

Inverness College UHI

(Known as UHI Inverness)

Procurement Strategy 2023 to 2026



Procurement Strategy

Introduction

Inverness College UHI (known as UHI Inverness) is classified as a Contracting Authority due to being publicly funded through the Scottish Funding Council. For this reason, the College is required to apply procurement legislation and guidelines to the procurement of all goods, services and works.

This Strategy provides the framework within which the procurement activities of the College can develop and help support our wider strategic objectives and outcomes. It can also be understood as a procurement improvements journey based on a clear understanding of where the College is currently, in terms of our procurement practice and where we want and need to be.

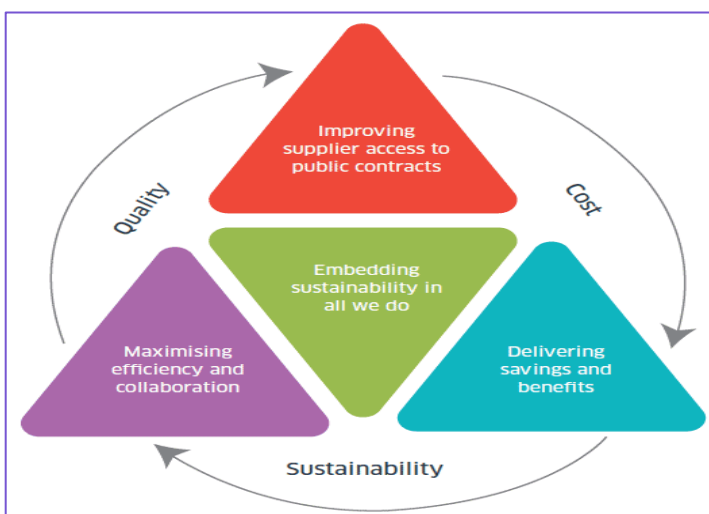
This Strategy sets us challenging but realistic goals for the development of our procurement activities over the next three years which will be subject to regular and transparent review. The successful implementation of this Strategy can only be achieved by all involved in the procurement of goods and services on behalf of the College working in partnership and collaboratively with our partners across the wider education and public sector. Working together we can significantly contribute to the future sustainability of the College through the reinvestment of resulting savings and efficiencies from our procurement activities to enhance our student experience, whilst also addressing the global sustainability agenda.

The UHI Inverness Procurement Strategy takes cognisance of the environments within which the institution operates to ensure that external drivers and influences for improvement are considered and addressed appropriately within our activities.

Executive Summary

This Strategy has been informed by the Scottish Government's statutory guidance under the Procurement Reform (Scotland) Act 2014, the World Trade Organisation's Government Procurement Agreement, and the Scottish Model of Procurement, with the support of APUC, the procurement centre of expertise for all of Scotland's colleges and universities.

The Scottish Model of Procurement aims to promote the power of public spending to provide genuine public value that goes beyond simply looking at the cost and quality of goods and services we buy. Although led by the Scottish Government, the Scottish Model of Procurement is owned by all of the Scottish public sector.



Procurement services at the College are provided via the APUC Shared Service Model, consisting of two FTEs based at the Inverness Campus. In addition, collaborative opportunities are delivered via a Shared Service Collaborative resource which is jointly paid for by UHI Academic Partners. Strategic support is provided by the Shared Service Head of Procurement.

This strategy will, as a minimum, be reviewed annually in compliance with the Procurement Reform (Scotland) Act 2014, thus maintaining the alignment of procurement activity with the broader financial and procurement priorities and enable the college where necessary to revise the Strategy and its related Action Plan.

Compliance with the Procurement Reform (Scotland) Act 2014

- Procurement will analyse the college third party expenditure, identify regulated procurements worth more than £50,000 and Works worth more than £2 million (Procurement Reform Act 2014) and ensure these are included within the college two year Forward Contracting Plan.
- Deliver value for money – value for money as defined by the Scottish Model of Procurement is not just about cost and quality, but also about the best value balance of cost, quality, and sustainability. The College Procurement Policies and practice will seek to consistently apply the above principle, albeit the balance of cost, quality and sustainability will vary for a regulated procurement depending on the particular commodity, category, and market.
- The College will consider the use of whole-life costing of what is being procured, where appropriate, and when applying the above principle of value for money ensuring that it does so in a clear, transparent, and proportionate manner.
- Treating relevant economic operators equally and without discrimination - the College will conduct all of its regulated procurements in compliance with the principles of current legislative requirements; equal treatment, non-discrimination, transparency, proportionality, and mutual recognition and will consider early engagement with the supply market where relevant, but prior to the publication of a contract notice.
- All regulated procurements will be published on Public Contracts Scotland¹⁸ (PCS), Public Contracts Scotland-Tender¹⁹ (PCS-T) or Find a Tender (FTS) and shall strive to ensure the appropriate use of separate lots with straightforward output-based specifications and clear evaluation criteria to ensure the procurement is accessible to as many bidders as possible.
- Acting in a transparent and proportionate manner – the College will ensure it engages with its supply chain to better understand market constraints and provide suppliers insight into the forward contracting plan.
- Our Procurement Policies will mandate the use of clear and precise language in its specifications to ensure contracts are awarded using appropriate quality, risk, and sustainability factors as well as cost, according to declared score weightings specific to each contract.
- The College will actively take steps to make it easier for smaller and local businesses to bid for contracts through the use of Public Contracts Scotland and Quick Quotes, the provision of training and/or provide information on third party training.
The College will publish a Contract Register to highlight contracts that local suppliers may be interested in bidding for.
- Procurement will consider where appropriate the effective use of contract and supplier management to monitor and further improve the regulated procurement contract outcomes.
- The Sustainable Procurement Duty – in compliance with the Act, the College will give consideration to the environmental, social and economic issues relating to all regulated procurements and how benefits can be accrued, on a contract-by-contract basis by taking proportionate actions to involve SMEs, third sector bodies and supported businesses in our procurement activities and in so doing benefit not only the College but the wider Highland and Island region.

- To support compliance with the duty, the College will use of e-tools and systems where relevant and proportionate to the scope of the procurement such as the Scottish Public Procurement Prioritisation Tool, the Sustainability Test, Life Cycle Impact Mapping, the Scottish Flexible Framework as well as APUC's Supply Chain Code of Conduct.
 - The College will consider for each of its procurements over £4m how it can improve the economic, social, or environmental wellbeing of the local region through the inclusion of community benefit clauses. Where possible and proportionate, such clauses may also be included in procurements below £4m.
 - Fair Work First - As a living Wage Accredited organisation the College recognises the value of a well-motivated and dedicated workforce both in its own organisation and in those of its suppliers. In compliance with the Act, the college will consider, before undertaking a procurement, whether it is relevant and proportionate to include a question on fair work practices along with other relevant criteria, whilst ensuring the appropriate balance between quality and cost of the contract, paying staff with regard to the statutory guidance including the application of the living wage.
 - The procurement of fairly and ethically traded goods and services - the College supports the sourcing of goods that are fairly and ethically traded. Where directly relevant, it shall make use of appropriate standards and labels in its procurements to take account of fair and ethical trading considerations as well as considering equivalent offerings from suppliers that can demonstrate they can meet the specified criteria without necessarily having the specific certification. The College recognise the importance of the supplier selection process to eradicate Modern Slavery in the supply Chain and will take necessary measures to support this.
- Consulting and engaging with those affected by its procurements - the College will utilise good practice principles of engagement as well as ensuring procurement staff have, or will be developed to have, the relevant communication and engagement skills. The College will consider each procurement, the community impact by the resultant contract and will ensure any affected organisations/persons are consulted. Consultation will always be on a scale and approach relevant to the procurement.
 - Payment terms - the member institutions acknowledge the importance of paying suppliers promptly once a service has been performed or goods delivered and that late payment is particularly detrimental to SMEs, third sector bodies and supported businesses. The college will comply with the Late Payment Act and will review on a contract-by-contract basis whether such obligations should be enforced and monitored further down its supply chain.

Procurement Mission

The College is committed to delivering value for money in all of its procurement activities, and in conducting its daily business, staff will consider the College's wider responsibilities in terms of legal, moral, social, economic, and environmental impacts. Effective sustainable procurement will support the College's Strategic Plan 2021-2025.

Our Procurement objectives are mapped to those of the UHI Inverness Strategic Plan as follows:

Aim 1: Tertiary Education

- We will support EMT, Heads of School, Staff and Students in Procurement related matters.
- We will engage with stakeholders to develop specifications and evaluations of tender submissions to ensure the most suitable products and services are procured to support learning.

Aim 2: Organisational Development

- We will ensure procurement guidance, policies and procedures are up to date and readily available to all staff.

- Through induction and ongoing training, we will ensure that all staff who purchase goods and services are aware of the legislative requirements and the College's internal policies and procedures in respect of procurement.
- We will professionally development procurement staff through relevant training and regular PRD's
- We will endeavour to embed the principles of effective contract management across the organisation, providing guidance and training where appropriate, focussing on high spend and high-risk areas, maximising benefits, and supplier performance.

Aim 3: Research & Innovation

- We will encourage and seek opportunities to work with suppliers to provide innovative solutions and products through our contracts that will support dynamic learning, research opportunities and economic needs.
- We will conduct our procurement activities in accordance with Conditions of Grants or external funding, to negate funding being revoked.

Aim 4: Student Experience

- We will procure goods and services that meet the needs of our students.
- We will support UHI Inverness Students Association in Procurement related matters.
- Where students are impacted, we will involve them in the specification writing and evaluation of tender submissions including environment and sustainability aspects.

Aim 5: Finance & Sustainability

- We will review our procurement policies and procedures to align with best practice.
- We will ensure that we engage with our local supply chain through formal and informal engagement events to increase their knowledge of competitive tendering opportunities allowing the college to receive more competitive bids and deliver sustainable outputs.
- We will support SMEs by ensuring contract documents are concise and proportionate to the contract value.
- We will drive, deliver, and report cash and non-cash savings in accordance with the Scottish Government Benefits and Savings Methodology.
- We will identify and manage our supply chain risks through a Risk Register, with Strategic risks filtering into the overarching institutional Risk Register.
- We recognise the importance of paying suppliers promptly on completion of a service or delivery of goods.
- As an accredited Living Wage employer, we will make specific reference within tender documentation to the Scottish Government's Fair Work Practice guidelines and the requirements of the Modern Slavery Act 2015.
- We will embed sound ethical, social, and environmental policies within the College's procurement function to comply with relevant Scottish, UK, and EU legislation in performance of the sustainable procurement duty. We will ensure that sustainability criteria are considered as part of each tendering exercise and, where appropriate, evaluated and measured. We will use available tools such as the Flexible Framework and Life Cycle Impact Mapping to ensure that, where appropriate, all environmental, social, and economic issues are considered as well as the benefits that can be delivered.
- We will work with our internal and external stakeholders to conduct due diligence checks to ensure that our supply chain is compliant with relevant legislation e.g., GDPR, Cyber Security and Health and Safety. Where proportionate, we will also seek to assess the compliance of subcontractors.
- We will align with UHI Inverness Anti-Fraud and Anti-Corruption Policies within our tendering activities to mitigate any risk from counter fraud.

These objectives are measured and supported in 3 ways -

- through the Procurement Action Plan within this Strategy (Appendix 1)
- through our involvement in the Scottish Government's Procurement and Commercial Improvement Programme (PCIP)
- and through the publication of an Annual Procurement Report We will ensure effective risk management by creating, maintaining, and communicating a procurement risk register that identifies procurement related risks such as financial, reputational, legislative and continuity of supply. High risk areas identified will be submitted to the strategic risk register. The risk register will address appropriate control measures to mitigate risk.

Responsible Procurement

UHI Inverness is committed to supporting the Scottish Government's ambition to achieve net zero emissions by 2045. Procurement is committed to work with stakeholders to deliver its commitment through its operations, academic offer, and its thriving innovation environment. Working in collaboration with students and staff, UHI Inverness aims to significantly reduce emissions from energy, transport, and consumables, while factoring recycling and building sustainability into all our future decisions, with an increased focus on carbon footprint in each of our contracts.

Carbon Management Group

We will support the Carbon Management Plan through the working group, off which procurement staff will participate. The Group has been established to look at ways UHI Inverness can reduce their carbon footprint through all of its operations, for example, Hybrid Working, Business Travel, Staff/Student Travel, Energy Efficiency Fleet (Vehicle) Transport, ICT, Renewable Energy, Internal Lighting Projects, Sustainable/renewable heat, Waste Management, Water and Sewerage, Compressed Air Management, Land Use etc. The working group will work collaboratively with the UHI Environmental & Sustainability group.

Sustainable Development Goals (SDGs)

We are fully committed to supporting the global SDG's. The 17 Sustainable Development Goals (SDGs). The aim is to create a better fairer world by 2030. The Global Goals for Sustainable Development are all interconnected, so no-one is left behind. Improving education to build a better future.

Electronics Watch

Through its APUC membership the college are a member of Electronics Watch, an independent monitoring organisation working to achieve respect for labour rights in the global electronics industry through socially responsible public purchasing in Europe. The sector is committed to pushing for improved ethical, social, economic, and environmental standards in its supply base, and in collaborating with Electronics Watch this allows the resources to deliver a transparent, fair, and ethical supply chain.

Annual UHI Inverness Procurement Report

We will produce an Annual Procurement Report to be presented for board approval by December each year. The Annual Report will contain as a minimum.

- A summary of the regulated procurements that have been completed during the year covered by the Report.
- A review of whether these procurements complied with this Strategy.
- The extent that any regulated procurements did not comply, a statement of how the college intends to ensure that future regulated procurements do comply.
- A summary of any community benefit requirements imposed as part of a regulated procurement that were fulfilled during the year of the Report
- A summary of any steps taken to facilitate the involvement of supported businesses in regulated procurements during the year covered by the Report.
- A summary of the regulated procurements the college expects to commence in the next two financial years.
- What it is doing to improve its performance and impact, drawing on relevant information – for example spend analysis – and what improvements have been achieved since its last report; and
- How it is working with other bodies – for example procurement centres of expertise – to maximise effectiveness and efficiency.

The College publishes its Annual Procurement Report in an inclusive way that considers equality, inclusion, and accessibility matters, and enables stakeholders to form a clear view of the institution's performance.

Procurement Action Plan

The Action Plan (Appendix I) consists of a number of specific actions and commitments in relation to each of the strategic objectives and their desired outcomes. Progress against this Action Plan will be regularly monitored. As part of the formal annual review of this Strategy the Action Plan will be reviewed and updated, as required, to maintain alignment of the College's procurement activity with its broader priorities.

Relevant Legislation / UHI Inverness Procurement Guidance

- Regulatory Compliance to UHI Inverness internal local governance Financial Regulations
- UHI Inverness Procurement Step-by-Step Process and Financial Thresholds
- Regulatory Compliance to The Procurement Reform (Scotland) Act 2014.
- Scottish Government Sustainable Procurement Policy, October 2009
- UHI Inverness Sustainable Procurement Policy
- The General Data Protection Regulation (EU) 2016/679 (GDPR)
- Health and Safety at Work Act 1974
- Modern Slavery Act 2015
- The Social Value Act
- Statutory Guidance on the Selection of Tenderers and Award of Contracts
- Supply Chain Code of Conduct V2021b (Scotland only)
- Cyber Security, Scottish Government Public Sector Cyber Resilience Framework

Appendix 1: Procurement Action Plan for July 2023 - July 2024

Opportunity and growth in Tertiary Education

| Objective | Main Action | KPI | By Whom | By When |
|--|--|--|-------------|----------|
| Delivery of goods and services that are fit for purpose and support a high-quality tertiary provision. | Engagement with stakeholders and supply base to develop specifications and evaluations of tender submissions to ensure the most suitable products and services are procured to support learning. | All Regulated tender exercises to have a contract strategy detailing key considerations. All regulated tenders to have a college wide UIG. Tender Feedback forms to be issued to Stakeholders to enable continuous improvements. | Procurement | 31/12/23 |

Opportunity and growth in Organisational Development

| Objective | Main Action | KPI | By Whom | By When |
|--|---|--|----------------------------|----------|
| To maximise supplier performance through effective Contract & Supplier Management | Contract & Supplier Management assessed and managed on the basis of cost and supply risk. Clear contract management process to be defined. | All strategic Contract & Supplier Management meetings recorded on SCM portal. All regulated tendering to have an implementation meeting | Stakeholders & Procurement | 31/07/23 |
| Training and Development – To provide effective and efficient support and guidance to all staff on procurement related activities. | Devolved procurement competencies to be assessed across the institution. Procurement induction programmes for all new staff. Address shortfall by encouraging involvement with or attendance at training and development courses and events with results monitored. All procurement guidance, policies and procedures are up to date and readily available to all staff. | Record of Training delivered and number of delegates. Policies and Procedures published on SharePoint | Procurement | 31/12/23 |
| Professional Development of Procurement Staff | Procurement staff to have access to relevant training and | Training Log to be maintained | Procurement & APUC | 31/12/23 |

| | | | | |
|--|--|--|--|--|
| | development managed through annual PRD's. Staff to attend Procurement Focused Conferences relevant to their position. | for all training completed. Attendance at Procurement events and Groups to be published in Annual Report. | | |
|--|--|--|--|--|

Opportunity and growth in Research & Innovation

| Objective | Main Action | KPI | By Whom | By When |
|---|---|---|---------------------------|------------|
| Research - Responsible Procurement | To work with our supply chain to develop clear specifications and procurement strategies to deliver innovative products and services. | Market Research to be completed and detailed in all regulated tender exercises. Buyer Event North attendance (annually) with Academic Partners representation through a stand. | Procurement/ Stakeholders | 31/12/23 |
| Research – Maximising Grands and External Funding Opportunities | Tender exercises to be completed in accordance with conditions of Grant. All documentation to be provided to project auditor in a timely manner. | All audits complete by deadline. | Procurement/Stakeholder | 31/12/2023 |

Opportunity and growth in Education Student Experience

| Objective | Main Action | KPI | By Whom | By When |
|---|--|--|---------------------|------------|
| Enhance the student experience | To engage and have participation from the Student Association in relevant tendering projects | Number of tenders with students' participation | Procurement | 31/12/2023 |
| Enhance the Student Experience - <i>UHI Environment Sustainability Group (UHIESG)</i> | To provide development for Student in sustainability through participation in relevant projects. | Number of students participating | Chair of the UHIESG | 31/12/23 |

Opportunity and growth in Finance & Sustainability

| Objective | Main Action | KPI | By Whom | By When |
|---|---|---|-------------|----------|
| Responsible Procurement-Supporting Scottish Government sustainability initiatives | To embed sound ethical, social, and environmental policies within the Institution's procurement function, including action to address | Report of Fair Work benefits achieved in Contracts. | Procurement | 31/12/23 |

| | | | | |
|---|--|---|-------------|------------|
| | Modern Slavery and the inclusion of Fair Work Practices in our contracts | Number of contracts with Living Wage Accredited Suppliers Modern Slavery to be addressed in all regulated tender documentation. | | |
| Responsible Procurement – Supporting the reduction of Carbon and Net Zero Initiatives | To actively manage carbon reduction in our supply chain to meet Net Zero and Carbon Reduction targets. Produce FNT20-30 Templates and work with stakeholders to investigate business process decisions that can assist reduce carbon within the College and our supply chain. | FNT20-30 Templates to be made available to stakeholders by July 2023 | Procurement | 31/07/23 |
| Value for Money -Category Management | Review organisational expenditure data to identify contracts in place, Expenditure data sorted into categories as part of contract plan Contracts with stakeholder agreed strategies, regulated procurements | . Total expenditure on projects, goods, and services and % of total expenditure influenced by procurement, Totals of maverick and compliant spend in last FY. | Procurement | 31/12/23 |
| Value for Money - Collaborative Procurement | Increase Collaborative Procurement tender exercises with the UHI Partnership and where possible other Public Sector organisations (e.g.) NHS, Councils etc. | Collaborative projects to be reported in Annual Procurement & VFM Report | Procurement | 31//23 |
| Delivering value for Money through cash and non-cash savings. | Record savings and benefits calculated according to agreed sector and national criteria Reports to Management & stakeholders | Savings monitored and reported in APR. APUC Annual benefits statement and collaborative uptake% | Procurement | 31/12/2023 |
| Value for Money - Maximising competitive bidding process. | Publication of the College Contracts Register via Hunter Database and published. Publication of 2 Year Forward Contracting Plan to provide transparency to suppliers of tender opportunities. and a Contracts Register. | Publication of live data on APUC website. FCP to be included within APR. | Procurement | 31/12/23 |

