



# **Procurement Strategy**

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# **Executive Summary**

The Dundee & Angus College Procurement Strategy aligned with the College's strategic aims and objectives, collaborative initiatives and regulatory compliance requirements.

This strategy results from extensive consultation and engagement with diverse stakeholder groups affected by the College's approach to procurement. This process was led by the College's Procurement Manager, in collaboration with APUC and the College's Director of Finance. By engaging in this consultation, the procurement strategy has undergone both internal and external scrutiny enhancing understanding and increased the likelihood of achieving its objectives.

A shared strategic focus is key to success. This focus is built upon an alignment of perceptions and understanding around what Dundee & Angus College requires from a high-performing procurement process that is aligns with its strategic aims and objectives. Additionally, the strategy considers the environments in which Dundee & Angus College operates, ensuring that external drivers and opportunities for improvement are addressed appropriately.

#### Formation & Context

The Strategy has been informed by the Scottish Procurement's Statutory Guidance under the <u>Procurement Reform (Scotland) Act 2014</u> and aligned to the following:

- Dundee and Angus College's Strategic Plan
- Public Procurement Strategy for Scotland

Additional support has been provided by 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 Dundee & Angus College's Finance and Property Committee and will be subject to an annual review process to ensure compliance with legislation and alignment with the College's evolving priorities.

For a concise summary of the applications of the Procurement Reform Act 2014 and the Public Contracts (Scotland) Regulations 2016, along with the key strategic and operational requirements outlined therein, please refer to Annex A at the end of this document.

A key objective of this strategy is to foster a culture of collaboration, encouraging teamwork and cross-departmental cooperation throughout the procurement process. This approach enhances the planning and management of all expenditure within the legislative framework. By prioritising effective supplier engagement and management, the College aims to achieve optimum commercial outcomes.

This Procurement Strategy provides the overarching framework to guide the College's procurement activities, ensuring they align with its strategic objectives, principles and goals.

# **Procurement Mission Statement**

Integrate responsible procurement practices throughout our business operations and our strategic collaborations to achieve success.

Our procurement mission is to strategically source and procure high quality goods, services, and works. Through effective collaboration, we ensure quality, cost-efficiency, and timely delivery, while prioritising sustainability and carbon reduction.

# **Procurement Policy**

Our procurement policy and procedures establish a clear and structured framework for managing procurement activities. The policy and associated procedures ensure that the procurement of all goods, services, and works are procured competitively while upholding the principles of non-discrimination, transparency, and procedural fairness. Fully compliant with the Sustainable Procurement Duty and other relevant statutory requirements, these policies underscore the College's commitment to accountability and demonstrate effective governance over its budgets.

In summary, our policy aims to:

- Ensure that our procedures adhere to the highest standards of public accountability;
- Align our practices with the Scottish Government's Procurement Journey;
- Comply with our 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 in all procurement activities

# Strategic Procurement Objectives

Our strategic procurement objectives form the core of our Procurement Strategy. These objectives align with the Sustainable Procurement Duty, ensuring the College procure goods, services and works in a way that is:

- Good for business and employees
- Good for society
- · Good for places and communities
- Open and connected

Our objectives are underpinned by the National Performance Framework, which provides a common purpose and value for all of Scotland. Through this framework we commit to "treat all our people with kindness, dignity and compassion, respect the rule of law, and act in an open and transparent way"

Each objective is carefully aligned with the College's Strategic Plan and the Public Procurement Strategy for Scotland.

# Good for Businesses and their Employees

Procurement plays a vital role in fostering a green, inclusive, and wellbeing economy while promoting innovation.

- Stakeholders
  - Simplify Procurement processes to improve accessibility, with a particular emphasis on local suppliers and SMEs.
  - Promote early engagement with stakeholders to encourage innovation and ensure optimal value for our College.
  - Collaborate with external organisations to deliver positive, green and inclusive social impacts.
  - o Provide professional procurement training to staff, embedding procurement and contract management skills throughout the College.
- Supply Chain and Resilience
  - Support the development of a sustainable supply base to meet the College's needs effectively.
  - Build meaningful relationships and implement strategic plans to strengthen supply markets, improving supply security and mitigate risks.
- SMEs, Third Sector, and Supported Businesses
  - Structure procurements and contracts, to reduce barriers, enabling participation for SMEs, third-sector organisations, and supported Businesses.
- Contract Management
  - Apply proportional contract management to ensure desired outcomes are delivered and contract efficiency is maximised.
  - Develop robust business intelligence to monitor and enhance procurement processes and enable effective resource planning.

#### **Good for Places and Communities**

The College is committed to enhancing the influence of procurement through strong community engagement, driving positive social, economic and environmental outcomes.

- Community Wealth Building Fair Work First and Community Benefits
  - Promote economic and social benefits by embedding fair work practices and community benefits into procurement activities.
- Supporting a sustainable environment

- Maximise opportunities through procurement to develop, enhance, and maintain a sustainable environment.
- Create contracts that prioritise economic impact and sustainability across various industries.
- At the early stages of procurement and commissioning, consider issues such as Fair Work First, Net Zero, and other relevant sustainability considerations.

#### Whole Life Costing

 Promote sustainable procurement by routinely incorporating whole life costing, ensuring value for money, minimising environmental impact and maximising socio-economic benefits.

## • Community Participation

- Engage with communities to identify local needs and priorities, shaping procurement policies, initiatives, and contracts accordingly.
- Develop and sustain partnerships within publicly funded entities, professional bodies, and supply markets to gain value insights, drive innovation, and implement improvements that deliver value to the clients of our procurement services.

#### Climate Crisis and Environment

- Actively address the climate crisis by engaging early with suppliers to promote collaboration and develop innovative, impactful solutions.
- Minimise waste across our supply chains and within our College.
- Pursue Net Zero emissions through a commitment to a Just Transition and promote the principles of a circular economy.

#### **Good for Society**

- Economic Wellbeing
  - Make informed decisions that maximise best value and establish practices and contracts supporting our college and its stakeholders.

#### Emergency Situations

 Procurement has played a critical role in responding to past emergencies and humanitarian crises. Looking forward, our aim is to deliver innovation, effective and efficient responses to future emergency situations.

#### Food Security

 Prioritise high standards of animal welfare, sustainable production and waste reductions throughout the procurement process.

#### **Open and Connected**

- Global Reach
  - Continuously engage with industry peers, experts, and other relevant networks to foster the development of best practices. It is through the connections, we can learn, share insights and continuously enhance our procurement practices.

#### Connectivity

- Facilitate seamless interactions between the College and its suppliers, ensuring effortless and efficient business engagement.
- Leverage opportunities to enhance data, management information, and systems by adopting automation and emerging technologies.

#### Consistency

 Promote and encourage the adoption of sector-wide tools, platforms, systems, processes, guidance and templates to ensure a unified approach.

# Ensuring compliance with General Duties and Specific Measures of the Procurement Reform (Scotland) Act 2014

To demonstrate compliance with the Procurement Reform (Scotland) Act 2014, the following statements have been included. These statements serve as evidence of how the College intend to meet the requirements of the Act.

# Contribute to the carrying out of its functions and the achievement of its purposes and deliver Value for Money

The College is committed to ensure that its procurement activities contribute effectively to its operations, achieve its objectives, and deliver value for money. To support this commitment:

An annual analysis of non-pay expenditure will be conducted to identify both regulated and non-regulated procurement, categorised into recognised commodity categories.

All identified regulated expenditure will be included within the procurement work plan.

Annual departmental reports will be produced to assess the effectiveness of procurements activities, in consultation with key stakeholders and contract managers.

For all goods, services and works, the College will:

- o Conduct comprehensive client consultations
- o Develop agreed strategies, that identify all available routes to market
- o Preform risk assessment and set objectives for improved contract performance
- o Highlight opportunities for sustainability,
- Make recommendations to achieve the best commercial position while aligning with the objectives of the relevant department and College as a whole.

Where appropriate, the College will implement proportionate Supplier and Contract Management practices to monitor performance and drive further improvement in regulated procurement contract outcomes.

# • Treat relevant economic operators equally and without discrimination

The College will conduct all its regulated procurements in accordance with the principles outlined in the Public Contracts (Scotland) Regulations 2015, including equal treatment, non-discrimination, transparency, proportionality, and mutual recognition.

To uphold this commitment, all regulated procurements will be openly advertised on accessible platforms such as Public Contracts Scotland (PCS) and Public Contracts Scotland-Tender (PCS-T). Additionally, the College will strive to enhance accessibility by:

- Using distinct lots where appropriate
- o Incorporating clear, output-based specifications
- o Apply transparent evaluation criteria

These measures aim to simplify the procurement process and encourage participation from a diverse range of potential bidders.

# · Act in a transparent and proportionate manner

All regulated procurement will be advertised through appropriate procurement platforms, such as Public Contracts Scotland (PCS). Contracts will be awarded based on a holistic evaluation, considering quality, risk, sustainability, and cost, in accordance with pre-determined scoring weightings tailored to each specific contract.

The College is committed to making it easier for smaller and local businesses to participate in procurement opportunities by:

- Engaging with the market proactively
- Utilising platform such as PCS and Quick Quote
- Providing information on third-party training opportunities to help suppliers build their capacity and to better navigate the public tender process.
- Publishing a contracts register to highlight opportunities that may interest local suppliers; and
- o Encourage the use of clear and precise language in specifications.

#### • Sustainable Procurement Duty

The College is committed to sustainable procurement and will ensure that all regulated procurement activities comply with the sustainable procurement duty. Additionally, we will strive to incorporate climate considerations and circular economy principles into our procurement processes.

Our procurement approach aims to meet the College's requirements of acquiring goods, services and, capital works in a way that delivers best value for money. At the same time, it seeks to make significant, sustainable, and socially responsible contribution locally, regionally and globally.

Environmental, social, and economic factors will be considered, where appropriate, on a contract-by-contract basis to identify and deliver tangible benefits through procurement activities.

To support these goals, the college will utilise tools and systems, such as:

- Scottish Government Sustainability Procurement Tools
- APUC's Supply Chain Code of Conduct
- Climate Change Actions Plans (FNT2030)
- Scottish Public Bodies Climate Change Duties (PBCCD)
- Electronic Watch

These tools will be applied where proportionate and relevant to the scope of the procurement activity. The College will also align its activities with the Sustainable Development Strategy.

The College will proactively identify appropriate contract areas suitable for engagement with third-sector organisations and supported businesses.

The College remains committed to eradicating modern slavery and human trafficking from its operations and supply chains. To support this commitment, we will produce an annual Modern Slavery and Human Trafficking statement in compliance with the Modern Slavery Act 2015, ensuring continuous monitoring and accountability.

# • Policy on the use of Community Benefits

The College will consider the inclusion of community benefits in each procurement activity, assessing their proportionality and relevance to the specific procurement. Legislation mandates the inclusion of community benefits with an accumulative value exceeding £4million.

Community Benefits will be encouraged to support the economic, social, and environmental wellbeing of the Tayside Region. These benefits may be delivered through community benefit clauses that align with the College's strategic objectives, fostering investment in initiatives that are both climate-conscious and socially responsible.

## Consulting and engaging with those affected by its procurements

The College is committed to following established best practice and engagement principles, including those detailed in the National Standard for Community Engagement. We are also dedicated to ensuring that our procurement staff have, or are provided with opportunities to develop, the necessary communication and engagement skills.

For each procurement, we will evaluate the potential impact on the communities affected by the resulting contract and engage in meaningful consultation with those impacted. This may include assessing the effects on student services or exploring opportunities to align local contracts with the needs of similar institutions.

Our approach to consultation will be tailored to the scale and specific requirements of each procurement, ensuring these practices are fully integrated into the College's procurement processes.

#### • The Living Wage

The College recognises the importance of a well-motivated and dedicated workforce, both internally and amongst our suppliers. As an accredited Living Wage Employer, we are committed to ensuring all our employees are paid a living wage.

In line with relevant legislation, the College will assess whether it is appropriate and proportionate to include a question on fair work practices prior to conducting a regulated procurement. This evaluation aims to achieve an optimal balance between contract quality, cost and, alignment with Scottish Government's Fair Work First Policy, including the application of the Scottish Living Wage.

## Promoting Compliance with the Health and Safety at Work Act 1974

The College is committed to engaging only with suppliers who comply with all relevant legislation, particularly Health and Safety at Work Act 1974, as well as the College's own internal procedures.

For each specific contract, the College will assess the applicable legislation and take appropriate measures to ensure that bidders adhere to these legal requirements and the College's internal processes.

## • The Procurement of fairly and ethically traded goods and services

The College is committed to sourcing goods that align with the principles of fair and ethical trade. Where appropriate, we will actively incorporate relevant standards and certifications into our procurement processes. Additionally, we will consider equivalent offerings from suppliers who can demonstrate their ability to meet the specified criteria, even if they cannot demonstrate formal certification.

By adhering to these principles, our goal is not only to procure goods that reflect our ethical values but also promote and advocate fair and ethical trade practices throughout our supply chain. In doing so, we contribute to fostering a more just and sustainable marketplace.

#### Policy on regulated procurement involving the provision of food

The College is committed to implementing practical strategies for providing nourishing, fresh, seasonal, and sustainably sourced food that offers value for money while enhancing the health, wellbeing, and education of our teaching and learning communities. This commitment also promotes the highest standards of animal welfare.

We strive to incorporating best practices and guidance, such as "Catering for change – Buying food sustainably in the public sector".

Our goal is to deliver food that supports not only overall health and academic success but that also aligns with ethical and sustainable practices. This includes a strong focus on animal welfare within our food supply chain. By doing so, we aim to nourish both minds and bodies while fostering a culture of sustainability, health, and ethical responsibility.

# Payment Terms

The College recognises the importance of paying suppliers promptly once a service has been performed or goods delivered, acknowledging that late payments can be particularly detrimental to SMEs, third sector organisations, and supported businesses.

The College will comply with the Late Payment legislation and will assess, on a contract-by-contract basis, whether these obligations should be enforced and monitored further down its supply chain.

## **Annual Procurement Report**

The College will produce a report on progress against these objectives annually and publish this on the College's website. This report will be prepared as soon as practicable after the end of the financial year and will outline how the College has fulfilled its obligations under the Procurement Reform (Scotland) Act 2014. It will also highlight how the College has applied discretion and judgement as permitted by the public procurement regulations, to achieve strategic objectives whilst remaining compliant with the Act.

In line with section 18 of the Act, the Annual Procurement Report will include:

- A summary of regulated procurements completed during the reporting year,
- A review of whether these procurements aligned with the College's procurement strategy,
- For instances of non-compliance, an explanation how the College intends to ensure future compliance,

- A summary of community benefit requirements fulfilled through regulated procurement during the reporting year,
- A summary of efforts to involve supported businesses in regulated procurements during the reporting year,
- A summary of the regulated procurements anticipated to commence in the next two years, and
- Any additional information specified by Scottish Ministers.

#### Annex A.

