

# Annual Procurement Report 2020-21



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## 1. Introduction

1.1 This report details procurement activities undertaken as follows:

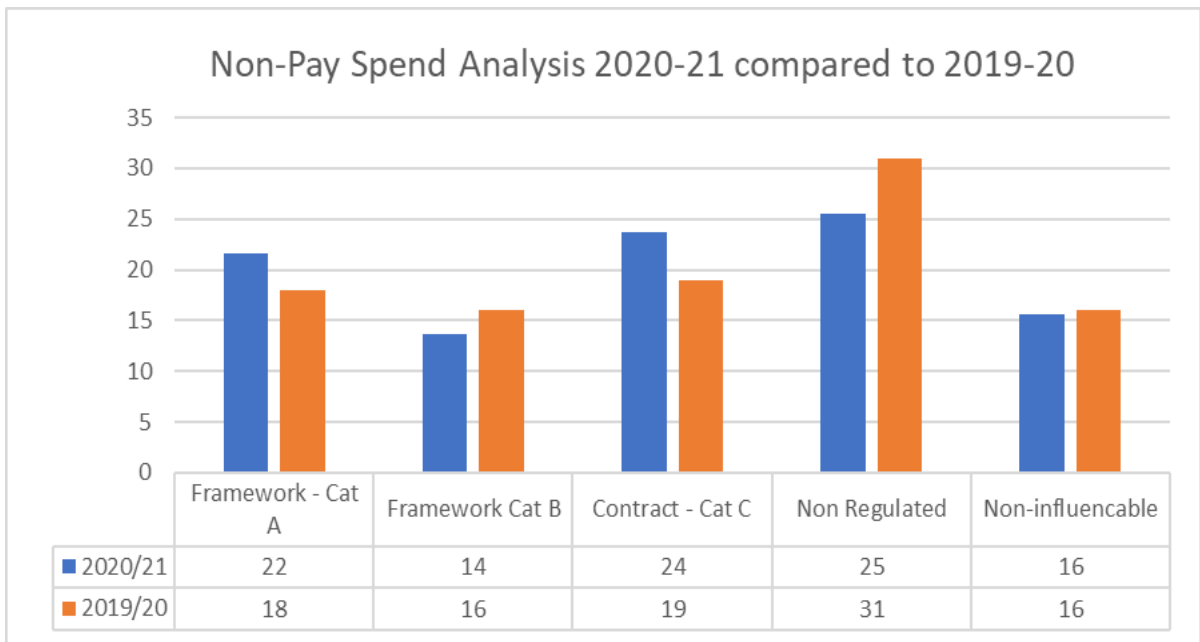
Section 2:	Summary of Completed Regulated Procurement
Section 3:	Review of Regulated Procurement Compliance
Section 4:	Summary of Community Benefits Summary
Section 5:	Summary of Supported Businesses Summary
Section 6:	Summary of Future Regulated Procurement Summary
Section 7:	Other Considerations - this provides an overview of some of the key procurement developments being undertaken by the College.

1.2 The categorisations of procurement expenditure referred to within this report are defined as follows:

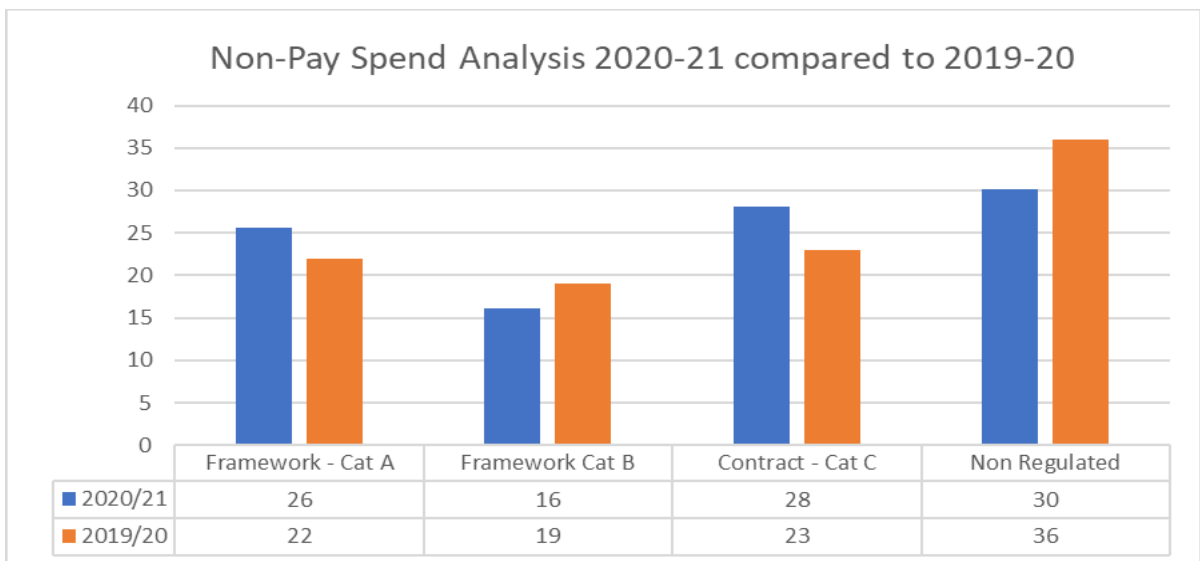
- **Non-Pay Expenditure** – all College expenditure, both influenceable and non-influenceable, that does not include remuneration costs.
- **Non-Influenceable Spend** – expenditure that relates to fixed and statutory requirements such as irrecoverable VAT, property rent and rates and examination fees.
- **Influenceable Spend** – all expenditure that the College has an ability to influence.
- **Framework Category A** - commodities used across the public sector, such as utility contracts / insurance / IT supplies, and which are negotiated under collaborative contracts at national level.
- **Framework Category B** - commodities such as food/cooking supplies and curriculum support materials, with the procurement being undertaken through framework arrangements with Advanced Procurement for Universities and Colleges (APUC), Scotland Excel (the Centre of Procurement Expertise for the local government sector) and other similar centres of procurement expertise.
- **Contract Category C** - those supplies and services sourced through procurement exercises undertaken by the College (WCS Local) and not associated with any collaborative framework.
- **Regulated and Non-Regulated Procurement** – under the Procurement Reform (Scotland) Act 2014 the definition of regulated procurement is contracts valued at £50,000 or above, excluding VAT for goods and services and £2,000,000 for works. Non-regulated procurements are those contracts below the £50,000 threshold.

1.3 The annual expenditure profile of West College Scotland continues to be monitored on a supplier basis to identify areas for efficiency, improvement, and collaborative procurement. The College’s non-pay expenditure for 2020-21 totalled £12.7m (2019-20: £11.3m), of which £1.8m (14%) (2019-20: £1.8m) was non-influenceable spend. Therefore, £10.9m (86%) of College expenditure was influenceable (2019-20: £9.5m (84%)).

1.4 An analysis of **non-pay expenditure** for 2020-21 (£12.7m) when compared to 2019-20 (£11.3m) is summarised in the chart below:



1.5 Excluding non-influenceable expenditure, an analysis of **influenceable** non-pay spend for 2020-21 (£10.9m) when compared to 2019-20 (£9.5m) can be summarised as follows:



- 1.6 As can be seen above, 42% (2019-20: 41%) of the 2020-21 expenditure was undertaken through Category A and Category B contractual arrangements.
- 1.7 The College local contract spend (Category C) has increased from 23% to 28% year on year. A key reason for this movement is an increase in the level of estates expenditure and estate projects being subject to contract in 2020-21.
- 1.8 **Non-regulated expenditure** as a total value has remained the same year on year at £1.8m. As a percentage of total expenditure, the overall level has reduced from 36% to 30%. This is a positive indicator of the influence the Procurement Team are exerting to move more of the College expenditure to being subject to contract.
- 1.9 During 2020-21 due to staff recruitment issues, the College has had a period of limited procurement resource where the College was required to make purchases without a direct input from procurement professionals but within the Financial Regulations.
- 1.10 During 2021-22 the Procurement Team will look to engender greater engagement with stakeholders. Key areas being in relation to curriculum trade materials for construction, building services and engineering, estates professional advisors and media advertising.
- 1.11 There were ten regulated procurements totalling £4.2m during 2020-21, all relating to goods and services (2019-20: 9 regulated procurements with a value of £4.0m). More detail on these regulated procurements can be found in section (2) which follows.

## 2. Summary of Completed Regulated Procurements

- 2.1 The Procurement Annual Report is required to focus upon regulated procurements; these are defined as goods and services worth more than £50,000 excluding VAT and works contracts worth more than £2,000,000 excluding VAT
- 2.2 The College conducted ten regulated procurements for goods and services during the year. The College did not conduct any regulated procurement in the works category (contracts with a value of more than £4,773,252 (excluding VAT)) during 2020-21.
- 2.3 There were four EU regulated procurements for goods and services (contracts with a value of more than £189,330 (excluding VAT))<sup>1</sup> arising during the reporting period 2020-21 - these totalled £3.2m in value and related to contracts for IT software and licencing, associate trainers, distance learning, hair dressing kits and consumables, beauty kits and consumables.
- 2.4 To be included in this report the regulated procurement had an award notice published on the [Public Contracts Scotland Tender portal](#).

### Categories and Nature of Procurement

#### Regulated Contracts

- 2.5 The College conducts all procurement activities in an open and transparent manner in accordance with best practice and legislative requirements.
- 2.6 The work plan included at *Appendix A* provides details of the description and category of regulated procurement tendering activity that the College progressed during 2020-21, with this totalling £4.2m in total contract value. These regulated procurements have been separated into contract categories, with the information provided showing the following:
- the date of award
  - the description of the contract
  - the category of the contract
  - the estimated total value over the contract period, including any extension periods
  - the contract start date
  - the duration of the contract including any extension periods (where applicable)
- 2.7 This information, in conjunction with the publication of the College [Contracts Register](#) and use of Public Contracts Scotland (PCS) for all procurement activity over the reporting period, provides complete transparency of the College's procurement activities for the period 2020-21.

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<sup>1</sup> Public contracts thresholds are revised every 2 years – next due on 01 /01/2022

### 3. Review of Regulated Procurement Compliance

#### Regulated Procurement Compliance

- 3.1 The College conducted a total of ten procurement exercises over the regulated threshold of £50,000 during 2020-21 - these are detailed in *Appendix A* and were in the areas of:
- IT - Software Purchase; Licences; Maintenance; Development; Royalties (2)
  - Estates- Professional Services; Architects; Estates Agents; QS; Construction Management; Surveying Equip & Services (3)
  - Hair and Beauty Equipment, Services, Suppliers Purchase, Maintenance and Repair (2)
  - Education Packs and Materials Specific to Teaching and Learning (3)
- 3.2 Of these regulated procurements, four were above the OJEU threshold.
- 3.3 The College continues to:
- seek to access and utilise collaborative procurement approaches wherever possible, including the use of procurement framework agreements with APUC and other centres of procurement expertise; and
  - consolidate procurement and seek opportunities for cross campus collaboration on an ongoing basis.

#### Low Value / Low Risk Purchases

- 3.4 The College utilises Public Contracts Scotland (PCS) electronic portal to conduct procurement exercises including sourcing competitive quotes for non-regulated procurement via the Quick Quote system in line with the College Financial Regulations, and to issue Prior Information Notices and Contract Notices for procurement exercises over the regulated thresholds. Continued use of this approach has resulted in the inclusion of local suppliers wherever possible during the tendering of Category C local contracts. The adoption of the PCS portal systems as the default method to conduct procurement exercises across the College ensures compliance and transparency in the processes adopted.
- 3.5 The increased usage of further competition via frameworks demonstrates the College's commitment to participating in collaborative procurement at a national and sectoral level.
- 3.6 The College Procurement Strategy will continue with a mix of further competition using frameworks, direct awards, open tenders, and quick quotes. This will be informed by intelligence on the overall College expenditure allied with the market knowledge to match this data to appropriate procurement routes wherever possible.

## 4. Community Benefit Summary

- 4.1 The provision of community benefits is obligatory under the terms of the Procurement Reform Act for contracts with a total value over £4,000,000. The College is committed to maximising any opportunities to obtain Community Benefits from procurement activities.
- 4.2 These opportunities are maximised by including a section on Community Benefits in the standard documentation used for larger regulated procurements where appropriate.
- 4.3 The College assesses each individual procurement on a case-by-case basis to consider appropriateness for Community Benefits in terms of contract value, supplier base and nature of contract. Part of this assessment process takes into consideration any negative effect on choice or value for money that seeking Community Benefits may have on a contract below the mandatory Community Benefits level of £4,000,000.
- 4.4 Relevant Community Benefits may include but are not restricted to:
- The provision of supplies and/or services to support College curriculum activities and student welfare.
  - The offer of recycled IT equipment to students.
  - Upskilling opportunities for students and staff.
  - Student workplace and vocational training opportunities.
  - Direct involvement in College schemes or programmes.
  - Educational support initiatives.
  - Presentations for staff and students.
  - Minimising negative environmental impacts, for example those impacts associated with vehicle movements and associated emissions.
- 4.5 In the reporting period, the College has continued to engage with several suppliers who provide community benefits either because of direct commitment via local contracts or framework commitments. Examples of the community benefits secured by the College include:
- The provision of pop-up displays and the contribution of materials towards activities promoting sustainability issues.
  - The provision of student training services and materials in the curriculum area of hairdressing and beauty therapy.
  - The provision of promotions and competitions for students in the catering supplies area.



4.6 The College will continue to promote areas of community benefit as follows:

- All standard quotation documentation includes a section inviting bidders to provide Community Benefits where appropriate.
- Tender documentation for regulated procurements includes a method statement response on Community Benefits that may be provided specific to the contract, where appropriate.
- The College has achieved Living Wage Accreditation and will continue to promote payment of the Living Wage and Fair Work Practices for all relevant procurements.
- The College will ensure that, where suppliers have committed to provide Community Benefits as part of a contract, they will prepare a report on the delivery of these benefits on a six-monthly basis as part of the Contract Management programme as appropriate.

## 5. Supported Businesses Summary

- 5.1 A Supported Business is defined as one where at least 30% of their workforce are classed as disabled or disadvantaged. (Public procurement directive allows public bodies to make the decision to reserve public contracts for supported businesses. This is enacted in Scotland by Regulation 21 of the Public Contracts (Scotland) Regulation 2015 and as a public body, you can make use of these regulations to restrict the tendering process for goods or services to supported businesses only.)
- 5.2 Higher value procurements, regulated procurements (between £50,000 and financial threshold and those equal to and above the financial thresholds) are conducted in line with Routes 2 and 3 respectively of the Scottish Government Procurement Journey. Both Routes 2 and 3 mandate the use of the Single Procurement Document (SPD (Scotland)). The SPD covers exclusion, selection and award criteria and includes questions relating to companies self-certifying themselves in terms of size (micro, small or medium), or whether they are supported businesses.
- 5.3 The College reviews each procurement to determine whether it could be fulfilled by a Supported Business, whilst remaining compliant with relevant Procurement legislation and ensuring value for money for the institution (using the only [Supported Business register](#) currently available and published by Ready for Business).
- 5.4 During the reporting period the College had an agreed arrangement with WEEE Scotland to recycle IT hardware. WEEE Scotland is a Supported business. This enables the College to recycle IT hardware in a compliant manner and contribute to the College's aims to meet its sustainable obligations and work with local Support Businesses.
- 5.5 It is anticipated that opportunities for engagement with supported businesses will continue to increase going forward. The College will continue to engage with businesses via this route as well as in its own local contracting arrangements. External bodies such as APUC and Scotland Excel continue to promote opportunities for supported businesses along with small and medium enterprises (SMEs) and micro business.

## 6. Future Regulated Procurement Summary

- 6.1 The College has prepared a summary of the anticipated regulated procurement schedule over the next two years – for the period covering 2021-22 to 2022-23 - as shown in *Appendix B*. This is estimated as the College receives funding on an annual basis and the level of purchasing requirement cannot therefore be predicted with certainty.
- 6.2 Possible contracts have been included, with these being above the regulated contract tender threshold based on the total value over the anticipated period of the contract.
- 6.3 The College will continue to publish Prior Information and Contract Notices via Public Contracts Scotland in the 2021-22 year to alert the supply base to tender opportunities.
- 6.4 Significant capital work on the College estate and ad hoc procurement requirements may arise in-year which have not been included, and it is anticipated that further regulated procurement exercises will be identified throughout the next year.

## 7. Other Considerations

7.1 In this section, the College is highlighting procurement/process improvements that support better procurement. These improvements support the achievement of Procurement Strategy objectives and promote improved compliance.

### Procurement Influenced Spend

7.2 The Covid-19 pandemic and procurement resourcing issues over the past 12 months have resulted in an increase of non-regulated spend from 31% to 33%. Further development of the analysis of procurement spend information coupled with greater engagement with procurement across the College going forward is required.

### Procurement Procedures

7.3 Several procurement procedures are in place to provide best practice information and reflect legislative requirements. The procedures have been sited on the College Procurement Intranet site and cover a range of procurement subjects to enhance communication, engagement, competence and compliance. These procedures are aligned to the Scottish Government Procurement Journey, support the College Strategic Plan 2019-2025 and are reflected in the College Financial Regulations.

### Procurement and Commercial Improvement Plan

7.4 West College Scotland is required to undertake the Procurement and Commercial Improvement Plan (PCIP) Lite assessment with APUC. This assessment focusses on the policies and procedures driving procurement performance and the results they deliver.

7.5 The next College PCIP review by APUC is due to be completed in 2023. The College is making progress following on from the last assessment in 2019 with emphasis on areas where further improvement can be made. These areas include the following:

- Further embedding of sustainable procurement.
- Continued development of contract and supplier management across all significant contracts.
- Development in the measuring of contract performance.
- Further increase of contract coverage for potential influenceable spend.

### Summary

7.6 This report outlines the College commitment to compliant, proactive and best practice procurement. The College continues to actively engage with the aims of the Procurement Reform (Scotland) Act 2014 and maintains an ethos of continuous improvement for both current procurement activities and future planned work. The College seeks to continue to expand the already increased awareness and engagement with procurement by staff, students, and the supply base to achieve further improvement in the period 2021-22.

## Appendix A - Regulated Procurements Completed 2020-21

Date of Award	Description	Contract Type	Contract Duration - months incl extensions	Estimated Total Contract Value incl extensions	Status
January 2021	Associate Trainers	Contract - Category B	48	£1,000,000	New
February 2021	Beauty Kits and Consumables	Contract - Category B	48	£360,000	Re-let
February 2021	Hairdressing Kits and Consumables	Contract - Category B	48	£432,000	Re-let
February 2021	Hair and Beauty Uniforms	Contract - Category B	48	£152,000	Re-let
February 2021	Make Up Artistry Kits	Contract - Category B	48	£172,000	Re-let
		<b>Total Category B</b>		<b>£2,116,000</b>	
September 2020	Purchase of myday student portal software and app. CCS G Cloud	Contract - Category C	36	£62,843	New
November 2020	Replacement of Refectory Roof Terrace Clydebank Campus	Contract - Category C	One Off	£55,138	New
November 2020	Paisley Traffic Calming and Landscaping	Contract - Category C	One Off	£43,153	New
January 2021	Engineering Equipment - AMCF First Release	Contract - Category C	One Off	£160,000	New
March 2021	Distance Learning	Contract - Category C	48	£1,830,000	Re-let
		<b>Total Category C</b>		<b>£2,151,434</b>	

## Appendix B - Forward Procurement Plan 2021-22 and 2022-23

### Summary

<b>2021-22 Forward Procurement Plan</b>	
Category A Contracts	£200,000
Category B Contracts	£3,077,790
Category C Contracts	£580,000
<b>All Contracts Total 2021-22</b>	<b>£3,857,790</b>
<b>2022-23 Forward Procurement Plan</b>	
Category B Contracts	£2,663,227
Category C Contracts	£1,599,740
<b>All Contracts Total 2022-23</b>	<b>£4,262,967</b>
<b>Total All Contracts 2021-2023</b>	<b>£8,120,757</b>

## Contract Delivery Plan 2021-22

Expected Date of Award	Description	Contract Type	Contract Duration - months incl extensions	Estimated Total Contract Value incl extensions	Status
January 2022	Mobile Voice & Data Services - Lot 6 Mobil Voice & Data) (Crown Commercial Services)	Contract - Category A	48	£200,000	Re-let
		<b>Total Category A</b>		<b>£200,000</b>	
August 2021	Coffee Supply and Maintenance	Contract - Category B	48	£25,000	New
November 2021	Microsoft Training Courses - External Providers	Contract - Category B	48	£60,000	Re-Let
December 2021	Graduation Audio Visual (AV)	Contract - Category B	48	£11,790	Re-Let
December 2021	Roofing and Re-Rendering to Renfrew and Oakshaw	Contract - Category B	One-off	£830,000	New
February 2022	Fully Managed Vending Machines	Contract - Category B	48	£45,000	Re-Let
February 2022	Supply of Paper & Specialist Paper	Contract - Category B	48	£200,000	Re-Let
March 2022	Finnart Tower Windows Replacement	Contract - Category B	One-off	£330,000	New
March 2022	Fixed Telephony Service - Voice framework	Contract - Category B	48	£23,000	Re-Let
April 2022	Legal Services	Contract - Category B	48	£60,000	Re-Let
May 2022	Sports Uniforms	Contract - Category B	48	£408,000	Re-Let
June 2022	Insurance Policy Renewal	Contract - Category B	48	£700,000	Re-Let
July 2022	Provision of Personal Protection Equipment - PPE	Contract - Category B	48	£360,000	Re-Let
July 2022	Repair and Maintenance of Catering Equipment across all campuses	Contract - Category B	48	£25,000	Re-Let
TBC	Occupational Health - Health Surveillance	Contract - Category B	TBC	TBC	New
		<b>Total Category B</b>		<b>£3,077,790</b>	
August 2021	'MyHealth' student app	Contract - Category C	One-off	£15,000	New
August 2021	Airport services for specialist training delivery	Contract - Category C	One-off	£45,000	New
March 2022	Estate consultancy specialists	Contract - Category C	48	£400,000	New
April 2022	AMCF Equipment Purchase - phase 2	Contract - Category C	One-off	£120,000	New
		<b>Total Category C</b>		<b>£580,000</b>	

**Contract Delivery Plan 2022-23**

Expected Date of Award	Description	Contract Type	Contract Duration - months incl extensions	Estimated Total Contract Value incl extensions	Status
February 2023	Fresh Dairy Products	Contract - Category B	48	£96,000	Re-let
February 2023	Fresh Bakery Products	Contract - Category B	48	£120,000	Re-let
February 2023	Library Books, Educational Textbooks and Multimedia Supplies	Contract - Category B	48	£500,000	Re-let
March 2023	Provision of Lease of Office Equipment (MFD - Printers)	Contract - Category B	48	£1,500,000	Re-let
May 2023	VMWare License Renewal	Contract - Category B	48	£57,227	Re-let
July 2023	S&D of Grocery, Frozen & Chilled Food - TUCO 11042-TU	Contract - Category B	48	£390,000	Re-let
		<b>Total Category B</b>		<b>£2,663,227</b>	
April 2023	The Provision of Glass Cleaning Services-All Campuses	Contract - Category C	48	£71,992	Re-let
April 2023	All Campus Landscaping & Gardening	Contract - Category C	48	£82,320	Re-let
April 2023	Waste & Recycling Management Services - LOT 1 - Waste Management	Contract - Category C	48	£275,624	Re-let
April 2023	Waste & Recycling Management Services - LOT 2 - Confidential Waste	Contract - Category C	48	£4,752	Re-let
April 2023	Waste & Recycling Management Services - LOT 3 - Compactor Rental	Contract - Category C	48	£214,652	Re-let
July 2023	Sports Uniforms	Contract - Category C	48	£408,000	Re-let
July 2023	Taxi Services- Clydebank - Lot 1	Contract - Category C	48	£19,200	Re-let
July 2023	Taxi Services- Paisley - Lot 2	Contract - Category C	48	£163,200	Re-let
July 2023	Taxi Services- Greenock - Lot 3	Contract - Category C	48	£360,000	Re-let
		<b>Total Category C</b>		<b>£1,599,740</b>	