

BOARD OF MANAGEMENT

Joint Audit & Risk, and Finance & Property Committee



Tuesday 6 December 2022 in Microsoft Teams

4.00pm (please note early start time)

AGENDA

- 4:00 Audit & Risk Committee Members Independent Meeting with Auditors**
- 4:30 Audit & Risk Committee Meeting**
- 1. WELCOME**
 - 2. APOLOGIES**
 - 3. DECLARATIONS OF INTEREST & CONNECTION**
 - 4. MINUTE OF AUDIT & RISK COMMITTEE – 20 September 2022** Paper A for approval
 - 5. MATTERS ARISING** Paper B for information JC
 - 6. AUDIT & RISK COMMITTEE ANNUAL REPORT TO THE BOARD** Paper C for approval MW
 - 7. INTERNAL AUDIT**
 - 7.1. Student Activity Paper D for approval HL
 - 7.2. Student Support Funds Paper E for approval HL
 - 7.3. Catering Outlets Cash & Bank Paper F for approval HL
 - 7.4. 2022/23 Progress Report Paper G for information HL
 - 7.5. Follow-up Summary Paper H for information JC
 - 8. DATA BREACH REPORTING** Verbal update JC
 - 9. HEFESTIS – Annual Information & Cyber Security Risk & Maturity Report 2022**
Paper I for information AR
 - 10. STRATEGIC RISK REGISTER** Paper J for approval ST
 - 10.1. Cover Paper
 - 10.2. Strategic Risk Register
 - 11. DATE OF NEXT MEETING**
Tuesday 7 March 2023 via Teams

Close of Audit & Risk Committee Business

5:15 Joint Audit & Risk / Finance & Property Committee Meeting

12. ANNUAL ACCOUNTS

12.1.	Internal Audit Annual Report	Paper K for approval	HL
12.2.	Audit Scotland Covering Letter	Paper L for approval	AS
12.3.	Audit Scotland Annual Report	Paper M for approval	AS
12.4.	Financial Statements for the Year ended 31 July 2022	Paper N for approval	BF

Close of Joint Audit & Risk/Finance & Property Committee Business

FINANCE & PROPERTY COMMITTEE MEETING

13. WELCOME

14. APOLOGIES

15. DECLARATIONS OF INTEREST & CONNECTION

16. **MINUTES OF PREVIOUS MEETING** – 26 September 2022 Paper O for approval

17. **MATTERS ARISING** Paper P for noting

18. FINANCE BF/JC

18.1.	2022/23 Management Accounts & Forecast Outturn	Paper Q for information	
18.2.	Draft Tuition Fees 2023/24	Paper R for approval	

19. INFRASTRUCTURE BG/JC

19.1.	Estates Update	Paper S for information	
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20. PROCUREMENT BF/JC

20.1.	Annual Procurement Report	Paper T for approval	
20.2.	Procurement Update	Paper U for information	
20.3.	Procurement Strategy	Paper V for approval	

21. STRATEGIC RISK REGISTER (F&PC EXTRACT ONLY) JC/ST

21.1.	Strategic Risk Register – Cover	Paper W for discussion	
21.2.	Strategic Risk Register	Paper X for discussion	

22. **MICHELIN SCOTLAND INNOVATION PARC** Paper Y for approval JG

23. **VP CORPORATE SERVICES REPORT** Paper Z for information JC

24. **DATE OF NEXT MEETING** - Tuesday 28 February 2023 via Teams

**JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE**



Tuesday 6 December 2022

Minutes of Previous

**Finance & Property Committee Meeting
26 September 2022**

PAPER O

BOARD OF MANAGEMENT

Finance & Property Committee



Monday 26 September 2022 at 5.00pm
Room Y150, Gardyne Campus

Draft confirmed by Chair

Minute of the Finance and Property Committee meeting held on Monday 26 September 2022 at 5.00pm, room Y150 Gardyne Campus and MS Teams

PRESENT:

G Robertson	S Stirling
L O'Donnell	B Lawrie
S Hewitt	R McLellan
B Carmichael	D Mackenzie

IN ATTENDANCE:

J Grace (Vice Principal)	M Sanderson (Executive Secretary)
J Carnegie (Vice Principal)	B Ferguson (Head of Finance)
S Taylor (Vice Principal)	A Ross (Head of IT)
B Grace (Head of Estates)	

1. WELCOME

G Robertson welcomed everyone to the meeting and welcomed L O'Donnell to his first Finance & Property meeting.

2. APOLOGIES

Apologies were received from D Fordyce, with G Robertson acting as Chair in her place.

3. DECLARATIONS OF INTEREST OR CONNECTION

G Robertson declared his membership on the Gardyne Theatre Limited, Board.

4. APPOINTMENT OF VICE CHAIR

Following receipt of one nomination, Roy McLellan was approved as Vice-Chair of the Finance and Property Committee.

5. MINUTES OF PREVIOUS MEETING

The minute of the Finance and Property Committee meeting held on 31 May 2022 was approved as an accurate record.

6. MATTERS ARISING

J Carnegie confirmed that all outstanding Matters Arising from 31 May were closed.

The SDA business plan action was still in progress. It was noted that the Infrastructure strategy would influence any 'shovel ready' projects although it was anticipated that additional funding for these was unlikely.

7. FINANCE

7.1 2021/22 Draft Outturn

J Carnegie summarised the paper. B Ferguson noted an underlying improvement in Colleges finances which had improved the forecast out-turn. It was noted that funding for an additional 439 ESF credits were received from SFC for session 2019/20, adding in c£140 additional funds. B Ferguson noted an underlying surplus of c 200K was achieved before recent VS costs.

Conversations are ongoing for the 2022/23 pay award, which looks challenging in the budget. 2021/22 pay awards were settled and benefited the budget.

S Hewitt noted the significant work undertaken by the whole team in getting the College to this position. B Lawrie noted he would usually be concerned at a deviation from forecast of the amount highlighted but could see that much of this was planned through the savings exercise. He noted it was a credit to have achieved what the team have managed.

The 2021/2022 Draft Outturn was noted, and G Robertson congratulated the Team on getting to this point.

7.2 2022/23 Draft Budget

J Carnegie summarised the paper and highlighted the College had made substantial movement from the interim budget and were close to the £500k position recommended at the May meeting, with the forecast cash position also improving.

J Carnegie noted that it was anticipated that the forecast budget deficit would improve because of the recent reversal of the National Insurance increase, but that there were also potential contra moves in respect of consumable and other costs.

B Ferguson noted the potential impact of a significant pay increase, with the 11.7% demand not being realistic. B Ferguson stated that the Scottish Government would have to step in with additional funds if a substantive pay increase was to be possible.

B Lawrie asked for more information on Dundee Football Club let at the Incubator in Gardyne Campus. J Carnegie confirmed the club are renting out the space and paying additional costs beyond a set level for gas and electricity bills. The club were also looking to invest c £1 million pounds into the football pitches, with the College also having access to these improved facilities. Dundee Football Club were also using the sports facilities including the gym and swimming pool and this was an additional benefit.

B Lawrie noted he liked the risk assessment element of the budget and noted that this helped provide a clear and helpful analysis of the risks faced.

The need for the College to produce a balanced budget was queried and J Carnegie noted it wasn't essential, however part of the FFR arrangements was to ensure a balance budget by the end of the planning period.

G Robertson noted the great effort from the team in terms of the savings outcome, which had supported the improvement in the budget position for 2022/23.

J Carnegie asked if the Committee were content to commend for approval at the Board of Management meeting. G Robertson and the Committee approved the paper to take to the Board of Management. **J Carnegie to progress.**

7.3 Financial Forecast Return (FFR)

J Carnegie noted the FFR and requested that this be restricted for publishing given that it included significant forecasts based around unknown information and scenarios. This was agreed.

The approach adopted in developing the FFR was discussed, and it was noted that almost all of the assumptions were given by the Scottish Funding Council (SFC). The key assumptions were discussed, and it was noted that under all of these it was clear that future financial forecasts were very challenging and that the sector as a whole was unsustainable without significant national policy or funding changes.

S Hewitt noted the College's strength was in finding solutions and outlined discussions taking place nationally and directly with SFC to look at potential opportunities and solutions.

Following further discussion some small changes were proposed to reflect the funds currently held within the D&A Foundation and to model the impact of 5% pay increases over the next two years. With these amendments the FFR was approved to be taken to the Board Meeting for full Board approval. **J Carnegie to progress.**

8. INFRASTRUCTURE

8.1 Infrastructure Update

J Carnegie summarised the paper noting that the previous document had been much lengthier and that this was a more streamlined and strategic document to guide future developments and plans.

A Ross highlighted, the strategy had been developed around the College's 2025 strategy, with road maps to deliver the key outcomes. A Ross noted that the strategy would also have annual operational plans to focus on planned activity in each year.

L O'Donnell noted an excellent paper and asked if the College needs a methodology to deliver this. A Ross confirmed this is in place.

G Robertson noted that he was aware that there was a lot of detailed work behind the strategy aims. S Hewitt noted the most important part of the paper is the road maps and bringing this to operational level.

The Committee approved the Strategy.

8.2 Estates Update

B Grace summarised his paper, noting it had been an exceptionally busy summer for the Estates team. The range of projects undertaken was noted.

B Grace highlighted the role the College played in Operation Unicorn, noting the team had 48 hours to plan the operation, catering for almost 400 Police Scotland Staff on the day. A huge number of staff volunteered, over the course of the weekend with some starting at 3am on the Sunday morning. The Committee passed on their thanks to all the staff involved.

G Robertson noted his thanks and congratulated the team for all of their work.

9. PROCUREMENT

B Ferguson provided an update on procurement, noting the most important section within the paper is Section B, as this highlighted the contracts the Committee need to approve over 100K.

B Ferguson noted an error with the Azure Cloud Services contract noted, this will be 150K over 5 years, and not 3 as noted in the paper.

G Robertson asked if the report included any additional work at MSIP. J Grace confirmed that the engineering related procurement was for ESP.

Committee were happy to approve the Procurement report.

10. COVID-19 UPDATE ON ARRANGEMENTS

B Grace and A Ross updated the Committee on COVID-19 Arrangements. A Ross noted this didn't have a huge impact on infrastructure.

B Grace noted there was still signage up across all campuses in respect of good ventilation and noted that CO2 monitors have been installed in classrooms to alerts staff if air quality was low.

Enhanced cleaning was still in place and sanitisers still available, although this had been scaled back.

It was noted at the Committee, the Senior Leadership Team have the Cost-of-Living Crisis at the top of their Agenda, transitioning from COVID.

11. STRATEGIC RISK & COVID REGISTER

J Carnegie summarised her paper around the financial security risk, noting that this remained high. S Taylor noted the request to review this risk and proposed that this be undertaken outwith the meeting and any proposed changes to risks would be discussed through the next round of Committee meetings prior to approval by the Audit & Risk Committee. **S Taylor to progress.**

12. VP CORPORATE SERVICES REPORT

J Carnegie stated that her report was for noting but highlighted, the Service Design Academy update, noting that the Manger was due to retire in October and that there was a vacancy for a Consultant. Recruitment for these roles was in progress.

The Committee noted the report.

13. DATE OF NEXT MEETING – Tuesday 6 December 2022 at 5.00pm – MS Teams, Joint Audit and Risk.

Action Point Summary

Action	Responsibility	Date
Draft budget to be considered by the Board of Management	J Carnegie	27 September 2022
FFR to be considered by Board of Management and submitted to SFC (with amendment as noted)	J Carnegie	30 September 2022
Financial Sustainability Risk to be reviewed	S Taylor	6 December 2022

**JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE**



Tuesday 6 December 2022

Matters Arising

PAPER P

BOARD OF MANAGEMENT
Finance & Property Committee
Tuesday 6 December 2022
Matters Arising



Paper for information

The following actions were noted from the **Monday 26 September 2022** Finance & Property Committee meeting.

Agenda Item No	Action	Current status	Open / Closed
7.2	Draft budget to be considered by the Board of Management	Budget approved by the Board of Management	Closed
7.3	FFR to be considered by Board of Management and submitted to SFC (with amendment as noted)	FFR approved and submitted	Closed
11.0	Financial Sustainability Risk to be reviewed	Risk Register under review, will be picked up through Audit & Risk Committee	Closed

The following actions were noted from the Tuesday 7 December 2021 Finance & Property Committee meeting.

Agenda Item No	Action	Current status	Open / Closed
6.0	Updated Service Design Business plan to be developed.	It is proposed that the draft business plan is shared and reviewed by the Board members who were involved in the strategy session. The hope is this can be scheduled for December/January.	Open

The following actions were noted from the Tuesday 20 September 2021 Finance & Property Committee meeting.

Agenda Item No	Action	Current status	Open / Closed
6.4	Programme of proposed “shovel ready” projects for future consideration by Finance & Property Committee	No new update: As part of the implementation of the Infrastructure Strategy, business cases will be created. Expectation that traditional sources of funding will not be available.	Open

The following actions were noted from the Tuesday 2 March 2021 Finance & Property Committee Meeting.

Agenda Item No	Action	Current status	Open / Closed
6.0	Revised STEM Centre OBC to be developed	No new update: Following a visit to Forth Valley's Falkirk Campus in February 2022 options are being reconsidered.	Open

**JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE**



Tuesday 6 December 2022

Finance

18.1 2022/23 Management Accounts & Forecast Return

PAPER Q

18.2 Draft Tuition Fees 2023/24

PAPER R

BOARD OF MANAGEMENT

Finance & Property Committee



Tuesday 6 December 2022

Management Accounts & Forecast Outturn

Paper for information

1. Introduction

This report brings to the Committees attention the management accounts for Month 3 (August – October) which incorporates the budget that was approved in September 2022 together with the latest forecast for the year. The final audited Outturn position for the year to July 2022 is reported for comparative purposes.

2. Recommendation

Members are asked to note the Month 3 position.

3. Context

An interim budget for the year was prepared in May 2022, following indicative funding announcement, subsequently confirmed, by the Scottish Funding Council (SFC). This predicted a cash-backed deficit of almost £2.9m in the absence of any mitigation. A savings and investment plan had already been initiated and, whilst additional VS costs of approximately £1.1m were incurred, net savings of circa £2.3m were secured for 2022/23, enabling a budget to be established reducing the cash-backed deficit to £586K, which the Board approved in September 2022.

The deficit budget position nevertheless reflected the difficulty that the College would face in further improving the in-year position. The predicted position was however sufficient to preserve enough cash whilst plans are formulated to return the College to a more sustainable operating position whilst recognising the enormous challenge this posed, as demonstrated by the Financial Forecast Return completed for SFC and shared with the Board.

This first quarterly forecast seeks to reaffirm the assumptions used in preparing the revised forecast whilst making changes for known or likely deviations where we have greater clarity. The budget was necessarily prepared at a relatively high level in many respects, this forecast benefits from the full involvement of all budget holders. Regrettably, SFC have yet to confirm certain specific streams of funding, most notably Flexible Workforce Delivery Fund (FWDF), and in these instances

budgets have largely been left unchanged but with risk noted.

Credit assumptions have not changed in this forecast and SFC have not provided any assurances of additional flexibilities. Whilst all available actions will be taken to deliver the minimum 98% of our credit target, current predictions fall short of this and therefore this attracts risk of possible clawback of funding that cannot easily be quantified at this time.

Project activity is included only when there is reasonable certainty. Full potential income and expenditure from the two remaining Tay City Deals, Life Sciences and SME Skills, is excluded and the likelihood of both being approved within the current year has diminished. Agreements with Michelin Scotland Innovation Parc (MSIP) are to be formally concluded ahead of operations planned to commence next April. (This Agenda includes an update on the MSIP agreement.) Associated income and expenditure is excluded from this revenue forecast meantime but in any event will be broadly neutral and not substantive within this financial year.

We are pleased to report that we have only just received approval to spend the Tay Cities Engineering Project capital equipment budget of £197K that could not be spent in 2021/22. Future forecasts will reflect both expenditure and funding.

An assessment of the risks from key areas is included in order to complement this paper and to provide more details of mitigation and contingencies. Possible cash deviations are estimated in an effort to provide some indication of likely impacts, both favourable and adverse.

4. Summary of results

We are forecasting a **Cash-backed deficit of £521K**, a modest improvement upon revised budget.

Actual operating performance for the three-month period is surplus £1.4m. This is due to timing and recognition of income and expenditure.

A summary of the main movements from the budget is presented in the table below, netted off where appropriate, and movements are explained in more detail within the relevant sections. A high-level analysis of both income and non-pay provides detail of gross movements across the main categories.

	£000's
Cash-backed deficit per Budget	(586)
Tuition fees	(134)
Construction Managing Agent apprenticeships	57
SDS Foundation apprentices	79
Public sector contracts	(40)
Pay - reduction in national insurance levy	165
Pay - academic net savings	170
Pay - support net increase	(49)

Consumables & equipment	(48)
ICT Maintenance & Licences	(60)
Other miscellaneous	(75)
Cash-backed deficit per this forecast	(521)

5. Income

Forecast income increases by £132K to £44.1m

Other SFC grants increase by £59K due to additional carry forward of Capital & Maintenance funding and is matched by increasing the forecast property expenditure. SFC funding elements not yet confirmed for 22/23 are unchanged meantime.

As agreed by the Board in September we will track the revised metric 'Proportion of income that is SFC grant funded'. The target is 79% (national average) with the current position being that SFC income remains at 83% of total 'cash' income.

Tuition fees reduce by £134K to £2.9m, with increases in commercial course income being more than off-set by reductions in international and part-time. The latter has been reduced to reflect the reduced capacity available from a slightly reduced Service Design Academy staffing whilst maintaining the same level of contribution. Full-time HE sees only a modest reduction but does retain a very prudent contingent reduction for withdrawals and, through careful management of retention, it is possible that the current forecast can be surpassed.

Non-Core income forecast is uplifted by £114k from the revised budget, attributable largely to a positive assessment of construction managing agent apprentice income and residual SDS income from prior year's level 6 Foundation Apprentices contract amounting to £79K.

Catering & other income rises by £93K in this forecast but this is mainly due both the disposal of old surplus vehicles, with income reinvested in two greener vehicles, and additional funding for a new post. Whilst catering footfall has exceeded expectations, no significant change has been made to forecast at this early stage in the year.

6. Pay Costs

Pay costs have reduced by a net total of £207K to £34m, with additional savings accruing chiefly within academic areas and support showing a slight increase in real terms. The budget revisions have been reprofiled to better reflect the staffing activity.

As also agreed by the Board we will track the revised metric 'Proportion of expenditure that is staff costs' The target is 71% (national average) with the current baseline sitting at 74%.

The removal of the National Insurance surcharge of 1.25% from November saves

approximately £165K in the current year.

Provision for pay award for both academic and support staff remains unchanged in this forecast, allowing for a minimum increase of 2% but factoring in minimum sums for lower paid employees in line with the Scottish Government Pay Policy for FY 2022/23. It is recognised that this assumption may not be realistic and consequently the risk of a higher nationally agreed settlement and resulting detrimental impact is substantial unless additional funding is provided via SFC. It should be noted that each additional 1% increase in gross pay would cost approximately £350K.

The Voluntary Severance scheme has been re-launched, with terms unchanged. This is open to any member of staff but it is hoped that this will attract applicants from areas suffering low recruitment where reductions can potentially be secured with minimal impact on income. No provision has yet been made for possible costs and resulting savings are unlikely to benefit the current year to any significant extent.

7. Non Pay Costs

Forecast non-pay costs are £10.6m, an increase of £268K over the revised budget, including approx. £100K of funded expenditure added to income.

Consumable expenditure is rising by almost £50K due to inflationary pressures. Savings have been secured from some areas but this has fallen short of our target. This will continue to present a risk to be closely monitored.

The only other single item of note producing an adverse variance has been ICT Maintenance & Licenses where a reassessment of current and predicted contracts at rising prices has occasioned us to increase the forecast by £50K + VAT.

Whilst property costs show a forecast increase of £100K, the bulk of this is covered by additional income as described above.

We are delighted to report that our bid to the Arm's Length Foundation for a donation of £700K to support the investment of c£1m required for network switch replacement was successful. However, pending further engagement with the chosen provider, it is difficult to know how much can be achieved within the current year, particularly as we are aware that supply lead times for hardware are 6-9 months. Consequently we have decided not to adjust this forecast until we have greater certainty. We are confident that sufficient funding will be available for any expenditure incurred this year and there will be no net impact upon the cash operating position this year.

8. Subsidiary Company

Gardyne Theatre Limited continues to benefit from residual COVID-19 support provided by Creative Scotland. Forecast has however been reduced from a modest profit to a break-even position largely as a consequence of necessary investment in equipment, as approved by the GTL Board.

9. Student Support Funding

Available SFC funding should be sufficient to satisfy demands for student support.

10. Capital Expenditure

The final account for the completed Kingsway development project remains to be agreed with the main contractor. Final costs are estimated at £8.06m and further capital expenditure of £44K incurred since 31 July has been provided.

Capitalisation of any additional property works undertaken this year will result in the removal of both cost and associated funding from revenue budgets with no net impact on operating position.

The assumption of disposal proceeds of surplus property has been retained at a prudent £150K given current economic conditions.

11. Cash Flow Forecast

Cash retained at 31 July 2023 is forecast to reduce to £3.7m from an opening position of £6.2m due to the operating cash deficit and negative working capital movements including a reduction in restricted cash reserves. Subject to further in-year adjustments, this represents a slight improvement upon the budgeted position.

Cash held at 31 October was £3.7m.

12. Conclusion

At this early stage in the year uncertainties remain and whilst some of these constitute significant risk, most notably from higher pay awards and voluntary severance costs, there are also opportunities and areas of possible improvement. Management will continue to manage the risks and take mitigating actions within its control and explore available options to reduce the deficit whilst focusing on plans to achieve a more financially sustainable outcome for 2023/24 and beyond.

13. Link to Strategic Risk Register

This report supports in mitigation the following risk identified within the Strategic Risk Register namely;

2.2 – failure to achieve institutional sustainability

Authors: Brian Ferguson, Head of Finance
Rhonda Bissett, Senior Management Accountant
Executive Sponsor: Jaki Carnegie, Vice Principal – Corporate Services

	2021/22	Month 3, October 2022			Year 2022/23			
	Actual	Interim Budget	Actual	Variance from Interim Budget	Interim Budget	Budget	Forecast Q1	Variance from Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
SFC Credit income	31,166	7,842	7,842	0	31,368	31,368	31,368	-
SFC ESF Credits	1,167	-	-	-	-	-	-	-
Other SFC grants	3,115	920	729	(191)	4,274	5,238	5,297	59
SFC Total	35,448	8,762	8,571	(191)	35,642	36,606	36,665	59
Tuition Fees	3,236	2,129	2,089	(40)	3,195	3,022	2,888	(134)
Non-Core income	3,782	512	527	15	2,405	2,727	2,841	114
Catering & other income	1,408	322	454	132	1,548	1,665	1,758	93
Total Income	43,874	11,725	11,641	(84)	42,790	44,020	44,152	132
Teaching Pay - established	16,571	4,200	4,042	158	16,952	16,817	16,549	268
Teaching Pay - variable	2,497	479	480	(1)	2,599	2,550	2,552	(2)
Invoiced Staff Costs	432	19	42	(23)	307	465	456	9
Teaching Support Pay	2,495	631	586	45	2,566	2,424	2,519	(95)
Support pay	11,941	2,988	2,724	264	12,397	11,476	11,449	27
Apprenticeship Levy	110	27	26	1	108	108	108	-
VS Scheme	1,246	-	-	-	-	-	-	-
Unfunded pension payments	386	67	97	(30)	400	400	400	-
Total Pay Costs	35,678	8,411	7,997	414	35,329	34,240	34,033	207
Staff related costs	283	58	69	(11)	334	307	312	(5)
Consumables & Equipment	1,553	330	343	(13)	1,829	1,851	1,891	(40)
Exam fees	784	80	105	(25)	914	859	855	4
Student related costs	161	37	130	(93)	219	183	179	4
Property cost	3,000	922	847	75	3,510	3,948	4,049	(101)
ICT & Telephony	1,665	407	352	55	1,654	1,399	1,434	(35)
Insurance	128	44	19	25	176	156	156	-
Marketing	142	25	34	(9)	99	76	91	(15)
Professional fees	178	1	2	(1)	115	115	115	-
General Overheads	263	78	98	(20)	300	278	310	(32)
Interest & Charges	145	25	7	18	92	92	92	-
VAT	936	250	229	21	1,103	1,108	1,156	(48)
Total non-pay costs	9,238	2,257	2,235	22	10,345	10,372	10,640	(268)
Cash-backed surplus/(deficit)	(1,042)	1,057	1,409	352	(2,884)	(592)	(521)	71
Add: subsidiary profit/(loss)	(2)	1	(1)	(2)	6	6	-	(6)

Consolidated Cash-backed surplus/(deficit)	(1,044)	1,058	1,408	350	(2,878)	(586)	(521)	65
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Cash Flow Forecast

	2021/22	2022/23			
	Actual	Actual October	Interim Budget	Budget	Latest Forecast
	£000's	£000's	£000's	£000's	£000's
Cash backed surplus/(deficit)	(1,044)	1,408	(2,878)	(586)	(521)
Loan repayment	(457)	(457)	(457)	(457)	(457)
Capital Expenditure	3,402	-	-	-	(44)
Capital funding	(3,402)	-	-	-	44
Asset Disposals		-	-	150	150
Working capital movements	1,896	(3,438)		(1,800)	(1,700)
Net Movement in cash balances	395	(2,487)	(3,335)	(2,693)	(2,528)
Opening cash balances	5,853	6,248	3,756	6,248	6,248
Closing cash balances	6,248	3,761	421	3,555	3,720

Note

We hold restricted cash funds of approx. £2.9m at the end of October (July: £2.4m).

Drawdown of SFC funding is managed in-year to minimise carrying of surplus cash.

Risk Assessment of key volatile areas

Income/Expenditure Category	Latest	Possible Cash Deviations		Controllable?	Adverse Risk Assessment			Comments and mitigations
	Forecast	Favourable	Adverse		Likelihood	Impact	Overall	
	£000's	£000's	£000's		£000's	£000's	£000's	
SFC Credit income	31,368	200	300	Controllable in terms of activity delivered but subject to conditions requiring further clarity.	Mid	Low	Low	Final allocations confirmed unchanged since the interim budget was established but SFC have given no further clarity about the use of 2% threshold and its implications for other sources of funding, nor officially responded to the sector's requests for further flexibilities. Foundation Apprentice target is challenging.
Other SFC grants	5,297	100	300	Yes, however subject to demand for FWDF training.	Mid	Low	Low	Neither FWDF nor Child Poverty have yet been confirmed. FWDF attracts greatest risk, with potential for reduction, and now reflects a higher carry forward of underspend from 21/22, boosted by enhanced allocations from SFC in recognition of the college's success in fully contracting it's initial allocations. Maintenance grant is increased by FY22/23 funding not required last year but is matched with additional equivalent cost provision, with utilisation assumptions maintained.
Tuition Fees	2,888	200	100	Yes, in terms of marketing, recruitment delivery and retention but limited influence over demand.	Low	Low	Low	Forecast retains prudent attrition assumptions for full-time HE rendering positive movement more likely. Commercial income forecast appears more secure and forecast reduction in part-time fees mitigates against further negative movement.
Non-Core income	2,841	100	100	Partly; varies across such a disparate category ranging from apprentice income to Trust funding.	Low	Low	Low	Forecast has seen some early improvement and provides further assurance that likelihood of downward movement is minimal.
Catering & other income	1,758	200	100	Yes	Low	Low	Low	With catering forecast retained meantime at budgeted levels it appears more likely that this can be increased in future, although margins are being reduced by very high food inflation.

Income/Expenditure Category	Latest	Possible Cash Deviations		Controllable?	Adverse Risk Assessment			Comments and mitigations
	Forecast	Favourable	Adverse		Likelihood	Impact	Overall	
Total Pay (exc. VSS & unfunded pensions)	33,633	200	900	Largely yes but subject to pay and conditions negotiated centrally.	Mid	High	High	The prospect of further savings in the current year are now more limited and it is highly likely that the pay award will be substantially higher than the current provision of a minimum 2%. Additional funding will be necessary if the College is to be able to afford a settlement closer to 5%
VSS	-	-	-	Yes	-	-	-	Given the need to return to a financially sustainable position it seems inevitable that VS costs will be incurred to secure further savings but this is difficult to quantify at this time. Management, along with other colleges, will continue to lobby SFC for transitional funding.
Property cost	4,049	100	100	Yes, subject to inherent risks of the usual unpredictable factors exacerbated this year by exceptional price rises.	Low	Low	Low	Maintenance budgets will be managed within available funding with minimal likelihood of any significant overspend. Utility budgets were increased in line with latest price predictions and assuming a higher level of consumption.
Non-pay costs excluding property	6,591	100	300	Yes, with limited exceptions, but inflationary pressures have increased risk of over spend.	Low	Low	Low	Price inflation remains a significant risk and is largely uncontrollable, albeit that efficient procurement will continue to be undertaken to secure best value. Potential negative impact has however been reduced given a more comprehensive review by budget holders for this forecast.

Summary Analysis - Income

	Prior Year	Month 3, October 2022			Full Year 2021/22			
	Actual	Interim Budget	Actual	Variance from Interim Budget	Interim Budget	Budget	Latest Forecast	Variance from Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Teaching Grant	31,166	7,842	7842	-	31,368	31,368	31,368	-
SFC ESF Credits	1,167	-	-	-	-	-	-	-
SFC Capital & Maintenance grants	1,746	600	400	(200)	2,814	3,135	3,194	59
SFC Digital Poverty as capital	-	100	100	-	182	182	182	-
SFC-Flexible Workforce Dev. Fund	854	100	109	9	754	1,272	1,272	-
SFC-Reducing Child Poverty	221	-	-	-	-	125	125	-
SFC-Funding for Councillors	152	20	20	-	152	152	152	-
SFC-ESP Funding	120	100	100	-	350	350	350	-
SFC - Access to sanitary products	22	-	-	-	22	22	22	-
Other SFC grants	3,115	920	729	(191)	4,274	5,238	5,297	59
HE Full-time	1,748	1,699	1,633	(66)	1,699	1,489	1,472	(17)
HE Associates & collaborations	682	-	-	-	546	546	546	-
Part-time Fees	242	150	160	10	334	334	223	(111)
Commercial and Leisure	357	200	216	16	503	503	534	31
Internal Re-charges	18	-	-	-	-	-	-	-
International Fees and Overseas contracts	188	80	80	-	113	150	113	(37)
Other fees	1	-	-	-	-	-	-	-
Tuition Fees	3,236	2,129	2,089	(40)	3,195	3,022	2,888	(134)
Commercial: Work-Based	345	50	42	(8)	150	250	250	-
Managing Agents	360	100	1	(99)	470	470	527	57
Skills Dev Scotland: MAs	655	200	202	2	450	500	500	-
SDS Foundation Apprentices L6	477	-	79	79	-	-	79	79
SDS Foundation Apprentices L4+5	76	-	-	-	-	-	-	-
Pathways to Apprenticeships	21	-	-	-	-	-	-	-
Other Public Sector contracts	34	-	5	5	80	80	40	(40)
Schools Senior Phase	163	-	-	-	150	150	139	(11)
Non-funded tuition	6	-	1	1	20	20	10	(10)
European Projects	55	10	30	20	21	21	30	9
Developing Young Workforce	350	-	-	-	-	-	-	-
Energy Skills Partnership (non-SFC)	400	80	46	(34)	241	256	275	19
SDS for MSIP	40.00	-	-	-	38	38	38	-
Mathew Trust	-	0	-	-	100	100	100	-
Northwood Trust	29.00	50	50	-	110	110	110	-

	Prior Year Actual	Month 3, October 2022			Full Year 2021/22			
		Interim Budget	Actual	Variance from Interim Budget	Interim Budget	Budget	Latest Forecast	Variance from Budget
Seagreen funding	49.00	-	43	43	160	251	251	-
Tay City Deals	369.00	15	19	4	384	446	446	-
Misc. grants, funding and sponsorships	75	2	4	2	6	10	10	-
Other grants - ESP	237	-	2	2	-	-	-	-
Other misc. income	48	5	3	(2)	25	25	36	11
Non-Core income	3,789	512	527	15	2,405	2,727	2,841	114
Consultancy	37	10	19	9	40	40	27	(13)
Catering	562	150	238	88	709	735	751	16
Training Restaurants	19.00	-	3	3	21	21	21	-
Nursery	167	42	42	-	167	187	187	-
Retail shops	3.00	-	-	-	6	6	3	(3)
Salon revenues	-	-	1	1	25	25	16	(9)
Gardyne Sport facilities	189	50	31	(19)	245	256	245	(11)
General Lets & Incubator Hire (inc.SDS)	37	20	28	8	46	106	106	-
Staff secondments	6	-	1	1	10	10	10	-
Support cost grants	94	10	5	(5)	90	90	90	-
GTL revenue from LTO and SLA	18.00	3	3	-	20	20	20	-
Library charges	12	-	-	-	18	18	11	(7)
Photocopy charges	1.00	1	1	-	4	4	4	-
Sale of materials, produce, scrap etc.	22	-	32	32	9	9	48	39
Biomass RHI &EDFE FIT charges	34	10	11	1	50	62	62	-
Wage Subsidy/CJRS	163	15	27	12	60	60	120	60
Insurance Claims	8	-	0	-	-	-	-	-
Bank Interest	3	1	3	2	1	1	5	4
Other misc.	33	10	9	(1)	27	15	32	17
Catering & other income	1,408	322	454	132	1,548	1,665	1,758	93

Summary Analysis - Expenditure

	Prior Year	Month 3, October 2022			Full Year 2021/22			
	Actual	Interim Budget	Actual	Variance from Interim Budget	Interim Budget	Budget	Latest Forecast	Variance from Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Mileage	97	20	18	2	113	108	110	(2)
Travel & Accommodation	23	5	4	1	43	41	42	(1)
Overseas Travel	3	-	1	(1)	2	2	4	(2)
Staff welfare and other expenses	21	3	3	-	25	25	25	-
Recruitment	6	-	-	-	1	1	1	-
Organisational Development	132	30	43	(13)	150	130	130	-
Staff related costs	282	58	69	(11)	334	307	312	(5)
Course Consumables etc.	318	120	131	(11)	439	335	373	(38)
Project Materials, Equipment etc.	117	50	32	18	533	655	662	(7)
Catering supplies	378	80	114	(34)	489	497	497	-
Library	23	10	8	2	48	46	46	-
Stationery & Printing	11	5	7	(2)	22	21	21	-
Equipment purchase & maintenance	652	50	44	6	239	238	238	-
Other misc.	54	15	7	8	59	59	54	5
Consumables and Equipment	1,553	330	343	(13)	1,829	1,851	1,891	(40)
SQA Fees	532	-	3	(3)	600	550	550	-
Other fees	158	50	85	(35)	189	189	187	2
Accred/Regn/Assess/Verification	95	30	17	13	125	120	118	2
Exam Fees	785	80	105	(25)	914	859	855	4
Residentials, travel etc.	24	6	5	1	74	39	39	-
Foundation Apprentice travel	0	-	-	-	9	9	5	4
Student placement costs	5	-	-	-	6	6	6	-
Student Councelling	18	5	10	(5)	21	21	21	-
Student Support costs	30	7	7	-	30	30	30	-
Student Bursary materials	-	-	89	(89)	-	-	-	-
Miscellaneous costs (inc.PVG)	84	19	19	-	79	78	78	-
Student related costs	161	37	130	(93)	219	183	179	4
Maintenance, high priority works, etc.	1,461	500	406	94	1,628	1,896	1,944	(48)
Building rentals and rates	319	70	74	(4)	314	314	320	(6)
Utilities	961	300	280	20	1,365	1,535	1,545	(10)
Cleaning, wast management etc.	145	35	41	(6)	138	138	138	-
Transport costs	77	10	42	(32)	31	31	68	(37)

	Prior Year	Month 3, October 2022			Full Year 2021/22			
	Actual	Interim Budget	Actual	Variance from Interim Budget	Interim Budget	Budget	Latest Forecast	Variance from Budget
Health & Safety costs	22	5	2	3	25	25	25	-
Other	16	2	2	-	8	9	9	-
Property Cost	3,001	922	847	75	3,509	3,948	4,049	(101)
ICT hardware, software, etc.	916	230	171	59	927	687	687	-
ICT Maintenance & Licences	643	147	161	(14)	589	574	624	(50)
Web Development	5	10	-	10	40	40	25	15
Telephony & data line rentals	101	20	20	-	98	98	98	-
ICT & Telephony	1665	407	352	55	1,654	1,399	1,434	(35)
Consultancy (inc.projects)	30	1	1	-	7	7	7	-
Audit Services	46	-	-	-	48	48	48	-
Bad Debts and collection fees	84	-	(3)	3	30	30	30	-
Legal & other professional fees	14	-	4	(4)	30	30	30	-
Professional fees	174	1	2	(1)	115	115	115	0
Photocopying, copyright & postage	107	40	48	(8)	125	111	116	(5)
Sponsorship, subscriptions, Licences	115	28	41	(13)	109	101	128	(27)
Hospitality and events	20	5	6	(1)	42	42	43	(1)
Miscellaneous and other	21	5	3	2	24	24	23	1
General Overheads	263	78	98	(20)	300	278	310	(32)

BOARD OF MANAGEMENT

Finance & Property Committee 6 December 2022



Fees 2023/24

Paper for approval

1. Introduction

This paper outlines the rationale for the recommended programme fees for academic year 2023/24. In line with the Financial Strategy that the Board approved in March 2022, it is proposed that some fees are revised for next Academic Year. The Appendix shows the proposed fee levels for 2023/24.

2. Recommendation

It is recommended that the Finance & Property Committee approve the fees for 2023/24.

3. EU and Rest of UK Fees

Full time fees

These fees are set nationally. The Advanced FT fees, set by Student Awards Agency of Scotland, have not changed for 15 years.

Part Time fees

- It is recommended that a 5% increase be made for Part Time HN fees.
- It is proposed that PDA fees remain the same. PDAs have a varied pricing structure. To increase fee income an exercise to review the minimum viable numbers will be completed.
- It is proposed to reduce the fee for Highers and National Qualifications to align with the competition from other Colleges. As a number of these can be delivered remotely this may make them more attractive.
- It is proposed that the single credit price do not change, particularly as students cannot access 3rd party funding to support with these costs.

4. Commercial Programme

It is recommended that no specific blanket increase be made for session 2023/24.

The Financial Strategy recommended a review of the costing models which will be undertake during 2023. Fee levels will reflect the outcome of the review.

As previously reported commercial programme fees are impacted on by:

- level of competition
- perceived value of the product
- product development cost
- economic trend
- level of market demand
- demographics
- socio-economics of targeted customers

5. International Fees

International fees are proposed to increase by 5% to cover the additional administrative burden that visa checks and entry requirements

6. Conclusion

Fee changes proposed reflect the College's need to focus on financial sustainability alongside the ability of the market to accommodate price increases whilst in a recession and cost of living crisis.

Author: Leann Crichton, Head of Administrative Operations
Executive Sponsor: Jaki Carnegie, Vice Principal – Corporate Services

Proposed changes to fees are identified in red

	2023/24	NOTES
1 EU & Rest of UK (RUK) Students		
1.1 Full-time (including ESOL)		
Advanced (Degree Equivalent)	£1,820	Eligible students will be entitled to have tuition fees paid by SAAS.
Advanced (Higher National or Equivalent)	£1,285	
Non-Advanced (inclusive of Assessment/Examination Fees)	£1,008	Eligibility for full-time Fee Waiver will be routinely determined via the Application and Registration process.
1.2 Part-time – Traditional (Core)		
HNC/D programmes	£740 £780	This charge will be per academic session for programmes studied over 2 years.
PDA Programmes Up to 3 credits	£250 - £420	Each programme costed individually, variances are on teaching materials required.
4 – 6 credits	£450 - £700	
Over 6 credits	£750-£1,200	
Higher & National 4/5 programmes	£480 £400	Fee per course inclusive of SQA costs.
All other core part-time programmes – Single credit model.	£140	Students charged for the number of credits they are undertaking.
Per student hour	£3.50	Inclusive of assessment but subject to examination/presentation costs.
1.3 Part-time – Commercial		
Commercial PDA – fee per unit.	£600	Per costing policy. Additional assessment may incur charges.
Commercial Training Hourly Rate (including VQs, MAs & Lets)	£75	
1.4 Re-Assessment Charges		
Fee per Single Credit	£50 £3.50 p/h	Appropriate external charges/fees including Additional Assessment (AAA) may be added if applicable

	<u>2023/24</u>	<u>NOTES</u>
1.5 No Recognised Qualification Programmes		
SFC credit funded courses to be costed at hourly rate <u>plus</u> the full cost of any course materials.	£3.50 p/h	
Non SFC credit funded courses to be costed at hourly rate plus the full cost of any course materials.	£7.00 p/h	
1.6 Overseas Students (Non EU)		
Full-time programmes (including accelerated HNs)	£7,500 £7,875	
Short full-time FE	£3,750 £3,940	
Remote Delivery programmes	£500 £525	
All other programmes – per single credit	£700 £735	

**JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE**



Tuesday 6 December 2022

Estates & Infrastructure

19.1 Estates Update

PAPER S

BOARD OF MANAGEMENT
Finance & Property Committee
Tuesday 6 December 2022



Estates Update

Paper for noting

1. Introduction

This paper provides an update on estates related activity since the last report to the committee.

2. Recommendations

Members are asked to note the report.

3. Projects

The Estates Project Team have continued to progress a number of projects since the last report.

Completed projects are listed below:

- New Contemplation Room created in Arbroath.
- Extensive drainage surveys and repairs completed in Clova Arbroath as part of Clova Water management System.
- Engineering Workshop E066 Kingsway shell works completed and awaiting details for fitout.
- Painting refresh of Gardyne PE Block completed.

4. Capital Backlog Maintenance Projects

The Capital Backlog Maintenance Grant funding for the period 1 April 2022 – 31 March 2023 has been confirmed at –

- Backlog maintenance - £1,769,364
- Lifecycle maintenance - £818,361

A list of backlog maintenance projects was previously compiled and have been and listed below along with high level costs – a number of the items in the table below have been progressed.

Project	Campus	Projected Costs	Current Status
Review water management system on Clova Roof	Arbroath	30,000	Below ground complete. Roof works progressing to start
Road resurfacing of Isla and Esk car parks	Arbroath	120,000	Completed
CSW/Clova buildings refurb	Arbroath	150,000	In progress
Replacement blinds CALC building	Arbroath	20,000	Still to commence
CSW/Clova Lift Refurbishment	Arbroath	50,000	Out to tender
Automatic Fire Alarm Installation in Clova building	Arbroath	60,000	Complete and system handed over
Camera upgrade	Arbroath	20,000	Isla Building element tendered, including Catering Outlet security
Internal Fabric	Arbroath	25,000	These works are ongoing where access available
Lecture Theatre refurbishment	Kingsway	0	Delayed until April 2023 - £100k + £132k in budget from Tower Project
Replacement ANPR Barrier system	Kingsway	12,000	Still to commence
Refurbishment of South Tower Lift	Kingsway	45,000	Out to tender
Refurbishment of Tower Level 5 + 6 Classrooms	Kingsway	80,000	Completed
Camera upgrade	Kingsway	20,000	Catering Outlet security element completed
Internal Fabric	Kingsway	25,000	These works are ongoing where access available
Catering Block Sub-main replacement	Kingsway	25,000	Completed
Demo Kitchen Sub-main replacement	Kingsway	8,000	Completed
Hardwire electrical testing	Kingsway	10,000	Tenders being evaluated as part of framework with Abertay
Sports Block Roof	Gardyne	50,000	Completed
Camera Upgrade	Gardyne	20,000	Additional cameras added within Sports Block to improve security
New lift for PE Block	Gardyne	45,000	Out to tender
Hardwire electrical testing	Gardyne	25,000	Out to tender
Internal Fabric	Gardyne	25,000	These works are ongoing where access available
Toilet Facilities Upgrade Sports 1 st Floor	Gardyne	30,000	Still to commence
Departmental improvements	All	60,000	In progress
Equipment replacement	All	50,000	In progress

5. Link to Strategic Risk Register

Progressing these Estates projects and initiatives will support the mitigation of a range of risks identified within the Strategic Risk Register namely;

- 3.1 – failure to reach aspirational standards in learning, teaching and service delivery
- 3.2 – failure to achieve/maintain compliance arrangements
- 3.3 – serious accident, incident or civil/criminal breach, legal action

Author: Kevin McCord, Estates Manager
Billy Grace, Head of Estates

Executive Sponsor: Jaki Carnegie, Vice Principal – Corporate Services

**JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE**



Tuesday 6 December 2022

Procurement

**20.1 Annual Procurement Report
20.2 Procurement Update
20.3 Procurement Strategy**

**PAPER T
PAPER U
PAPER V**



Annual Procurement Report

2021-2022

Dundee & Angus College – Annual Procurement Report (APR) 2021/2022

Executive Summary

The Procurement Reform (Scotland) Act 2014 (PRA) requires any public organisation which has an estimated annual regulated spend¹ of £5 million or more to develop a Procurement Strategy and then review it annually. This requirement took effect from 31 December 2016. Organisations (including HE (Higher Education) and FE (Further Education) institutions) are required to publish a procurement strategy were also required to publish an Annual Procurement Report (APR), reflecting on the relevant reporting period of the procurement strategy.

This report covers the period of August 2021 to July 2022 and addresses performance and achievements in delivering the objectives laid out in the organisational [Procurement Strategy](#) for Dundee & Angus College. A report is prepared on a rolling 12-month basis.

The development of the procurement strategy was the outcome of consultation and discussion with internal and external stakeholders who have an interest in the institutional approach to procurement and its impact. Stakeholder engagement will also features in the annual assessments of the achievement of regulatory compliance, strategic objectives of the institution, value for money [defined as the best balance of cost, quality and sustainability] and delivery against the institution's broader aims and objectives, in line with [Scotland's National Outcomes](#). This process of review and reporting informs any adjustments to the procurement strategy deemed necessary to secure future performance improvements and to respond to the economic, political and financial influences on which the institution may need to adjust.

Dundee & Angus College have analysed third party expenditure and has identified that over the period covered by this report the following expenditure has occurred:

- UK regulated procurements [goods and services worth more than £189,330; works worth more than £4,733,252²] amounted to £675,960. There were 2 such procurements completed³.
- Lower value regulated procurements' [goods and services worth more than £50,000, works worth more than £2 million] amounted to £1,029,071. There were 14 such procurements completed.

More detailed information on the regulated procurements, is provided in Sections 1 and 2 of this report.

Dundee & Angus College had 501 suppliers within the reporting period and 316 of these suppliers are recorded as SMEs. 13 SMEs featured in the award of regulated procurements during the period.

The total non-pay expenditure was £12,422,118. This was made up of £3,768,018 capital expenditure, £6,518,203 of regulated expenditure (suppliers where in excess of £50,000 has been spent) and £2,135,896 non-regulated expenditure.

The College optimises the use of national, sectoral, local or regional collaborative contracts and frameworks. As well as bringing cash and non-cash savings, the burdens of risk, contract and supplier management are shared and the number of resource-intensive formal local tenders that need to take place is reduced significantly. Approximately 52% of the College's spend went through collaborative agreements during the reporting period.

¹ 'Regulated' procurements are those with an estimated value equal to or greater than £50k (≥ £12,500 per annum over a four-year contract period excluding VAT) for goods & services (or £2,000,000 excluding VAT for a public works contract).

² Public contracts (UK) thresholds were last updated on 01/01/2021 and revised every 2 years – next due on 01 /01/2023

³ Completed when the award notice is published or where the procurement process otherwise comes to an end - covers contracts and framework agreements

This report comprises of six sections which address mandatory reporting requirements.

- Section 1: Summary of Regulated Procurements Completed
- Section 2: Review of Regulated Procurement Compliance
- Section 3: Community Benefit Summary
- Section 4: Supported Businesses Summary
- Section 5: Future Regulated Procurements Summary
- Section 6: Sustainability

Approved: 6 December 2022
Finance & Property Committee

Section 1: Summary of Regulated Procurements Completed

Dundee & Angus College strongly believe in conducting its procurements in an open and inclusive manner with procurement objectives aligned to the College's [Strategic Plan](#).

The detailed summary of regulated procurements completed is set out in Annex A. That information, coupled with the publication of the institutional Contracts Register and the systematic use of [Public Contracts Scotland](#) and Quick Quotes where appropriate, provides complete visibility of the College's procurement activity over the reporting period.

Page 10 of this document sets out further information to show lower value regulated procurements completed and UK regulated procurements completed. These are separated into contract categories and distinguish collaborative contracts from institutional ones.

For each completed regulated procurement the information provided shows:

- the date of award
- the start dates
- the category subject matter
- the name of the supplier
- estimated value of the contract – total over contract period
- collaborative or institution owned
- the end date provided for in the contract or a description of the circumstances in which the contract will end.
- SME / supported business.

Section 2: Review of Regulated Procurement Compliance

Where appropriate, Dundee & Angus College make use of collaborative contracts to deliver improved contract terms, supported contract and supplier management, sustainable procurement outcomes and value for money (the best balance of cost, quality and sustainability).

Care is taken to ensure that the College appoints suppliers who are capable, reliable and who can demonstrate that they meet high ethical standards and values in the conduct of their business.

In the period covered by this report, the College has endeavoured to undertake all its regulated procurements in compliance with UK Procurement Principles of equal treatment, non-discrimination, transparency, proportionality, and mutual recognition.

Successful delivery against the procurement strategy objectives is part of a continual improvement process (CIP) that seeks incremental improvements to process and outcomes over time.

The following table identifies the procurement aims, which were established within the procurement strategy and progress towards achievement of those aims.

Procurement Aims and Focus	Annual Report Commentary on strategy delivery/compliance
<p>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.</p>	<p>The engagement with internal and external stakeholders and suppliers provides valuable feedback which informs the College of possible necessary adjustments and improvements to strategy and process. Bi-annual internal stakeholder surveys have provided the opportunity to review engagement and focus on areas where impact is greatest.</p> <p>For each procurement, the College considers the community affected by the resultant contract and ensures that any affected organisations/persons are consulted (e.g., impact on service for students, or a local contract that could be combined with other similar institutions' needs). Such consultation will always be on a scale and approach relevant to the procurement in question.</p> <p>Dundee & Angus College contributes to sector contracting plans and has coordinated procurement efforts on a regional basis with Dundee City Council, Angus Council, Perth & Kinross Council, Tayside Contracts, Tayside Procurement Consortium and Abertay University to deliver local collaborative contracts.</p> <p>The Tayside Regional Procurement Team, comprising Dundee & Angus College and Abertay University, is utilising a collaborative approach and identifying opportunities for collaboration e.g., joint tendering activity, sharing best practice, and synergy in process and supplier management.</p> <p>The College actively engages with other bodies through HE and FE specific events and Scottish public-sector events.</p>
<p>To work with internal academic budget holders, professional support service colleagues and suppliers to deliver innovation and best value to the learning and service support communities through the development of an effective and co-ordinated purchasing effort within the College.</p>	<p>Optimal procurement/contract strategies are developed and agreed through consultation with key stakeholders, end users and suppliers. This intelligence gathering approach is also used to improve skills and competencies in securing the most appropriate procurement routes to market that yield best value outcomes consistent with the guidelines set out in the Scottish Procurement</p>

Procurement Aims and Focus	Annual Report Commentary on strategy delivery/compliance
	<p><u>Journey</u>. Any contract with an anticipated value in excess of £25,000 will have a specific contract strategy covering spend analysis, market research, available frameworks as well as a recommendation on route to market, proposed evaluation criteria, expected outcomes and benefits and the identification of risk and actions to be taken in mitigation.</p> <p>Procurement activities follow the guidelines set out in the Procurement Journey. This helps to manage the expectations of stakeholders, customers and suppliers alike and facilitates best practice and consistency with what other organisations do across the Scottish public sector.</p> <p>For every procurement over £4m, the College will consider how it can improve the economic social or environmental wellbeing of its area through inclusion of community benefit clauses. Where possible and proportionate, such clauses may be included in procurements below £4m</p> <p>Care is taken to ensure that procurement operations support the strategic objectives detailed in the College’s Regional Outcome Agreement.</p>
<p>To promote the delivery of value for money through good procurement practice and optimal use of procurement collaboration opportunities.</p>	<p>The best balance of cost, quality and sustainability is consistently used to assess value for money delivered and to identify sensible aggregation opportunities through collaborative contracting.</p> <p>How goods, services and works are bought - joint purchasing, use of local, regional and national framework agreements, consolidated contracting – is subject to regular review with APUC (Advanced Procurement for Universities & Colleges) and, through user consultation, sensible aggregation opportunities are exploited, category and commodity strategies are developed, recorded, signed off and processed.</p>

Procurement Aims and Focus	Annual Report Commentary on strategy delivery/compliance
<p>To seek out professional development opportunities to enrich and enhance experience and capability of procurement practitioners and to work with the supply chains to ensure continued value, managed performance and minimal risk throughout the life of contracts for the benefit of customers and students.</p>	<p>The defined procurement process is managed through a professional procurement team with access to competency-based training, skills development programmes and career development opportunities.</p> <p>Devolved procurement competencies are assessed across the College to secure optimum value delivery while managing supply side risks and opportunities.</p> <p>An online Introduction to Procurement module has been developed to support College staff at all levels to understand the legislative background and to enhance their knowledge of business processes and internal governance protocols.</p> <p>Post procurement reviews are carried out to check that tendering outcomes are delivering against business case objectives. These are in turn consolidated by contract and supplier management routines based on value and risk to monitor performance and introduce any improvements required.</p>
<p>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.</p>	<p>Internal governance procedures, policies, tools such as e-enabled workflow enhancements are introduced to effect improvements to procurement process and efficiency.</p> <p>Full use is made of expenditure segmentation analysis and data located on Hunter (including Contracts Registers) and Procurement Data Dashboard.</p> <p>Where relevant, use is made of appropriate standards and labels in procurements to take account of fair and ethical trading considerations with consideration given to equivalent tender offerings from suppliers.</p> <p>Use is made of Public Contracts Scotland to publish procurement opportunities; 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.</p>

Procurement Aims and Focus	Annual Report Commentary on strategy delivery/compliance
<p>To embed sound ethical, social, and environmental policies within the College's procurement function and to comply with relevant Scottish and other pertinent legislation through compliance with the Sustainable Procurement Duty</p>	<p>Procedures are in place to ensure that consideration of environmental, social and economic issues and benefits is made, where appropriate, on a contract-by-contract basis during the planning stage utilising tools including Prioritisation, Ecovadis, Flexible Framework, APUC's Supply Chain Code of Conduct, and Supply Chain Management Programme.</p> <p>Procedures are also in place to ensure that regulated procurements are only awarded to businesses that are capable, reliable and, where relevant, meet high ethical standards and values in the conduct of their business. The College is committed to contracting only with suppliers that comply with all appropriate and relevant legislation. Where appropriate, and on a contract-by-contract basis, the College will assess the legislation applicable to a procurement and take steps to ensure bidders comply with it e.g., Health and Safety, Environmental and Late Payment legislation.</p> <p>Where relevant and proportionate the Living Wage and fair work practices of suppliers are promoted in tender documentation</p> <p>Dundee & Angus College is proud of its accreditation as a Living Wage employer and fully complies with its duties under the Modern Slavery Act.</p> <p>Details of its Modern Slavery policy are available on the College website.</p>

The commentary identified above shows that excellent progress has been made towards achievement of the procurement aims.

The College has procurement processes and sign off arrangements that are consistent with the guidelines set out in the Procurement Journey and that have met the objectives and obligations set out immediately above. These are detailed within the Schedule of Delegated Authority which has been approved by the Finance & Property Committee of the College's Board of Management.

Section 3: Community Benefit Summary

For every procurement over £4m, Dundee & Angus College will consider how it can 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 possible, relevant and proportionate,

such clauses may be included in regulated procurements valued at below £4m.

Where applicable, as part of the tendering process, suppliers are invited to describe their approach to delivering community benefits or achieving social value through a contract. Relevant community benefits are cited such as:

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

Where community benefits are included in a procurement (at or above the £4 million threshold), the award notice would include a statement of the benefits that are expected to be derived from the contract.

Where community benefits are included in a procurement (at or above the £4 million threshold), the award notice would include a statement of the benefits that are expected to be derived from the contract. In the reporting period, there was no new contract awarded containing community benefits.

Section 4: Supported Business

Dundee & Angus College reviews each appropriate procurement to determine whether contracts could be fulfilled by a Supported Business, whilst remaining compliant with UK and Scottish Procurement Legislation and ensuring value for money for the institution (using the only Supported Business register currently available and published by Ready for Business).

There were no contracts for supported businesses in the period covered by this report, and presently there are no contracts in place with a supported business. Opportunities will continue to be explored and identified as part of future contract strategies.

Section 5 – Future Regulated Procurements

The College is keen to encourage competition by promoting optimal participation in its procurement process and 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 fiscal years after the period covered by this report.

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

The information provided 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

Section 6 – Sustainability

Dundee & Angus College have a strong commitment towards sustainability and where relevant and proportionate, sustainability criteria are evaluated in procurement exercises for both regulated and non-regulated contracts.

Section 1: List of Compliant Regulated Procurements Completed in the Reporting Period August 2021 to July 2022

Category Subject	Supplier name	Date of Award	Owner: Cat A/B or C?	Start Date	End Date	Value over contract period	SME status	Supported Business
Taxi Services (Extension)	Dundee 505050 Ltd Dundee Luxury Travel Links Cabs Carnoustie Tele Taxis Dundee Ltd	11/10/2021	C	07/07/2021	06/07/2023	£110,000	Small Micro Micro Small	No No No No
Catering Equipment	Kitchenequip.co.uk	01/10/2021	B	01/10/2021	One off Purchase	£156,347	Small	No
Hybrid Classrooms	Mediascape	19/10/2021	B	19/10/2021	One off Purchase	£82,933	Small	No
Road Resurfacing Works	J.Sives Surfacing Ltd	01/10/2021	B	01/11/2021	28/02/2022	Phase 1 - 48,000 Phase 2 - 11,000	Small	No
Data Links	The Networking People	02/11/2021	B	02/11/2021	01/11/2024	£87,272	Micro	No
Microsoft Campus Renewal	Softcat	31/10/2022	A	01/12/2021	30/11/2022	£98,928	Large	No
Virtual Reality Software/Technology	Animmersion UK Ltd	01/03/2022	C	1 April 2022	One off Purchase	£70,795	Micro	No
Hair and Beauty Furniture and Equipment	College Kits Direct Limited	01/02/2022	B	01/04/2022	One off Purchase	£60,936	Small	No
Audio-Visual Equipment (Supply, Installation and Maintenance)	GVAV UK Ltd	04/05/2022	B	09/05/2022	30/04/2025	£400,000	Medium	No
Roof Replacement (Gardyne Campus)	Raynor Roofing	16/05/2022	C	01/07/2022	31/07/2022	£52,633	Micro	No
Insurance	Zurich Municipal	22/06/2022	B	01/08/2022	31/07/2024	£275,960	Large	No

Category Subject	Supplier name	Date of Award	Owner: Cat A/B or C?	Start Date	End Date	Value over contract period	SME status	Supported Business
Road Resurfacing Works	J.Sives Surfacing Ltd	30/06/2022	B	10/08/2022	19 August 2022	£115,005	Small	No

Section 2: Non-Compliant

Category Subject	Supplier name	Date of Award	Owner: Cat A/B or C?	Start Date	End Date	Value over contract period	SME status	Supported Business
Automotive Training Kit	Lucas-Nülle	May 2022	C	May 2022	One-off Purchase	£82,122	Not known	No
External Wall Cladding (Arbroath)	Avtek (Scotland) Limited	December 2021	C	January 2022	March 2022	£53,100	Not Known	No

Explanation for Non- Complaint Awards

- Automotive Training Kit – Assumed sole supplier of specialist product. Various research exercises were conducted to understand the market capabilities and identify suitable EV (Electric Vehicle) automotive training equipment.
- External Wall Cladding – Authorisation delay of the final business case by the Tay Cities Engineering Partnership, rendered it impossible to run a full, regulated procurement process including award, mobilisation and completion of the works within the defined timelines. In addition, no Framework Agreement or other mechanism was available to shorten the timescales of completing a compliant procurement process

Section 3: List of Regulated Procurements with Community Benefit Requirements Fulfilled

There were no procurements with Community Benefits Requirements fulfilled during in the reporting period.

Section 4: List of Regulated Procurements placed with Supported Businesses

There were no regulated procurements placed with Supported Businesses during in the reporting period.

Section 5: List of Regulated Procurements planned to commence in next to two Academic Years 2022/23 & 2023/24

All contracting activity is subject to available budget and may be subject to change should additional funding become available.

*** In cases where it is intended that the contract will be let as a call-off contract under a framework, the “expected contract notice publication date” is not applicable.*

Category Subject	Re-Occurring	Expected contract notice publication date**	Forecast Award Date	Expected Start Date	Expected End Date	Estimated Value over contract period	Category
Library Books, Textbook and Multimedia Supplies	Yes	N/A	01/11/2022	26/09/2022	25/09/2024	£100,000	B
Legal Services	Yes	N/A	05/09/2022	07/09/2022	06/09/2024	£26,000	B
Teaching Qualification: Further Education (TQFE) Programme Extension	Yes	N/A	30/09/2022	01/10/2022	30/09/2023	£50,000	B
Student Support – British Sign Language Extension	Yes	N/A	30/09/2022	01/10/2022	30/09/2024	£100,000	C
Advanced Manufacturing Equipment	N	17/10/2022	17/10/2022	17/10/2022	16/10/2027	£278,000 (Subject to additional Funding) Framework Value £6,000,000	C
Microsoft Campus Renewal	Yes	N/A	31/10/2022	31/10/2022	30/10/2025	£300,000	A
Networking Supplies and Services	Yes	N/A	05/09/2022	01/11/2022	31/10/2027	£750,000	B

Category Subject	Re-Occurring	Expected contract notice publication date**	Forecast Award Date	Expected Start Date	Expected End Date	Estimated Value over contract period	Category
Azure Cloud Services	Yes	N/A	01/11/2022	01/11/2022	31/10/2025	£300,000	A
Fixed Electrical Testing	Yes	18/10/2022	19/12/2022	04/01/2023	03/01/2028	£75,000 + Remedial Works	C1
Passenger Lift Replacements	Yes	12/12/2022	08/03/2023	01/04/2023	31/03/2026	£250,000	C
Timber and Associated Products	Yes	N/A	28/02/2023	01/04/2023	31/03/2026	£130,000	B
Waste Management	Yes	N/A	01/03/2023	01/04/2023	31/03/2025	£100,000	B
EV Automotive Training Kit	No	Subject to Funding Allocation	Subject to Funding Allocation	Subject to Funding Allocation	One-Off Purchase	£60,000	C
Hybrid Energy Lab Systems	No	Subject to Funding Allocation	Subject to Funding Allocation	Subject to Funding Allocation	One-Off Purchase	£80,000	C
500K Fuel Cell	No	Subject to Funding Allocation	Subject to Funding Allocation	Subject to Funding Allocation	One-Off Purchase	£240,000	C
Secure Payment Solution	Yes	01/04/2023	01/05/2023	01/06/2023	31/05/2027	£160,000	B
SUN Finance Systems License Maintenance	Yes	N/A	01/07/2023	01/07/2023	01/07/2024	£25,000	B
Taxi Services and Private Transfers	Yes	01/04/2023	01/06/2023	07/07/2023	06/07/2025	£200,000	C1
Collabco – Myday License Renewal	Yes	N/A	01/08/2023	01/09/2023	31/08/2024	£20,000	A

Category Subject	Re-Occurring	Expected contract notice publication date**	Forecast Award Date	Expected Start Date	Expected End Date	Estimated Value over contract period	Category
Internal Audit Extension	Yes	N/A	01/10/2023	01/10/2023	30/09/2025	£40,000	B
Graduation Services	Yes	01/06/2023	01/09/2023	01/10/2023	30/09/2026	£45,000	C/C1
Occupational Health	Yes	01/07/2023	08/10/2023	08/10/2023	07/10/2026	£100,000	C
Fuel Card and Associated Services	Yes	N/A	01/04/2023	14/05/2024	13/05/2028	£50,000	B

Annual Procurement Report - Annex A

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

<u>1. Organisation and report details</u>	
a) Contracting Authority Name	Dundee & Angus College
b) Period of the annual procurement report	01/08/2021-31/07/2022
c) Required by s18 Procurement Reform (Scotland) Act 2014 to prepare an annual procurement report? (Yes / No)	Yes
<u>2. Summary of Regulated Procurements</u>	
<u>Completed</u>	
a) Total number of regulated contracts awarded within the report period	14
b) Total value of regulated contracts awarded within the report period	£1,705,031
c) Total number of unique suppliers awarded a place on a regulated contract awarded during the period	17
i) how many of these unique suppliers are SMEs	1
ii) how many of these unique suppliers how many are Third sector bodies	0
<u>3. Review of Regulated Procurements</u>	
<u>Compliance</u>	
a) Number of regulated contracts awarded within the period that complied with your Procurement Strategy	12
b) Number of regulated contracts awarded within the period that did not comply with your Procurement Strategy	2
<u>4. Community Benefit Requirements</u>	
<u>Summary</u>	
Use of Community Benefit Requirements in Procurement:	
a) Total number of regulated contracts awarded with a value of £4 million or greater.	0
b) Total number of regulated contracts awarded with a value of £4 million or greater that contain Community Benefit Requirements.	0
c) Total number of regulated contracts awarded with a value of less than £4 million that contain a Community Benefit Requirements	0
Key Contract Information on community benefit requirements imposed as part of a regulated procurement that were fulfilled during the period:	
d) Number of Jobs Filled by Priority Groups (<i>Each contracting authority sets its own priority groups</i>)	0
e) Number of Apprenticeships Filled by Priority Groups	0
f) Number of Work Placements for Priority Groups	0

g) Number of Qualifications Achieved Through Training by Priority Groups	0
h) Total Value of contracts sub-contracted to SMEs	0
i) Total Value of contracts sub-contracted to Social Enterprises	0
j) Total Value of contracts sub-contracted to Supported Businesses	0
k) Other community benefit(s) fulfilled	0
<u>5. Fair Work and the real Living Wage</u>	
a) Number of regulated contracts awarded during the period that have included a scored Fair Work criterion.	Not Recorded
b) Number of unique suppliers who have committed to pay the real Living Wage in the delivery of a regulated contract awarded during the period.	Not Recorded
c) Number of unique suppliers who are accredited Living Wage employers and were awarded a regulated contract awarded during the period.	Not Recorded
d) Number of unique suppliers who have signed up to the Scottish Business Pledge and were awarded a regulated contract awarded during the period.	Not Recorded
<u>6. Payment performance</u>	
a) Number of valid invoices received during the reporting period.	10,728
b) Percentage of invoices paid on time during the period ("On time" means within the period set out in the contract terms.)	83% (8, 924)
c) Number of regulated contracts awarded during the period containing a contract term requiring the prompt payment of invoices in public contract supply chains.	0
d) Number of concerns raised by sub-contractors about the timely payment of invoices within the supply chain of public contracts.	0
<u>7. Supported Businesses Summary</u>	
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:	0
i) spend within the reporting year on regulated contracts	0
ii) spend within the reporting year on non-regulated contracts	0
<u>8. Spend and Savings Summary</u>	
a) Total procurement spend for the period covered by the annual procurement report.	£12,422,118
b) Total procurement spend with SMEs during the period covered by the annual procurement report.	£10,114,916
c) Total procurement spend with Third sector bodies during the period covered by the report.	Not recorded
d) Percentage of total procurement spend through collaborative contracts.	52%

e) Total targeted cash savings for the period covered by the annual procurement report	Local target not set
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	
i) delivered cash savings for Cat A & B contracts	£0
ii) delivered cash savings for Cat C contracts	£0

g) Total non-cash savings value for the period covered by the annual procurement report	£266,230
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9. Future regulated procurements

a) Total number of regulated procurements expected to commence in the next two fiscal years	23
b) Total estimated value of regulated procurements expected to commence in the next two fiscal years	£3,574,000

Glossary of Terms

A, B, C and C1 Contracts (Who buys what?)

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

APUC's 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.

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

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

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

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

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

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

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

Flexible Framework Self-Assessment Tool (FFSAT) enables measurement against various aspects of sustainable procurement.

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

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

This information means that individual organisations and Centres of Expertise can identify where collaborative opportunities might exist and where transactional efficiencies could be made.

For more information, visit the Scottish Government's [Hub](#) page.

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

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

Institutional Dashboard - is the area within the APUC Buyers Portal being developed by the APUC eSolutions team providing easy access to 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) replaced the previous Procurement Capability Assessment (PCA) and focuses on the policies and procedures driving procurement performance and more importantly, the results they deliver.

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

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

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 Management Programme (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.

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

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

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

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

It is defined as including:

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

UK regulated procurements are those whose values require that they are conducted in compliance with the Public Contracts (Scotland) Regulations 2015 and the Procurement Reform (Scotland) Act 2014.

UK thresholds the present thresholds are (net of VAT): - for Supply and Services Contracts, £177,897, for Works Contracts £4,447,447. Public contracts (UK) thresholds are revised every 2 years – this is next due on 01/01/2024.

BOARD OF MANAGEMENT
Finance & Property Committee
6 December 2022



Procurement Update

Paper for noting

1. Introduction

The information included in this paper details the planned and recurring contracts and renewals which exceed or are very close to the regulated authority threshold of £50k (exclusive of non-recoverable VAT) covering the period to December 2022. In all cases, Planned Procurement Activity remains dependent on appropriate budget allocation as part of the annual budget approval process.

Section A - Procurement Update / Contract Awards, for Noting provides information on the contracts that have been awarded during the period from Oct 2022 to Dec 2022.

This section also includes any requests for retrospective **Approval** of Non-Competitive Awards (NCA's). There are no such requests in this Report.

Section B - Planned Contracting Requiring Approval, includes a list of contracts where the aggregated spend over the contract term is likely to exceed £100k (inclusive of non-recoverable VAT) including call-off contracts under Framework Agreements let by other authorities, such as APUC, Scottish Procurement and Crown Commercial Services.

This section also includes any requests for advance approval of an NCA. Anything planned that is ultimately identified to be requiring approval of an NCA will be included in a subsequent report to Committee.

Section C – Planned Procurement and Recent Awards for Noting, provides a list of proposed or awarded contracts that are greater than £50k in value but less than the threshold of £100k (Chairs of Board and Finance & Property Committee) as laid out in the College Financial Regulations. This section will include new contracts together with any contracts not previously included in the report in September.

Section D – Other Procurement Activities for Noting, provides a progress update on other procurement activities.

All values exclude VAT unless otherwise stated.

2. Recommendation

Members are asked to:

- a) note the recently awarded contracts
- b) approve Non-Competitive Awards (there are none)
- c) approve anticipated procurements not already included in the Annual Planned Procurement Report submitted to the Finance & Property Committee in September 2022 (there are none)

Author: Amanda Walsh, Procurement Manager
Brian Ferguson, Head of Finance

Executive Sponsor: Jaki Carnegie, Vice Principal - Corporate Services

Section A - Procurement Update / Contract Awards / Extensions: Oct – Dec 22

Contract name	TCEP Advanced Manufacturing Equipment
Route to Market	Open Tender – Framework Agreement
Successful Bidders	Emco Education Ltd (£253,000) Laser Lines Ltd (£25,000)
Contract Value	£278,000 Note. Framework Value capped at £6,000,000 to allow for any future purchases.
Award Date	17/10/2022
Start Date	17/10/2022
Contract Period	60 months 17 October 2022 to 16 October 2027

Contract name	MSIP Robotics Arms and Controllers
Route to Market	Open Tender – Framework Agreement
Successful Bidders	SP Technology Limited
Contract Value	£83,000 Note. Framework Value capped at £4,000,000 to allow for and future purchases.
Award Date	December 2022
Start Date	December 2022
Contract Period	60 months December 2022 to December 2027

Section B - Planned Contracting Requiring Approval

Nothing in this period.

Section C - Planned Procurement and Recent Awards for Noting

Contract name	Internal Audit
Incumbent Suppliers	Henderson and Loggie LLP
Estimated Contract Value	£40,000
Owner	VP Corporate Services
Route to Market	Call off from Framework – Extension
Intended Contract Start Date	October 2023
Proposed Contract Period	2 year extension
Rationale	Independent, objective assurance, and consulting activity designed to add value and improve operations.

Contract name	Graduation Services
Incumbent Suppliers	Ede and Ravenscroft Ltd.
Estimated Contract Value	£60,000 (over 4 years)
Owner	Marketing Manager
Route to Market	Open Tender – Possible Collaboration with Abertay University
Intended Contract Start Date	October 2023

Proposed Contract Period	3 + 1 Years
Rationale	Ceremonial robes and official student photography services for Graduation.

Section D – Other Procurement Activities

1. Procurement Strategy

The [Procurement Reform \(Scotland\) Act 2014](#) requires the College to prepare and publish a Procurement Strategy or review its strategy for the current financial year and update as appropriate. The Strategy supports the College's Financial Regulations, procurement legislation and sustainability duties. The Procurement Strategy for Dundee & Angus College for 2021-2024 is set out in the attached document. This strategy is to be continuously reviewed, at least once a year to reflect any necessary changes, reassuring it remains current.

2. Annual Procurement Report

In addition to the mandatory procurement strategy, the act also requires the College to prepare and publish an Annual Procurement for financial year 2021-2022, which summarises the performance of the College in delivering its strategy. The refreshed Annual Procurement Report sets out the achievements and future plans for the College's regulated procurement activity. Members are invited to consider and approve the draft Report.

3. Operational Activities

The current priority is a tender for a lift replacement framework and final draft specifications are being considered by Estates. Fixed electrical testing tender submissions, undertaken jointly with Abertay University, are currently being evaluated.

4. Supply Chain Climate & Ecological Emergency Strategy (SSCCEES)

Workshops for the seven Primary Impact Areas of Climate Change (PIACC) took place in October/November 2022 to enable information exchange between HE/FE institutions and APUC to integrate strategic objectives into cross-sector templates. These will facilitate the monitoring of procurement activities designed to reduce climate impacts across the main category/commodity groups and will link in with Climate Emergency Action Plans (CEAP).



PROCUREMENT STRATEGY

College Strategy **FINST01**

Approved by **Finance & Property Committee**

Original Issue Date **29/11/2021**

Current Issue Date **06/12/2022**

Review Date **01/12/2023**

Changes to the existing procurement strategy are **highlighted** for ease of review

Prepared by:	Finance Team	Approved By:	Vice Principal (Corporate Services)
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FOREWORD BY PRINCIPAL SIMON HEWITT

This Strategy has been designed to ensure legislative compliance with the [Procurement Reform \(Scotland\) Act 2014](#) and other relevant legislation and is aligned with the College's and the Scottish Funding Council's key strategic outcomes as detailed in our [Regional College Outcome Agreement](#).

The key elements of the procurement legislation:

- *require us to publish a [Procurement Strategy](#)*
- *require us to maintain a public [Contracts Register](#) on our external website*
- *increase the scope of our [Regulated Contracts](#)*
- *require us to publish an [Annual Procurement Report](#)*
- *require us to meet [The sustainable procurement duty](#)*

This Strategy sets us challenging but realistic goals for the development of our procurement activities over the next 4 years, which will be subject to regular and transparent review.

The successful implementation of this Strategy can only be achieved by all of us involved in the procurement of goods and services on behalf of the College working in partnership with our Procurement Department 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 students learning experiences and outcomes and meet our aspirations as set out in our [College's 2025 Strategy](#).

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1 FORMATION AND APPROVAL OF OUR PROCUREMENT STRATEGY

This Strategy has been informed by the Scottish Procurement's [Statutory Guidance under the Procurement Reform \(Scotland\) Act 2014](#), with the support of [Advanced Procurement for Universities and Colleges \(APUC\)](#), the procurement centre of expertise for all of Scotland's colleges and universities.

The Strategy was approved by the College's Finance and Property Committee on the December 2022 and subsequently published on our external facing website.

The Senior Leadership Team will, as a minimum, review this Strategy annually in compliance with the Procurement Reform (Scotland) Act 2014, thus maintaining the alignment of our procurement activity with our broader priorities and allow the College where necessary to revise the Strategy.

See Annex A at the end of this document for a concise summary of the application of the Procurement Reform Act 2014 and Public Contracts (Scotland) Regulations 2016 and the key strategic and operational requirements therein.

2 CONTEXT

This Procurement Strategy provides the framework within which the procurement activities of the College can develop and help support our 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 and how we should get there.

As above, the College is now legally required to have and maintain a procurement strategy as part of the requirements of the Procurement Reform (Scotland) Act 2014, which provides a national legislative framework for sustainable public procurement that supports Scotland's economic growth through improved procurement practice.

The Act focuses on a small number of general duties on contracting authorities regarding their procurement activities and some specific measures aimed at promoting good, transparent and consistent practice in procurement processes detailed in section 6 below.

This Strategy recognises that our procurement practice is based on the Scottish Government's [Public Sector Procurement Policy](#) which sees procurement as an integral part of policy development and service delivery and is essentially about achieving the best balance of cost, quality and sustainability.

A key element of this Strategy is about moving the balance of procurement effort away from the buying or tendering phase and towards a greater emphasis on the planning and post contract phases of procurement. Included in this is an increasingly greater engagement with our stakeholders both internal and external.

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3 PROCUREMENT MISSION

Our procurement mission is to support the [College's Vision](#) by enabling and supporting the College community in achieving value for money through continually improving our sustainable procurement practice.

4 PROCUREMENT POLICY

Our Procurement Policy and Procedures sets out our operational framework of how we conduct procurement. The policy and associated procedures ensure the procurement of all goods, services and works are achieved at competitive prices, are governed by the Public Contracts (Scotland) Regulations 2015 principles of non-discrimination, transparency and procedural fairness. They comply with the Sustainable Procurement Duty and other relevant statutory requirements. In adherence to the regulations the College can demonstrate its accountability for, and good governance of its funds.

Our policy is therefore intended to:

- Ensure that procedures are in accordance with standards of public accountability;
- Ensure that procedures are in accordance with the Scottish Government's Procurement Journey;
- Ensure that the College is compliant to its obligations under the Public Contracts (Scotland) Regulations 2015, the Procurement Reform (Scotland) Act 2014 and the Procurement (Scotland) Regulations 2016; and
- Promote equality, diversity and sustainability through procurement matters.

5 STRATEGIC PROCUREMENT OBJECTIVES

Our strategic procurement objectives form the core of our Procurement Strategy. Each objective is mapped to the four strategic areas aligned to the Scottish Model of Procurement:

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Scottish Model of Procurement



i. Improving Supplier Access to Public Contracts

To make procurement as straightforward as possible for the College and potential suppliers, in particular to improve access for local suppliers and SME’s and to eliminate anything that does not add value to the procurement. As well as develop sound and useful procurement management information to measure and improve procurement, supplier performance, and to improve co-ordinated procurement planning

ii. Delivering savings and benefits

To promote the delivery of value for money through good procurement practice and optimal use of procurement collaboration opportunities. To work with our internal stakeholders and suppliers to deliver continued value, managed performance and minimal risk throughout the life of contracts for the benefit of customers and students.

iii. Maximising efficiency and collaboration

To work with internal academic budget holders and professional support services colleagues and suppliers to deliver innovation and best value to the teaching and learning, and services support communities, through the continuous development of effective and co-ordinated procurement processes.

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To sustain and further develop partnerships within the sector, with other publicly funded bodies, with professional bodies and with supply markets that will yield intelligence, innovation and deliver value to users of procurement services.

Deliver professional procurement training to our colleagues embedding procurement and contract management skills across the College.

iv. Embedding sustainability in all we do

To embed sound ethical, social, and environmental policies within the College's procurement function and to comply with relevant Scottish and other pertinent legislation through compliance with the Sustainable Procurement Duty

These objectives are measured and supported in three ways; through the [Dundee & Angus College Outcome Agreements](#), through our involvement in the [Scottish Government's Procurement and Commercial Improvement Programme \(PCIP\)](#) and through the publication of an Annual Procurement Report.

6 ENSURING COMPLIANCE WITH GENERAL DUTIES AND SPECIFIC MEASURES OF THE PROCUREMENT REFORM (SCOTLAND) ACT 2014

6.1 Introduction

As required by the Act, the College must comply with a small number of general duties and some specific measures which will be embedded in our Procurement Policy. For clarity and to ensure full compliance with the Act these are stated below.

6.2 Contribute to the carrying out our function and the achievement of our purposes

The College will analyse its third-party expenditure, identify 'GPA regulated procurements' [Goods and Services currently worth more than £213,477 (£177,897 excluding VAT) and Works worth more than £5,336,937 (£4,447,447 excluding VAT) GPA Thresholds that apply to the College as an "other public sector contracting authority")] and 'lower value regulated procurements' [Goods and Services worth more than £50,000 and Works worth more than £2 million (Procurement Reform Act 2014)]

In addition, the College will categorise regulated procurements by Proc-HE Commodity category and give consideration to appropriate and effective consultation that aligns individual procurement strategies with the College's own aims and objectives, and in turn their contribution to the National Outcomes as detailed in the College's Regional Outcome Agreement.

Finally, the College will consider, where appropriate, the effective use of proportionate contract and supplier management to monitor and further improve the regulated procurement contract outcomes.

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6.3 Deliver value for money

Value for money as defined by the Scottish Model of Procurement is not just about cost and quality, but about the best balance of cost, quality, and sustainability.

The College through its Procurement Policy 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 characteristics of the subject matter and its 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, ensure that it does so in a clear, transparent and proportionate manner; in line with the [Public Contracts \(Scotland\) Regulations 2015](#); equal treatment, non-discrimination, transparency, proportionality and mutual recognition and in complying with [Section 8 Procurement Reform \(Scotland\) Act 2014](#) as well as Sustainable Procurement (see 6.5 below).

6.4 Treating relevant economic operators equally and without discrimination

The College will conduct all of its regulated procurements in compliance with the principles of the [Public Contracts \(Scotland\) Regulations 2015](#); equal treatment, non-discrimination, transparency, proportionality and mutual recognition.

All regulated procurements will be posted on free to access portals such as [Public Contracts Scotland](#) (PCS) and [Public Contracts Scotland - Tender](#) (PCS-T), 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.

6.4 Acting in a transparent and proportionate manner

The College will ensure it engages widely with its local supply market on an ongoing basis and though the College's Procurement Policy will mandate the use of clear and precise language in its specifications and 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:

- [Market engagements](#)
- [Use of Public Contract Scotland – Tender \(PCS-T\), Public Contracts Scotland \(PCS\) and Quick Quotes,](#)
- [Providing information on third party training opportunities such as \[Supplier\]\(#\)](#)

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[Development Programme](#) to build suppliers capacity to better navigate the public tender process; and

- Publishing a contracts register to highlight contracts that local suppliers may be interested in bidding for.

6.5 Sustainable Procurement

The College is committed to sustainable procurement.

Procurement strives to ensure the College's requirements of acquiring goods, services and works in a way that delivers best value-for-money and benefits for not only to the College, but in a way that makes a significant, sustainable and socially responsible contribution in our local regions and across the world.

Purchasing decisions have major socio-economic and environmental implications locally, nationally, and globally, now and for generations to come. As such, the College are committed to integrating sustainability into everyday practice and decision-making processes, thereby minimising our environmental impact and optimising the social and economic outcomes associated with our operations.

It is recognised that our external supply chain partners make a significant contribution to carbon and sustainability (in its broadest sense), therefore staff involved in the procurement of goods, services and works throughout the College must consider appropriate environmental, social and economic factors in their purchasing decision

To support compliance with [The Sustainable Procurement Duty](#) the College will endeavour to make use of some available tools and systems 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](#), Sustain and Electronics Watch, where relevant and proportionate to the scope of the procurement.

Our sustainable procurement goals assist and promote in the delivery of the College's [Climate Emergency Action Plan](#), ensuring that:

- Environmental sustainability and social impact are incorporated into the whole procurement process - assessing and defining the need, evaluating options, design and specifying, supplier selection, tender evaluation, post-contract management and supplier development
- The College and our supply base comply with all relevant legislation and regulatory requirements
- The College promotes sustainable awareness and assessment amongst suppliers and contractors
- The College procures sustainable products and services wherever possible
- The College continues to reduce the negative environmental and sustainability impacts of construction and refurbishment projects
- The College develops measures to monitor our sustainable practice with a view to seeking continual improvement

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- The College uses the results of the monitored practice to benchmark its performance against similar organisations, and analyses the benchmarked performance to identify areas of practice for improvement
- Staff are upskilled to make sustainable procurement decisions and have the tools to do so.

These aims will now be supported by a [Supply Chain Climate & Ecological Emergency Strategy](#) (SCCEES) which has been co-developed by a broad range of stakeholders from the University and College sectors. This will facilitate the monitoring of activities designed to reduce climate impact across seven main commodity categories. Estate Operations and Development, Catering, Furniture, Information Technology / Services (IT/S), Laboratories, and Travel and Transport having been recognised as the most significant areas of impact. Effective management of these areas will be critical to the sector's contribution in helping to address the Climate and Ecological Emergency

6.6 Modern Slavery & Human Trafficking

The College is committed to measuring and actively monitoring that [Modern Slavery](#) and human trafficking is not taking place in any parts of its operation within the College and its supply chain.

Under the Modern Slavery Act, the College is committed to ensuring there are no instances of modern slavery, human trafficking, forced and bonded labour and labour rights violations in its supply chains, and that the following principles are adhered to:

- Employment is freely chosen
- Freedom of association and the right to collective bargaining are respected
- Working conditions are safe and hygienic
- Child labour shall not be used
- Living wages are paid
- Working hours are not excessive
- No discrimination is practiced
- Regular employment is provided
- No harsh or inhumane treatment is allowed.

6.7 Policy on the use of community benefits

The College will consider for each of its procurements based on proportionality and relevance of the procurement activity as to how it can improve the economic, social or environmental wellbeing of the Tayside region through the inclusion of [Community Benefit Clauses](#) aligned with the College's own strategic outcomes as well as a number of the Scottish Government's [National Outcomes](#), specifically those for education - "We are well educated, skilled and able to contribute to society", the economy - "We have a globally competitive, entrepreneurial, inclusive and sustainable economy", Fair Work and Business - "We have thriving and innovative businesses, with quality jobs and fair work for everyone" and the environment - "We value, enjoy, protect and enhance our

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environment”.

Legislation requires [Community Benefits](#) to be mandatory for any procurements with an accumulative value of over £4m.

The aim of Community Benefits is to build stronger communities, reduce social exclusion and poverty, and encourage the development of the local economy. Examples of the scope of community benefits clauses will include the delivery of training opportunities or subcontracting opportunities within Tayside relevant and proportionate to the particular procurement. The College will strive to engage with internal stakeholders including students where relevant as well as engage with the local and wider supplier community to ensure suppliers understand the use of community benefits and how to respond where they are included.

6.8 Consulting and engaging with those affected by its procurements

The College will take note of available good practice/principles of engagement, including those detailed in the [National Standards for Community 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 affected by the resultant contract, and ensure any affected organisations/persons are consulted (e.g., impact on service for students, or a local contract that could be combined with other similar institution’s needs). Such consultation will always be on a scale and approach relevant to the procurement in question. All of the above will be embedded in the College’s procurement practice.

6.9 The Living Wage

The College recognises the value of a well-motivated and dedicated workforce both in its own organisation and in those of its suppliers. Dundee & Angus College pay the Living Wage to all of its staff and is an accredited living wage employer. 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 regard to [Fair work and Procurement](#) including the application of the [Scottish Living Wage](#).

6.10 Promoting compliance with the Health and Safety at Work Act 1974

The College is committed to contracting only with suppliers that comply with all appropriate and relevant legislation, including Health and Safety legislation. 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 such legislation. Where proportionate, the College also seek to assess the compliance of subcontractors.

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For all suppliers it is a requirement to have completed a Health and Safety Assessment Questionnaire.

6.11 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.

6.12 The provision of food and improving the health, wellbeing and education of communities in the College's area, and the promotion of the highest standards of animal welfare

The College will find practical ways to supply healthy, fresh, seasonal, and sustainably grown food which represents value for money whilst improving the health, wellbeing and education of our teaching and learning communities, coupled with promoting the highest standards of animal welfare.

The College will work to put in place affordable contracts, which meet the nutritional requirements for food for all users of our catering services and will use available good practice and guidance such as "[Catering for Change – Buying food sustainably in the public sector](#)".

6.13 Payment terms

The College recognises 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 Legislation](#) and will review on a contract by contract basis whether such obligations should be enforced and monitored further down its supply chain.

7 ANNUAL PROCUREMENT REPORT

7.1 Statutory Requirement

In accordance with the Procurement Reform (Scotland) Act 2014 the College will publish an Annual Procurement Report as soon as practicable after College's financial year end and will describe, as required by the Act, how it has discharged its obligations under the Act and how it has exercised discretion and judgement as permitted by the public procurement rules to secure strategic objectives in compliance with the Act.

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This report will also provide a commentary on the progress of this Strategy.

7.2 Contents of our Annual Procurement Report

The Annual Procurement Report in compliance with the Act will contain as a minimum the following:

- 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 including for example, apprenticeships completed, curriculum support activities, business support activities, support to communities and resource efficiencies achieved in terms of materials, waste or water.
- 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
- Such other information as the Scottish Ministers may by order specify, and where applicable demonstrate compliance with other legislation placing specific requirements on the College with respect to its procurement activities. The College will also consider including:
 - What it has learned from its consultation and engagement with stakeholders and those affected by its procurements, and what it is doing to respond to these views
 - 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.

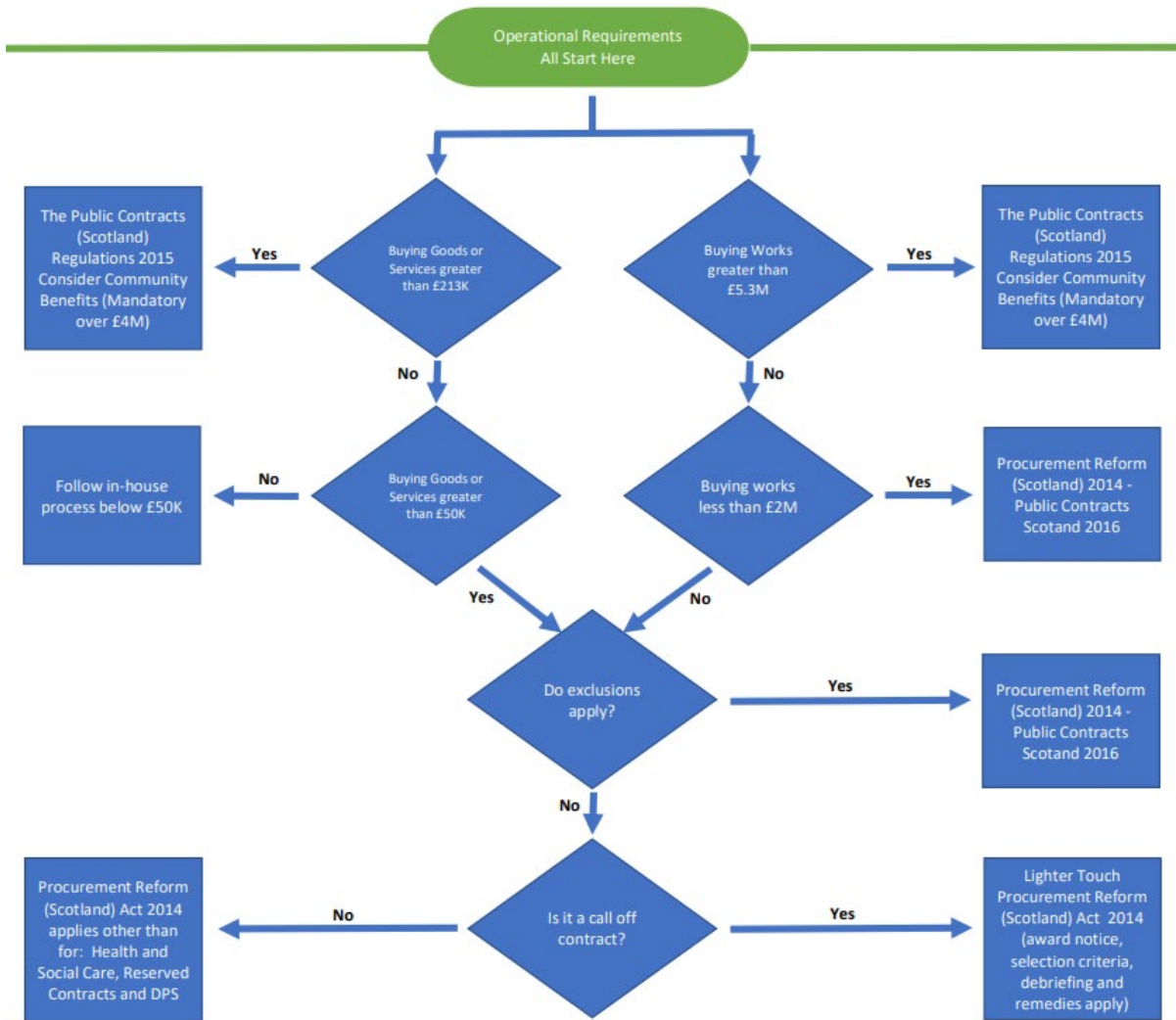
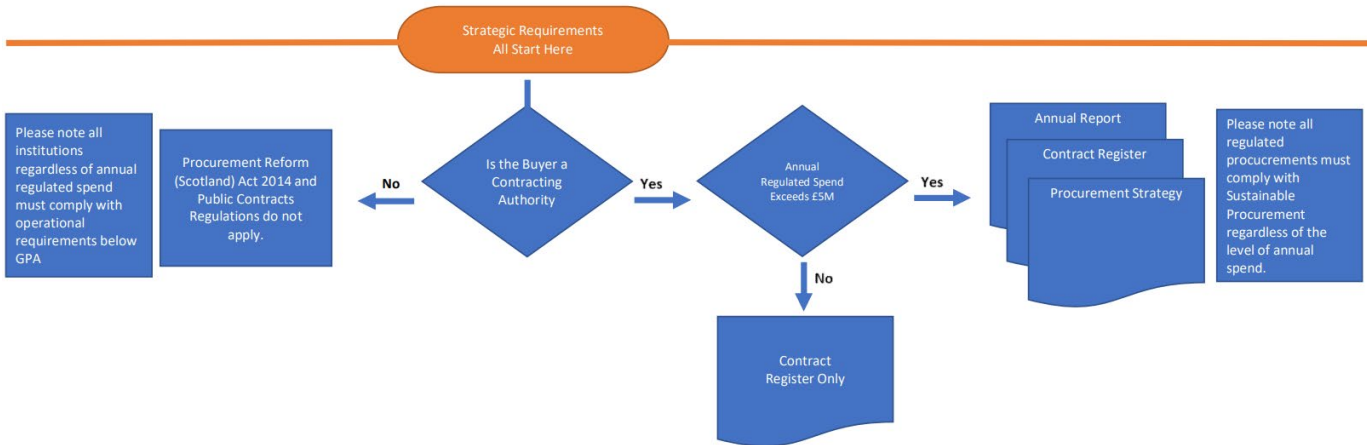
The College will seek to publish its annual procurement report in an inclusive way that takes into account equality and accessibility issues and allows stakeholders to form a clear view of the College's performance.

Annex A

PROCUREMENT STRATEGY 2021 – 2024 – No FINST01



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**JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE**



Tuesday 6 December 2022

Strategic Risk Register (F&PC Extract Only)

**21.1 Strategic Risk Register Cover
21.2 Strategic Risk Register**

**PAPER W
PAPER X**

BOARD OF MANAGEMENT

Finance & Property Committee



Tuesday 6 December

Strategic Risk Register Update

Paper for discussion

1. Introduction

This paper presents the Finance & Property related Strategic Risks for review and consideration, with any proposed changes being presented to the Audit & Risk Committee for approval.

This meeting will again consider the following particular risk:

2.2 Failure to achieve institutional sustainability

2. Recommendation

Members are asked to review the risks and ratings and identify if:

- a) the pre- and post-mitigation risk ratings remain appropriate
- b) there are emerging risks that should be considered

Due to the timing of this Committee any proposed changes would be advised to the March 2023 meeting of the Audit & Risk Committee.

3. Risk

The 2022/23 Quarter 1 forecast outturn will form the basis of the information for consideration.

Risk 2.2: The forecast outturn projects a slightly better position in the Budget that was approved in September 2022.

The key challenge is the uncertainty over future funding. It is hoped that the Scottish budget announcement on 15th December, which will identify the indicative funding for the sector will provide some insights into the extent of the challenge.

Executive Sponsor: Jaki Carnegie, Vice Principal – Corporate Services



STRATEGIC RISK REGISTER

2022 – 2023

Extract for Finance & Property Committee

As at November 2022

Post Holders	ELT	Executive Leadership Team	Prin	Principal	Score	Impact	Likelihood
	SLT	Senior Leadership Team	DirC&A	Directors of Curriculum & Attainment	1	Routine	Remote
	Board	Board of Management	HoICT	Head of ICT	2	Minor	Unlikely
	VPP&P	Vice Principal People & Performance	HoE	Head of Estates	3	Significant	Possible
	VPCS	Vice Principal Corporate Services	Chair	Chair of the Board of Management	4	Major	Probable
	VPCA	Vice Principal Curriculum & Attainment			5	Critical	Very Likely

Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS			TREATMENT	POST MITIGATION EVALUATION			Responsibility	
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood		Score
2	Financial								

2.1 F&P	Change in SFC Funding Methodology and Allocation – Reduction in Funding	3	3	9	<ul style="list-style-type: none"> Negotiation/influence at national level Contingency plans for reduced funding 	2	3	6	<ul style="list-style-type: none"> Advance modelling of new funding methodologies and allocations Monitoring impact of changes Amendment of strategic or operational direction/plans Financial strategy sensitivities 	VPCS
2.2 F&P	Failure to achieve institutional sustainability	5	4	20	<ul style="list-style-type: none"> Protection of funding through dialogue with SFC Robust annual budget-setting and multi-year financial strategic planning Effective budgetary control Where required, swift action to implement savings 	4	4	16	<ul style="list-style-type: none"> Monthly monitoring of budgets Regular review of financial strategy and non-core income sensitivity Detailed monitoring of savings programmes 	VPCS
2.3 F&P	National outcomes on salaries and conditions of service outstrip ability to pay	4	4	16	<ul style="list-style-type: none"> Influence within Employers Association Management of staffing expenditures 	4	3	12	<ul style="list-style-type: none"> Expenditure modelling On-going discussions with staff Financial strategy sensitivities Workforce planning 	VPP&P, VPCS

Key to Risk Estimation/Score based on scale of 1 – 5 for impact/likelihood: Green (1-8) = Minor Risk; Amber (9-15) = Significant Risk; Red (16-20) = Major Risk; Purple, (>21 - 25) = Fundamental Risk

Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS			TREATMENT	POST MITIGATION EVALUATION					
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Lead Responsibility
2	Financial (cont)									

2.5 F&P	D&A Foundation refuses/withholds funding for key College priorities	5	3	15	<ul style="list-style-type: none"> On-going dialogue with Foundation Trustees Appropriate bid arrangements in place 	3	2	6	<ul style="list-style-type: none"> Monitor and advise Board of Management 	Prin & VPCS
2.6 F&P	Demands of capital developments / maintenance impacts on financial sustainability or delivery of learning and/or services	3	2	6	<ul style="list-style-type: none"> Multi-year estates strategy and capital planning Lobbying of SFC on capital and backlog maintenance funding Planning for D&A Foundation bids 	2	2	4	<ul style="list-style-type: none"> Monitoring of capital plans and expenditures Regular review of capital plans/timescales relative to funds 	VPCS

4	Infrastructure
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4.2 F&P	Failure to achieve ambitions of Digital strategy; strategy and development is ineffective	4	3	12	<ul style="list-style-type: none"> Planning, careful phasing of changes to processes and systems Effective management of ICT arrangements Clear investment plan 	4	2	8	<ul style="list-style-type: none"> Regular review/reporting on milestones, systems effectiveness etc Regular CPD 	VPC&A, HoICT
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Key to Risk Estimation/Score based on scale of 1 – 5 for impact/likelihood: Green (1-8) = Minor Risk; Amber (9-15) = Significant Risk; Red (16-20) = Major Risk; Purple, (>21 - 25) = Fundamental Risk

**JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE**



Tuesday 6 December 2022

Michelin Scotland Innovation Parc

Paper Y

BOARD OF MANAGEMENT

Finance and Property Committee Tuesday 6 December 2022



MSIP and D&A College Skills Academy – Agreed Operating Model

Paper for Approval

1. Vision and Purpose

- 1.1 Dundee and Angus College (the College) and Michelin Scotland Innovation Parc (MSIP) have a shared vision of establishing a national centre of excellence for skills development in renewable energy, sustainable mobility and decarbonisation, known as MSIP and D&A College Skills Academy (Skills Academy)
- 1.2 The Skills Academy aims to inspire, educate and prepare the current and future workforce to support and accelerate the green recovery. Through research, innovation and collaboration with industry and academia the Skills Academy also aims to engage, influence and support Government policy.
- 1.3 MSIP and the College believe that a multi-disciplinary skills training facility at the heart of Michelin Scotland Innovation Parc will attract key industries to MSIP by providing a comprehensive and easily accessible learning ecosystem addressing industries' skills needs, which demonstrates a unique approach to leading Scotland's just transition to Net Zero.
- 1.4 The Skills Academy will generate the talent pipeline required to meet industries' skills needs through the development and delivery of a broad and flexible curriculum, from entry level to professional development, and by providing access to emerging technologies.
- 1.5 The Skills Academy will focus on 5 areas:
 1. green energy, incorporating hydrogen, battery storage and development, clean growth, bio economy and low carbon,
 2. practical engineering skills
 3. technology and innovation, creating the digital engineer of the future,
 4. an impressive wind turbine workshop with a practical area allowing students to gain real experience of working at height, rope access, Health & Safety and confined space training,
 5. and the Data Zone, using smart technology and digital sensors to create digital twins, with a remote-control room for simulation of remote wind turbine technology.
- 1.5 The Skills Academy is an innovative concept, and will deliver agile and responsive education, skills and workforce development through effective collaboration across education and industry. It will ensure that the people of Dundee, the wider region

and Scotland can upskill, reskill and develop new skills, enabling employers to access the skilled workforce they need to prosper.

- 1.6 MSIP and the College believe that the Skills Academy can be a platform to support the green recovery, to allow expansion of existing enterprises and create new opportunities for research and development which in turn will bolster and broaden the range of employment and training opportunities available in the Tay Cities region and both organisations will work collaboratively to attract in firms to realise this goal.

2. Operating Model Options

Dundee and Angus College is the recognised lead academic partner and will operate the and be responsible for managing activities within the Skills Academy. MSIP and the College have entered into an initial 3-year arrangement which will provide sufficient time to determine the viability and potential of the Skills Academy.

The following options were considered as part of the options appraisal for the initiation of the Skills Academy:

2.1. Option 1 – Tenant/Landlord relationship

Benefits	<ul style="list-style-type: none"> • Roles and responsibilities of each party are clearly defined • College receives 100% of income and contribution from activities
Risks	<ul style="list-style-type: none"> • The College retains sole responsibility to generate activity/income to cover operating costs. • No incentive for MSIP tenant companies to engage with Skills Academy. • Unique partnership element is not evident • Limited ability for D&A as a single entity to connect with wider networks, funding and market opportunities.
Fixed costs borne by D&A	Rent, rates, service charge, insurance, connectivity utilities, VAT = £248,500 pa

3.2 Option 2 – Collaboration agreement

Benefits	<ul style="list-style-type: none"> • Operating costs are shared to allow time to build up demand/activity • Contribution from activities is shared proportionate to costs. • Partnership approach supports shared vision and commitment to achievement of objectives.
Risks	<ul style="list-style-type: none"> • Relies on trust and transparency – change of personnel could impact relationships • Clearly defined terms of engagement and occupancy arrangements including roles, responsibilities and joint working arrangements are required.

Fixed costs borne by MSIP	Service charge, utilities, buildings insurance = £57,000 pa Rent loss £142,500 pa excl. VAT
Fixed costs borne by D&A	Rates, VAT, connectivity = £20,500 pa

3.3 Option 3 – Creation of a new/subsidiary company

Benefits	<ul style="list-style-type: none"> Keeps financial arrangements separate from MSIP and D&A College Allows different job roles to be utilised outwith national bargaining arrangements
Risks	<ul style="list-style-type: none"> High cost and complexity of legal arrangements to establish company Currently unclear if return from Skills Academy concept will merit time and investment required Conflicting interest between college and Skills Academy activity
Costs borne by D&A and MSIP	Investment would be required to cover: <ul style="list-style-type: none"> legal costs to set up company Fixed costs – rent, rates, service charge, utilities, VAT insurance, staffing TOTAL COSTS = £398,500 pa + legal costs

Option 1 is the most straightforward option, however it is unlikely that the college could generate sufficient income to cover direct and indirect operating costs in the first 3 years.

Option 3 would require the Skills Academy to be self-sustaining from the initial setup which is unlikely based on current stage of demand within the emerging skills sector.

The preferred option is Option 2 due to the shared financial and non-financial benefits arising from the collaborative approach.

3. Governance Arrangements

- 3.1. The Skills Academy Advisory Board plays a critical role in driving the Skills Academy to achieve its objectives and improve and enhance accountability and impact. Membership comprises Chief Executives of MSIP and the College, representatives from Dundee City Council, Scottish Enterprise, Scottish Funding Council, industry and the university sector. Meetings are held on a quarterly basis.
- 3.2. MSIP and the College have agreed a Memorandum of Understanding detailing their commitment to the shared vision and goals and arrangements for joint working for the Skills Academy.
- 3.3. MSIP and the College have agreed an occupancy lease arrangement that reflects the nature of the collaboration.

- 3.4. The college and MSIP's solicitors have been involved in the occupancy lease and Memorandum of Understanding arrangements.
- 3.5. The MSIP Chief Operating Officer and the College Vice Principal – Curriculum and Attainment will monitor and review progress, activities and achievements of the Skills Academy on a regular basis.

4. Indicative Income and Expenditure

The green energy sector is a developing market which is forecast to grow quickly over the next 5 years and the skills demand for these industries is expected to rapidly increase beyond supply. The Skills Academy has the opportunity to grow the market share but will require speculative and initial investment to realise its potential and strengthen its position.

The income projection below is indicative due to the emerging nature of the market:

D&A Commercial Courses - Skills Academy	Year 1	Year 2	Year 3
Heavy Electric Vehicles L2 &L3	45,000	90,000	90,000
EV Installation	15,000	39,500	39,500
BPEC Heat Pump Systems	20,000	44,800	44,800
Bespoke Commercial Training	40,000	60,000	60,000
TOTAL	120,000	234,300	234,300
Events	10,000	20,000	20,000
Income from Coast partnership	20,000	55,300	55,300
TOTAL	150,000	309,600	309,600

Initial investment is required in operating costs such as staffing (centre, business engagement and course delivery), consumables, equipment and ICT support and maintenance, of approx. £150k per annum in additional to fixed costs of £20k per annum. Total £170k per full year.

The initial investment presents minimal risk to college operations and can be managed within the existing Senior Leadership Team financial and curriculum monitoring processes.

5. Recommendation

Members are asked to note progress with the Skills Academy.

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Executive Sponsor: Simon Hewitt, Principal

**JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE**



Tuesday 6 December 2022

VP Corporate Services Report

PAPER Z

BOARD OF MANAGEMENT
Finance and Property Committee
Tuesday 6 December 2022



Vice Principal Corporate Services Report

Paper for information

1. Introduction

This report brings to the Committee's attention matters, which are not covered by other agenda items.

2. Recommendation

Members are asked to note the contents of this paper.

3. Scottish Funding Council Update

The SFC announced the following funding:

Publication	Topic	Allocation
SFC/AN/19/2022	Free Period Products	£22,500

As was reported to the September Committee we await the 2022/23 funding announcements for Flexible Workforce Development, Young Person's Guarantee, Counsellors and Child Poverty.

4. Supporting Our Learners

Recruitment for our January and August 2023 provision is now open, progress for January intake is slow but a number of in-school sessions have been organised to promote our January and 23/24 provision. In session 23/24 we are offering 17 new programmes and in our first week of opening for applications we received just over 450, with over 150 offers made!

Retention is a key priority and continues to be a priority for all staff and our phonearounds will continue with students that are hitting attendance triggers. We have worked with ICT to make our systems and reporting more streamlined by having a facility that offers an alert/communication tool between Group Tutors, Student Services, Help Point, and Student Association staff that are all involved in the retention exercises.

We are working with Student Services and Student Association to review our discretionary fund thresholds and process to ensure we offer as much financial support as possible to our students during the current cost of living crisis.

5. Service Design Academy Update

October and November saw completion of delivery for:

- Scottish Social Services Council 5-day course for 20 delegates. A pathway approach is being taken for 6 delegates taking the Professional Development Award
- Changeworks in partnership with 3 Housing Associations learning to design prototypes with “Energy Confident Tenants”
- Edinburgh Napier University Leadership team introduction and 5-day course for 20 colleagues in the IT Directorate Project Management Office
- Angus Alive 2-day face to face course at the Webster Theatre for team leaders
- Alliance Scotland 1-day awareness course with Digital Citizens Development Day
- Sistema has had mentoring style training with small groups. This developing partnership has SDA offering flexible implementation support from previous training in 2021.



Sistema's Douglas Team planning a family engagement project



Angus Alive design challenge - better ways of working

The team are exploring ways to ensure that training is sustainable and valued beyond the training environment. The team piloted a drop-in event for delegates who had completed the 5-day Service Design for Impact and Innovation. The team learned more about the challenges individuals with emerging service design skills looking to drive change. This has informed an action plan proposed to the Scottish Digital Office in early November to share success stories and build a community of practice.

2023 delivery

Planning is in place for November, December and January including the delivery to Fife Cultural Trust, Scottish Forestry and Dumfries and Galloway Employability partnership.

November Pipeline

We have active enquiries which have been followed up with proposals to the Care Inspectorate, Department of International Trade, Perth and Kinross Employability Partnership, Perth and Kinross Council, NatWest Human Centred Design Team and UHI College Merger. The value of these proposals is over £150k.

Professional Development Award

The price for our flagship course has been increased to £4,200 from our October 22 cohort, in line with our pricing policy.

October Cohort: 19 students are from a mix of businesses including management consultancy, Scottish Public Bodies, Councils, and a Scottish College. The January 2023 Cohort has 16 applications in progress. Digital marketing is planned for late November/December for the course to reach maximum capacity (20).

The following shows the management accounts for the 3 months to October 2022.

	Prior Year	Year to Date Cumulative	Full Year	
	Actual	Actual	Budget	Forecast
	£	£	£	£
Income	427,758	220,365	625,034	557,216
Pay Costs	441,625	88,764	424,962	357,744
Total non-pay costs	5,350	4,458	29,472	29,472
Contribution/(net cost)	(19,217)	127,143	170,600	170,000

The main adjustments from the Budget to the Forecast take account of continuing to target a contribution of £170k, as well as recognising the financial and delivery impact of the staffing changes highlighted in the “team update” section below. It is worth noting that the total of a contract’s income is recognised at the start of the contract delivery and the expenditure (staff costs) are expended over the year, so although a contribution of £127k is already being reported this will vary depending on when the income/costs are recognised.

Team update

The team bid a sad farewell to the Service Design Manager Caron Sandeman who had done so much to shape and grow the Service Design Academy from its launch.

With a disappointing level of response to replace the position, the recruitment process has been paused and the Business Development Executive is working temporarily in the capacity of Business Manager in support areas and the Lead Consultant now assuming management of the consultant team.

The team welcomed Connor Finlayson to join as Service Design Consultant bringing broad design experience from service, website and visual design. An associate trainer Janine Wilson who primarily supported marketing on the PDA will join in December for 2.5 days a week. This brings the team to 4.9 FTE and in a more stable position for delivery.

Ways of Working

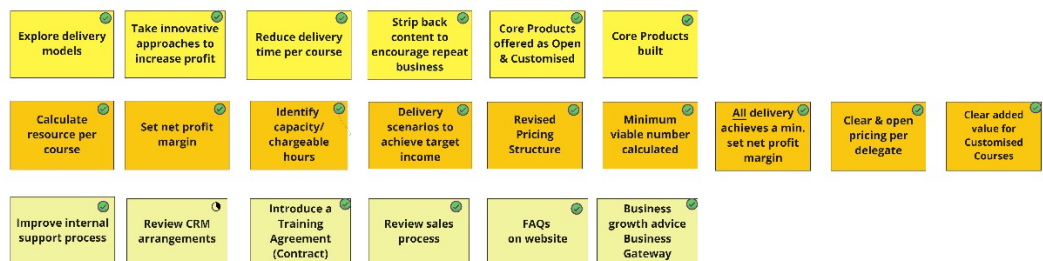
The team are delighted to be based in a dedicated office in Gardyne. With the customer demand still favouring online delivery, the team are restricted with being onsite every day, but are using interview spaces and the office when appropriate. The support team are enjoying being able to plan together in real time.

With the support of the Learning and Digital Support team, hybrid spaces are now being explored for co-delivery for online course helping to bring more creative approached to delivery.

SDA Strategy

The focus for the team is on the strategic goal of SDA training programmes achieving profit targets in 2022/23. From the themes identified in Strategy Development in summer 2022, the team continues to work on key activity strands

The team has worked on a range of activities on core products to simplify our offering, streamline planning, efficiency of delivery and delivery processes. New ways of engaging with customers is in place to accelerate sales conversion and a consistent pricing policy has been established to achieve target profit margins.



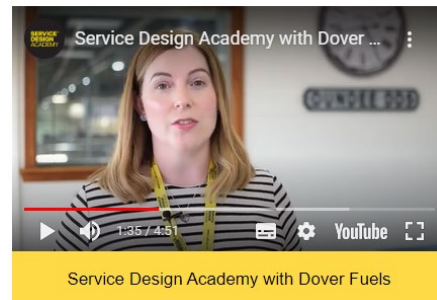
Key action themes:

Consultants

- The consultants approach all course development in the context of learning pathways from introductory courses to the PDA
- Development of our customer journey will ensure that courses are priced according to need. Customers going through the discovery process will now fully understand the value of every feature that is delivered including reports and toolkits.
- Course descriptors have been revised for a wider market with a focus on building on existing demand, including for the popular 5-day course
- Development of a new 3-day co-design course with 2 customers confirmed for delivery. This course will be adapted as a follow-on open course for the 5-day course, in line with our pathway strategy.
- Online delivery on campus in the hybrid spaces will be explored and developed to improve our teaching and learning experience.
- PDA development is being supported by the Quality team to explore streamlining of assessments
- An awareness raising session “Take Your First Steps Towards Innovation” has been piloted in November with the potential to monetise in a future joint venture with the Service Design Network Academy

Business Support

- Transparent pricing structures are being used to realistically reflect the time required to develop, design, deliver and follow-up with customers
- Aligning where necessary and appropriate with College systems including Book and Pay to reduce costs and improve profitability
- Scheduling processes are being reviewed including the use of the College CELCAT system
- Digital Marketing is being planned to share learner and business stories to promote courses and continue to build our presence as an expert resource in the service design community.
- Our linkedin followers now number over 5,000 with 7.5k post impressions in average 2 week – 34.5% up on the previous month
- A 5-minute video and marketing campaign led by the College Business Partnerships team raised the profile of our customised FWDF project with Dover Fuels and offers future scope for telling our story



CPD

The Business Manager has accessed marketing training with Business Gateway on digital marketing and joined a Dundee & Angus Chamber of Commerce event to learn from peers in November.

Design for Planet training and a Centre for Engineering Education Development (CeeD) event on Climate Change in Fife was attended by Robbie Beautyman to build knowledge and networks to develop a new Design for Climate Change course. User Research with key business, innovation and academic experts has been planned to support development of this course in December.

Knowledge of how service design can support innovation was gained at a CeeD event - The Trading Zone - where the Business Manager made connections with the Knowledge Transfer Partnership and Innovation support network for SDA to build partnerships in the innovation space. Exploratory meetings are being arranged with National Manufacturing Institute of Scotland's Skills Academy.

Two team development days in early January are being planned. The focus will include improvement of our measurement and evaluation of training and to learn how to support customers to measure the impact service design.

Partnerships

Scottish Digital Academy

The Scottish Government alumni network had over 60 senior leaders in the Scottish Public Sector participate in an awareness raising masterclass – “Service Design Backstage and Behind the Scenes” in November. This was an engaged group who supported the design of the event in advance and came from a wide range of Scottish Government departments, public bodies and councils.



An update meeting at the end of November with the Head of the Scottish Digital Academy will hopefully indicate the timeline and pathway to bid for further work.

Our need to continue to develop evaluation tools to measure the impact of our training effectively for public sector work will be supported by SDA - this is one of the key topics on our January development days

Service Design Network

A partnership plan to ensure that accreditation, membership benefits and marketing support to SDA programmes is being driven with a monthly update meeting.

6. Business Partnership Team – Flexible Workforce Development Fund

At present we are still waiting to hear of this year’s exact allocation of funding. Disappointingly there have been numerous delays due to the Emergency Budget Review by Scottish Government and so our focus has been on delivering last years allocated training and keeping conversations warm with businesses around this year and reviewing our portfolio of training available.

2021/22

We are seeing good progress with delivery and feedback from last years fund with the majority of training all due to be complete by December 31st 2022. There are some exceptions where we are having to request an extension for delivery and this is mainly due to capacity internally for delivery and staffing problems externally within the businesses. With so much disruption in the workplaces at the moment, businesses are seeing a high turnover of staff which can then change the particular training need or timeframe in which they are looking for it to be delivered.

We are seeing some fantastic bits of feedback coming through now for delivery and we are continuing to build a bank of case studies to demonstrate the variety and quality of feedback we are delivering.

[\(1\) D&A Business working with Angus Alive | Case Study - YouTube](#)

[\(1\) D&A Business working with Dover Fueling Solutions | Case Study - YouTube](#)

2022/23

Despite the fact the fund hasn't been fully allocated the team have continued to work with businesses to carry out training needs analysis and complete application forms so that when we get the green light we can press on quickly with training.

At this current time we have agreed and allocated in principal:

	Budget Allocation	Allocated (in principal)
Levy 22/23	?	£64,646
SME 22/23	?	£32,547
Total		£97,193

Training portfolio

We have learned a lot over the past year and we are keen to continue to always improve and add to our portfolio of training and so at present the team are meeting all associate trainers and internal departments who have been asked to present on their specialist areas of training, any additions to their portfolio and also any ideas for continued development of training delivery.

Net Zero

We are continuing to see increasing demand for training to help businesses better understand what training is available to demystify net zero and help them better understand the steps they are required to take and so we added to our portfolio of training through one of our Associate Trainers Digital Bricks. Digital Bricks have formed a partnership with the Verdancy Group, training specialists who are currently leading the way in this field of training which allows us to now offer their courses through the fund. A really exciting addition. The staff are currently completing the course themselves before we launch to the public in January.

7. Gardyne Theatre

As part of the Cost of Living Crisis, Gardyne Theatre, when there are no commercial bookings, will be showing world cup football (in the knock-out stages) and Christmas movies to students, staff and the communities free of charge. It is hoped to extend this to other campuses if this proves popular within Gardyne and where our public entertainment licences allow.

Gardyne Theatre will host a student production in December, which aligns with the ambition to better align Performing Arts/the Space/Gardyne Theatre.

8. Regular Updates

The following have previously been agreed as a feature of the regular reporting to the Finance & Property Committees.

Subject	Comment
Bad Debt Reporting and Write- Off	There were no individual bad debt write offs over £3K during the period between September to November 2022.

9. Link to Strategic Risk Register

Consideration of the topics included in this Vice Principal – Corporate Services report will support the mitigation of a range of risks identified within the Strategic Risk Register namely;

2.2 – failure to achieve institutional sustainability

2.4 – financial fraud

3.2 – failure to achieve/maintain compliance arrangements

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