboratively, can deliver meaningful community benefits that would be challenging to accomplish on their own.

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

Section 1: Regulated Procurements Completed

Section 2: Regulated Procurement Compliance

Section 3: Community Benefits Summary

Section 4: Supported Business Engagement Summary

Section 5: Future Regulated Procurements

**Report Approved:** 11 November 2024

**By**: University Strategy and Policy Group

**Signed:** Professor Sir Gerry McCormac

**Position:** Vice-Chancellor and Principal

**Section 1: Regulated Procurements Completed**

|  |
| --- |
| *Section 18(2) of the Procurement Reform (Scotland) Act 2014 (‘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.

The University had a non-pay spend of £38,204,572 in the financial year 2023-24.

Between 1 August 2023 and 31 July 2024, the University awarded 22 regulated (GPA and Scottish) contracts with a total value of £14,436,830 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, contracts to the value of £8,684,980 (60.1% by value of the regulated procurements) were awarded to SMEs.

**Annex A** comprises a summary 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 HE sector and wider public sector. 25.8% of the University’s non-pay 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 2023/24** |
| GPA Regulated Procurements | 2 |
| PRA Regulated Procurements | 20 |
| Total | 22 |

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

|  |  |
| --- | --- |
| **Value of Procurements** | **Year 2023/24** |
| GPA Regulated Procurements | £5,700,000 |
| PRA Regulated Procurements | £8,736,830 |
| Total | £14,436,830 |

**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”.* |

The University’s Procurement Strategy set outs how regulated procurement will be undertaken in compliance with the PRA, and how this strategy supports the University’s new Strategic Plan.

‘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 contracts 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 (‘CIP’). The University benefits from linking its own continual improvement process 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 in respect of procurement at the University.

The most recent PCIP assessment was conducted by APUC in February 2024. It took the form of a ‘Pulse Check’ and focused on higher level and more strategic areas. The performance band of ‘M2’, achieved in the previous full PCIP (in 2019), was retained.

Where appropriate and applicable, exemptions provided for 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 a new strategy will be published early in 2025.

**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 applied 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.  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 delivering efficiencies and value for money. In accordance with the ‘Scottish Model of Procurement’, 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 use of 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.  Procurement Services comprise professionally qualified and in training staff who have access to competency-based training, and skills development programmes. During the reporting period, the newest member of the team achieved her Chartered Institute of Procurement and Supply (‘CIPS’) membership. |
| To seek out professional development opportunities to enrich and enhance experience and capability of procurement practitioners. | The 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 of Procurement Services staff (using the University’s ‘Achieving Success’ appraisal process) 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 procurement policies and procedures require that consideration is given to 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.  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 informs all of 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.  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 to deliver local collaborative (‘C1’) contracts.  The Head of Procurement is an active member of APUC’s Procurement Strategy Group for Universities (PSGU), and procurement staff are members of APUC peer groups and User Intelligence Groups. |

**Section 3: Community Benefits Summary**

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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 requirements as part of the procurement” when the estimated contract value is equal to or greater than £4,000,000.* |

The University 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):

* employment and vocational training opportunities.
* graduate schemes.
* modern apprenticeships.
* work-based learning (WBL) opportunities for students.
* Industry engagement with local schools.

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

The University had 1 contract over the regulated community benefits threshold of £4m during the reporting period. Benefits were secured on this and 6 other lower value contracts.

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.

As stated earlier in this report, a new procurement strategy will be published later in early 2025. This will include plans for a new community benefits policy. A revision of the University Procurement Policies will follow. This will formally embed community benefit requirements in all our regulated procurement activity.

In the reporting period, the community benefits secured for delivery are shown in **Appendix C**.

**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’.* |

Regulated procurements (i.e. those within the scope of either the Procurement Reform (Scotland) Act 2014 or the Procurement (Scotland) Regulations 2016) are conducted in line with Routes 2 and 3 respectively of the Procurement Journey. Routes 2 recommends and 3 mandates the use of the Single Procurement Document (SPD). The SPD covers exclusion, selection and award criteria and includes questions relating to companies self-certifying themselves in terms of size (micro, small or medium), or whether they are supported businesses. (See **Annex F, Glossary** for definitions).

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.

For all regulated procurements the University determines whether a service or supply requirement could be fulfilled by a Supported Business, whilst remaining compliant public procurement legislation and ensuring value for money for the institution.

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

The University reviews each significant procurement to determine whether it could be fulfilled by a Supported Business, whilst remaining compliant with EU and Scottish procurement legislation and ensuring value for money for the institution (using the only [Supported Business Register](http://readyforbusiness.org/wp-content/uploads/2017/07/RfB-Supported-Business-Register-030317.pdf) currently available and published by Ready for Business).The University did not reserve any contracts for supported businesses in this period.

In 2024-25 the University’s aim is to ensure that we work with Contractors to facilitate opportunities for supported businesses and third sector organisations where possible.

The University is taking steps to make it easier for supported businesses to bid for contracts.

**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 by the following means:

* 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.

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.

Note: The content of Annex D represents the output of a non-exhaustive analysis of anticipated expenditure in the period 1 August 2024 - 31 July 2026.

Annex A - Regulated Procurements Summary

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

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Category Subject** | **Suppliers** | **Cat A, B or C** | **Date of Award** | **Contract Start Date** | **Final Date** | **Contract Value** | **SME Status** |
| NATIH Principal Contractor | Robertson Construction Group Limited | C | 21/01/2024 | 21/01/2024 | 20/08/2025 | £4,500,000 | Large |
| Muirhead House Refurbishment | Hadden Construction Limited | C | 15/11/2023 | 08/01/2024 | Terminated  16/09/2024 | £3,381,632 | Medium |
| Student Enquiry Management and Follow up Service | QS Enrolment Solutions Ltd | C | 23/02/2024 | 17/10/2024 | 16/02/2028 | £1,200,000 | Medium |
| Forth ERA Data Centre | Phoenix Software Ltd | C | 01/08/2023 | 01/08/2023 | 31/07/2028 | £1,200,000 | Medium |
| Hotel and Accommodation Booking System | Kinetics Solutions Limited | Call-off from Framework | 01/04/2024 | 01/04/2024 | 31/03/2029 | £750,000 | Medium |
| Pathfoot Building LED Lighting Works | FES Support Services Limited | C | 28/06/2024 | 29/07/2024 | 28/11/2024 | £650,000 | Large |
| Provision of a Timetabling System | TimeEdit AB | C | 16/10/2023 | 16/10/2023 | 15/10/2028 | £500,000 | Medium |
| Decoration Services | Bell Group | Call-off from Framework | 16/05/2024 | 01/06/2024 | 31/05/2027 | £400,000 | Large |
| Branded Sports Clothing | Border Embroideries Limited | C - Framework | 02/07/2024 | 16/07/2024 | 15/07/2027 | £400,000 | Medium |
| Student Application Processing Service | QS Enrolment Solutions Ltd | C - Framework | 02/11/2023 | 02/11/2023 | 30/10/2024 | £300,000 | Medium |
| Donnelly House Refurbishment Design Team | Hypostyle Design Limited | Call-off from Framework | 01/03/2024 | 01/03/2024 | 31/05/2025 | £220,850 | Small |
| FAH Shared Media Storage/Server (2023) | Mediaspec | C | 01/11/2023 | 01/11/2023 | 31/10/2024 | £175,000 | Small |
| China Digital Marketing Partner | Emerging Comms Ltd | C | 20/02/2024 | 01/07/2024 | 31/07/2025 | £135,000 | Micro |
| Provision of an EPOS System (Hardware and Software) | MCR Systems | Call-off from Framework | 01/11/2023 | 01/11/2023 | 31/10/2028 | £120,000 | Small |
| Forth ERA: Non-contact Integrated Surface Flow and Level Sensors for Rivers | Kisters Ltd | C | 29/09/2023 | 02/10/2023 | 01/10/2024 | £80,050 | Large |
| CCTV Maintenance Services and Related Minor Works | VWS Limited | C | 26/10/2023 | 03/01/2024 | 02/01/2027 | £80,000 | Medium |
| Sanitary Disposal and Related Products & Services | Rentokil Initial Services UK Ltd | C - Recurrent Contract | 28/03/2024 | 01/05/2024 | 30/04/2027 | £70,000 | Large |
| Multi-disciplinary Services Robbins Building | NORR Consultants Limited | Call-off from Framework | 25/04/2024 | 25/04/2024 | 24/08/2024 | £61,536 | Medium |
| Forth ERA: Acoustic Current Profiler (ADCP) for Rivers | Xylem Analytics UK Ltd | C | 29/09/2023 | 02/10/2023 | 01/10/2024 | £60,462 | Medium |
| Solar PV project Phase One - Designer/Architects | JM Architects | Call-off from Framework | 24/04/2024 | 24/04/2024 | 23/02/2025 | £60,000 | Medium |
| Forth ERA: Low-cost Integrated Rainfall & Soil Moisture Sensors | Kisters Ltd | C | 29/09/2023 | 02/10/2023 | 01/10/2024 | £51,800 | Large |
| People Insight Survey Platform | People Insight | Call-off from Framework | 07/12/2023 | 15/12/2023 | 14/12/2024 | £40,500 | Small |

Annex B - Community Benefits Summary

The University had 1 contract over the regulated community benefits threshold of £4M during the reporting period.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Category Subject | Supplier Name | Contract Start Date | Contract End Date | Value (£) | Benefit Description |
| NATIH Principal Contractor | Robertson Construction Group Limited | 22/01/2024 | 20/08/2025 | £4,500,000 | - 5 new jobs  With input from key local stakeholders, exploring provision of work experience placements, apprenticeships, site visits and other development opportunities to local school pupils, college and University students, and members of the local community as appropriate.  - 9 weeks of work experience  - 60 apprenticeship weeks  - 1 new apprentice  - 6 local engagement sessions for learners  Supporting the health and wellbeing of sub-contractors, many of which are local SMEs:  - EDI campaigns  - Subsidised university gym memberships   * Facilitating an NHS Keep Well nurse to be on site regularly for health drop-in sessions * Mental Health First Aid training and exploring provision of Trauma Informed Practice training for managers within Robertson’s supply chain |
| Forth ERA Data Centre | Phoenix Software Ltd | 01/08/2023 | 31/07/2028 | £1,200,000 | * Committed to 3 school visits annually * Work experience opportunities for undergrad students in areas such as marketing, IT, operations, and administration. * Sustainability envisioning workshops to educate on how Microsoft technology can support carbon reduction plans.   Supporting the SIEC’s Young Pathfinders initiative. |
| Student Enquiry Management & Follow up Services | QS Enrolment Solutions Ltd | 17/10/2024 | 16/02/2028 | £1,200,000 | * Opportunities for students through the supplier’s charitable branch QS ImpACT: * Student councils * Scholarships * Climate Literacy & Action training * Opportunities to participate in challenges and programmes designed to promote interaction with the United Nations’ Sustainable Development Goals. Shortlisted projects would be presented to the UN. |
| Pathfoot Building LED Lighting Works | FES Support Services Ltd | 29/07/2024 | 28/11/2024 | £650,000 | * 2 x existing apprentices engaged through the project for 16 weeks * 1 x work experience e.g. one week for a high school student * 3 x local school visits |
| China Digital Marketing Partner | Emerging Comms Ltd | 01/08/2024 | 31/07/2025 | £135,000 | * Work placements and research projects for Chinese students studying marketing or related courses * Support for events and curriculums by providing guest lecturing or appearing as a panel member for topics such as trends in China, and entrepreneurship. |
| Decoration Services | Bell Group Ltd | 01/06/2024 | 31/05/2027 | £400,000 | * Trade apprenticeship x 2 * Work experience x 4 * Local community engagement e.g. school visits x 8 |
| Branded Sports Kit | BE Uniforms | 16/07/2024 | 15/07/2027 | £400,000 | * Benefits through Adidas e.g. training sessions with professional sports teams or professional athlete appearances at selected University events. * Work placements, internships and summer employment opportunities for university students. |

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 (2024/25 - 2025/26)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Category Subject Matter** | **Category** | **New, Extended or Re-let** | **Forecast Contract Award Date** | **Forecast Start Date** | **End Date** | **Estimated Contract Value** |
| Multi-trade Principal Contractor | C - Framework | Re-let | 26/05/2025 | 01/08/2025 | 31/07/2028 | £6,000,000 |
| University Insurances | Call-off from Framework | Re-let | 20/05/2025 | 01/08/2025 | 31/07/2028 | £1,900,000 |
| Waste Services | Call-off from Framework | Re-let | 30/04/2025 | 01/08/2025 | 31/07/2027 | £600,000 |
| Security Systems Maintenance, Repair & Door Access & Intruder Alarm | C | Re-let | 10/01/2025 | 01/02/2025 | 31/01/2028 | £350,000 |
| Multi-Functional Devices | Call-off from Framework | Re-let | 30/05/2025 | 01/08/2025 | 31/07/2030 | £250,000 |
| Educational Psychologists | C | New | 21/05/2025 | 01/08/2025 | 31/07/2028 | £180,000 |
| Linen Hire and Laundry Service | C | Re-let | 01/08/2025 | 01/10/2025 | 30/09/2027 | £160,000 |
| Card Acquiring Service | C | Re-let | 13/03/2026 | 14/04/2026 | 13/04/2029 | £120,000 |
| Transactional Banking Services | C | Re-let | 08/05/2026 | 01/06/2026 | 31/05/2031 | £30,000 |
| Campus Development |  |  |  |  |  | £3,925,000 |
| Business Systems |  |  |  |  |  | £251,000 |
| Core IT |  |  |  |  |  | £900,000 |
| Critical Equipment Replacement |  |  |  |  |  | £305,000 |
| Sports |  |  |  |  |  | £210,000 |

**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 2023 - 31 July 2024

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 22

b) Total value of regulated contracts awarded within the report period £14,436,830

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 14 ii) how many of these unique suppliers 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 22

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 1

b) Total number of regulated contracts awarded with a value of £4 million or greater that contain

Community Benefit Requirements 1

c) Total number of regulated contracts awarded with a value of less than £4 million that contain a

Community Benefit Requirements 6

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 the Priority Groups (Each contracting authority sets its own priority groups) Not applicable

e) Number of Apprenticeships Filled by Priority Groups Not applicable

f) Number of Work Placements for Priority Groups Not applicable

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

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 7

contract awarded during the period.

6. Payment performance

a) Number of valid supplier invoices received during the reporting period. 22,103

b) Percentage of invoices paid on time during the period (“On time” means within the period set out in 91.6

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. £38,204,572

b) Total procurement spend with SMEs during the period covered by the annual procurement report. 53.7%

c) Total procurement spend with Third Sector bodies during the period covered by the report. 0

d) Percentage of total procurement spend through collaborative contracts. 25.8%

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 £295,542

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 £803,288

9. Future regulated procurements

a) Total number of regulated procurements expected to commence in the next two financial years 30

b) Total estimated value of regulated procurements expected to commence in the next two financial years £15,181,000

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.).

**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 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 -** 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.

**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.