

<b>Committee</b>	Finance and General Purposes		
<b>Date paper prepared</b>	06/11/2025	<b>Date of committee meeting</b>	13/11/2025
<b>Subject</b>	Annual Procurement Report 2024/25		
<b>Author</b>	Julie Fraser - APUC		
<b>Action requested</b>	I. For information only		
<b>Purpose of the paper</b>	To enable the committee to review the Annual Procurement Report prior to submission.		
<b>Summary of the paper</b>	<p>The Procurement Reform (Scotland) Act 2014 (PRA) requires any public organisation which has annual regulated spend 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 and FE institutions) required to develop and publish a Procurement Strategy were also required to publish an Annual Procurement Report (APR).</p> <p>The UHI North, West &amp; Hebrides (UHI NWH) Procurement Strategy (2025 to 2027) was approved by the Board of Management in June 2025.</p> <p>This report covers the period of 01-August-2024 to 31-July-2025 and highlights performance and achievements in delivering the UHI North, West &amp; Hebrides (UHI NWH) Procurement related activities detailed in the Procurement Strategy.</p> <p>To assist with compliance of the Public Procurement Regulations (2015), UHI NWH uses the services of APUC (Advanced Procurement for Universities and Colleges). Under a shared service agreement, the college has 1 FTE allocation. In addition, the college has access to the services of the UHI Collaborative role which delivers contracts where one or more UHI Academic Partner wishes to collaborate.</p> <p>Findings of the report are based on analysis of financial reports from the finance systems Sun and Pecos, and the Institutional Contracts Register (Hunter).</p> <p>During the reporting period, the college recorded a total Non-Pay Spend of £5,225,096 of which £3,652,468 was deemed influential spend. The non-influential figure of £1,572,627 is spend with other public sector bodies and property leases, which are exempt from the procurement regulations.</p> <p>It was identified that £1,362,200 of the influential spend is non-compliant. This a decrease in non-compliant spend of 17% in value terms from 2023/24 and a reduction from 33% to 26% of total spend. We have identified the non-compliant suppliers and commodities, and they been added to the forward contract plan for action during 2025/26.</p> <p>UHI NWH had 438 active suppliers with whom it procured goods and services. Significant work has been completed to rationalise the supply</p>		

	<p>base following the merger of the three former institutions. 119 suppliers were recorded with an annual spend less than £500.</p> <p>67% of UHI NWH core spend was procured through SMEs. In addition, 2 contracts are in place with a Supported Business.</p> <p>The University optimises the use of national, sectoral, local, or regional collaborative contracts and frameworks. This significantly reduces the number of resource-intense formal local tenders and burdens of risk, as well as enhances cash/non-cash savings, and more rigorous contract &amp; supplier management. 48% of the College's spend went through collaborative agreements during the reporting period, which is an increase of 15% on FY23/24 figures.</p> <p>UHI NWH have 75 Live contracts. During the reporting period, 25 local contracts with a total contract value of £1,424,060 was procured.</p> <p>During the reporting period BT1 cash savings of £149,400 and BT2 Non-Cash Savings of £244,072 were recorded. Savings are calculated using the Scottish Government Savings Methodology.</p>
<b>Consultation</b>	Collaboration with the finance team regarding the provision of financial data.
<b>Resource implications</b>	The report provides an analysis of total non-staff spend.
<b>Risk implications</b>	There is a risk of failing to comply with statutory procurement regulations and the potential penalties that could be incurred as a result.
<b>Link with strategy</b>	<p>The Procurement Reform (Scotland) Act 2014 (PRA) requires any public organisation which has annual regulated spend of £5 million or more to develop a Procurement Strategy and then review it annually.</p> <p>The UHI North, West &amp; Hebrides (UHI NWH) Procurement Strategy (2025 to 2027) was approved by the Board of Management in June 2025.</p> <p>Organisations (including HE and FE institutions) required to develop and publish a Procurement Strategy were also required to publish an Annual Procurement Report (APR).</p>
<b><u>Equality, Diversity, and Inclusion</u></b>	Ensuring our documents can be read and understood by everyone, including people with disabilities or impairments, is a legal requirement under the Equality Act 2010.
<b>Island Community Impact</b>	Not applicable

<b>Paper status</b>	<input checked="" type="checkbox"/> <b>Open</b> – The paper may be circulated to non-members of the committee and published online without restriction. <input type="checkbox"/> <b>Restricted</b> – The paper must not be circulated to non-members or published online until after the committee meeting. <input type="checkbox"/> <b>Confidential</b> - The paper must not be circulated beyond the committee members and should not be published online. Some information is considered commercially sensitive. [Please note papers may still be subject to Freedom of Information requests – see below].
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