

HIE ANNUAL PROCUREMENT REPORT

2020-2021



Highlands and Islands Enterprise
Iomairt na Gàidhealtachd 's nan Eilean

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INTRODUCTION

The Procurement Reform Act 2014 requires all Scottish contracting authorities with an annual regulated procurement spend of £5 million and above to publish a procurement strategy. Our [Procurement Strategy](#) is a joint strategy which sets out the procurement objectives for Highlands and Islands Enterprise (HIE), Wave Energy Scotland (WES), Cairngorm Mountain (Scotland) Limited (CMSL) and Orkney Research and Innovation Campus (ORIC).

Our Procurement Strategy was published in 2018 and is annually reviewed and updated. The Strategy sets out our procurement objectives and an action plan. It aims to ensure that wider requirements of the public procurement reform agenda are adhered to. We have developed our strategy in line with local and national priorities to support our corporate aims and objectives, including HIE's Strategy priorities:

- Grow successful, productive, and resilient businesses
- Create the conditions for growth in a region that is well connected and well placed to maximise opportunities
- Build strong, capable, and resourceful communities.

The Reform Act also requires us to annually report on progress against our Procurement Strategy and our regulated procurements (valued at £50k and over for supplies/services and £2m and over for works).

This report covers the period 1 April 2020 to 31 March 2021.



SECTION 1

Summary of regulated procurements completed

This Annual Report includes information on regulated procurements where contracts were awarded between 1 April 2020 and 31 March 2021. Regulated procurements are procurements for goods and services with a value of or over £50k and works contracts with a value of or over £2m. A regulated procurement is completed when the contract award notice is published or where the procurement process otherwise comes to an end.

The data within this Report includes any regulated procurements actioned by:

- HIE
- Wave Energy Scotland (WES)*
- Cairngorm Mountain Scotland Ltd (CMSL)
- Orkney Research and Innovation Campus (ORIC)

* This excludes any Pre-Commercial Procurement processes which are classified as 'Research and Development' and are exempt from the Procurement Regulations.

**TABLE 1:
REGULATED PROCUREMENTS COMPLETED AND AWARDED BETWEEN
1/4/20 AND 31/3/21**

TYPE OF REGULATED PROCUREMENT	QUANTITY IN PERIOD	ESTIMATED AWARD VALUE
Framework Call Offs (including mini competitions)	4	£10,511,740.02
Contract Awards	9	£4,412,298.50
Non-Competitive Actions (NCAs)	2	£139,412.85
Total Regulated Procurements	15	£15,063,451.37

Table 1 shows a summary of the regulated procurement activity awarded by either HIE/WES/CMSL or ORIC. Of the Regulated Procurements awarded four of these were collaborative contracts/framework agreements (which are accessible by named public bodies). A list of the regulated procurements completed and awarded can be found in Appendix 1 – Listing of Regulated Procurements.



SECTION 2

Review of regulated procurement compliance

Our regulated procurement activity in 2020/21 has contributed to our organisational strategic and operational plans and complied with our Procurement Strategy. Our Procurement Strategy 2018-2020 and Action Plan was updated during 2020 and included four key procurement objectives which complement our priorities and will help to contribute to improving competition, helping build a fairer society and ensuring our tender processes are innovative, inclusive and encourage participation from all areas of our region:

1. Sustainable Procurement
2. Deliver Value for Money
3. Leadership & Governance
4. Continuous Improvement

Sustainable Procurement – we consider sustainability in our regulated procurement activities and embed it, where relevant, in a proportionate manner. This helps to contribute to strengthening local communities and fragile areas and a transition to Net Zero Scotland 2045.

We have run our tender processes in an open, fair, and transparent manner; treated all relevant economic operators equally and without discrimination; acted in a transparent and proportionate manner. We advertised via the tender opportunities on the Public Contracts Scotland portal to allow free unrestricted access to all tender documentation which ensures they are accessible by all suppliers and run tender processes electronically using clear language to ensure a common understanding of the requirements to ensure all bidders, regardless of size or location, have equal access to our contracts.

To assist with HIE's Strategy priorities we have worked to increase spend with Small, Medium Enterprises (SMEs), supported business and third sector bodies through partnership working with the Supplier Development Programme (SDP) including participation in the virtual Meet the Buyer North 2020 event. We have also promoted tender opportunities via social media platform. Feedback from bidders has been sought after the completion of tender processes and this helps inform us of any lessons learned, reasons for not bidding, areas of supplier development needed and options to consider for the lotting and structuring of requirements in the future.

In 2021/22 we will work with the SDP to provide supplier webinar briefings on specific tender opportunities from our Forward Plan and we will participate in the virtual Meet the Buyer North 2021 event. We will review and analyse the Grow Local data available from the Scottish Government Information Hub to identify supplier and/or economic development opportunities.



FAIR WORK PRACTICES

We updated our internal guidance on Fair Work First and have included fair work practices into the tender documentation for relevant procurements. Staff complete People Impact Assessments when relevant to a procurement to help identify aspects that need to be considered and included within the contract. This includes encouraging all suppliers awarded a contract for a regulated procurement to pay the Scottish Living Wage to individuals delivering our contracts. This helps to reduce inequalities within our region and is linked to our Living Wage employer accreditation. The Scottish Business Pledge and reference our support for the Pledge is included within our tender documentation.

We have obtained annual reports from our contractors to receive confirmation on how these principles have been adopted during the previous year and to seek continual compliance.

NET ZERO SCOTLAND 2045

We receive and consider Scottish Government and relevant bodies guidance and documentation on how we can help meet Net Zero Scotland 2045 targets and how these can be incorporated into our procurements. We have used the Scottish Government sustainability test tool for appropriate contracts to identify and consider risks and mitigations for relevant contracts.

The Procurement Team have been represented in an internal Climate Change Champions working group and a Net Zero Transition Group. These help to consider both strategic and operational contributions and improvements. Going forward we will identify our priority areas for the incorporation of circular procurement considerations, emission reduction goals and opportunities to migrate to alternative products/solutions to meet Net Zero targets. We will encourage our supply chain to implement sustainable procurement action plans.

COMMUNITY BENEFITS

Section 3 of this Report summarises the community benefits delivered through our current contracts. Going forward we are seeking to increase the delivery of community benefits and community wealth building into the HIE region, this includes where relevant and proportionate a more targeted and communities and place approach. Opportunities and needs vary across our area and inclusive growth is central to HIE's Strategy.

The consideration of community benefit/wealth building in regulated procurements linked to framework agreement call-offs will be an area to explore. Due to the Covid-19 pandemic restrictions some anticipated community benefits linked to educational visits to promote profession/career, support and development options school children and students have been unable to progress. We are exploring how we can signpost suppliers and existing contractors to existing work training and educational development programmes within the HIE region. This will help raise awareness and help suppliers propose relevant benefits within their tender responses and for delivery during the contract period.

Deliver Value for Money – we will ensure contracts are awarded on a combination of factors including (but not limited to) quality, sustainability, and cost.



Our regulated procurements awarded during this period have been awarded on a combination of quality/cost factors to deliver value for money, with an individual procurement quality and commercial evaluation criteria and weighting design. Going forward, we will review and consider appropriate price/quality weightings within our evaluation methodology which achieve the balance between helping to reduce costs and not reducing the required quality of goods/services/works. Our tender planning stages also incorporate the use of a sustainability test to identify and help design sustainable procurement related criteria.

Where appropriate we have used collaborative framework agreements established by other public sector bodies where the benefits of economies of scale and combined buying power can deliver better value for money. Four of the Regulated Procurements awarded in this reporting period were collaborative contracts/framework agreements.

[Table 2](#) provides a summary of performance against savings, collaborative and maverick spend achieved during 2020/21.

Leadership and Governance – we will ensure compliance with all relevant legislation and ensuring procurement activity is aligned to local and national priorities.

Our Procurement Strategy 2018-21 was updated and published in August 2020. A further update and publication were actioned in June 2021 and this contained a new Procurement Action Plan. A new Procurement Strategy to cover the 2022-25 period will be developed and published.

Our internal procurement guidance documents were reviewed and refreshed in June 2020 and these are available to staff through our procurement intranet page. The guides and our template documents are regularly reviewed and updated to reflect and incorporate best practice, efficiencies and lessons learned. Amendments during the reporting period include the inclusion of contract and supplier management risks, mitigations and processes, and cyber security related aspects.

We are developing a new procurement manual which will sit alongside new internal procurement training materials.

Continuous Improvement – we will continually review our approach to procurement to ensure we are improving what, and how, we deliver contracts and framework agreements and improve our contract and supplier management processes and procedures.

We are completing work on new template terms and conditions of contract and these will be published on HIE's website.

FUTURE OPPORTUNITIES

We have reviewed and updated our Procurement Strategy 2018-2020 and published this in June 2021, this contains a new Procurement Action Plan designed to help us build on our achievements and further deliver against our Strategic Aims/Objectives and Key Priorities.

SPEND/FINANCE

HIE's procurement related spend in 2020-2021 was £19.64m (includes regulated and non-regulated spend and excludes VAT). This figure includes some high value projects – Cairngorm Funicular Structural Strengthening, Cairngorm Design and Digital Scotland Superfast Broadband. The spend on these three projects totals £3,609,845.12.

Tables 2 shows our procurement performance outcomes by financial years and 2021/22 targets - excluding the spend on the three exceptional projects referred to above and uses a total spend figure of £16,034,831.05. This ensures that the targets and outcomes are based on 'business as usual' spend for monitoring and future target setting purposes.

TABLE 2: PROCUREMENT PERFORMANCE OUTCOMES AND 2021/22 TARGETS.

DESCRIPTION	2016/17	2017/18	2018/19	2019/20	2020/21	TARGET FOR 2020/21
Cash Savings for Financial year*	3.2%	5.7%	4.7%	2.5% £606,715	1.67% £266,970	We will aim to report a cash saving between 3% and 6%
Maverick spend (spend outwith contract)**	11.9%	9.3%	7.2%	5.96% £1.5m	0.31% £48,975.39	We aim to reduce this figure to under 5%
Total spend through a collaborative contract	15.4%	20%	25%	23.73% £5.9m	33.16% £5,316,716.27	We will aim to increase this to 25%
Award contracts/work to Third Sector Suppliers	NA	NA	NA	7	6	We will aim to award contracts/work to 10 different Third Sector suppliers
Number of Regulated Tenders published with questions included about community benefits, either scored or non-scored.	10%	45%	74%	80%	66.67%	We will aim to keep this figure between 80% and 85%

*These are identified as 'cash savings' which we report to government and are derived from a methodology identified within the "Procurement Benefits Reporting Guidance 2019" document which was produced by the Scottish Government to arrive at the savings figure identified. This figure is not 'cash releasing'.** spend not in compliance with HIE's procurement internal governance.

SPEND WITH SMES

Where possible we encourage SME's to bid for tender opportunities with us. Table 3a shows the percentage of spend occurring with SME's (where spend exceeds £1k and excludes the spend relating to the exceptional projects). The total spend figure used is £12,901,965.49.

TABLE 3A: SPEND WITH SMES (BY FINANCIAL YEAR)

DESCRIPTION	2016/17	2017/18	2018/19	2019/20	2020/21	TARGET FOR 2020/21
Total spend with SMEs	48%	56%	55.5%	51% £13m	61.37% £7.92m	We will aim to increase this figure to 55%

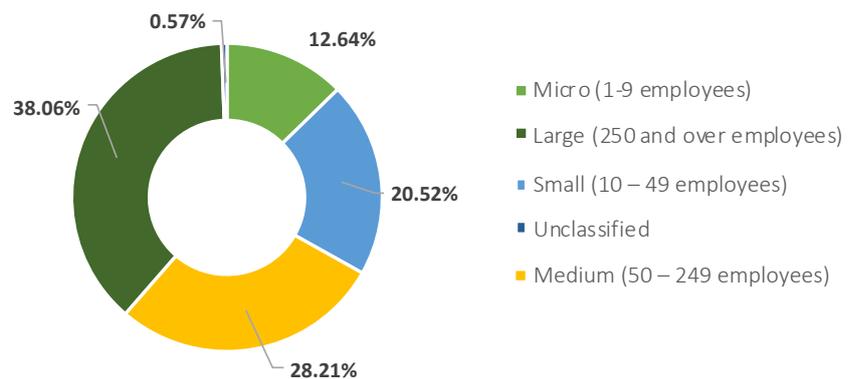


The spend with businesses for 2020/21 is broken down further in Table 3b to show spend with micro, small, medium, and large sized enterprises. This excludes the three exceptional projects and uses the total spend figure of £12,901,965.49 and where spend with an individual supplier exceeds £1000.

TABLE 3B: 2020/21 SPEND WITH MICRO, SMALL, MEDIUM, AND LARGE SIZED ENTERPRISES (WHERE SPEND EXCEEDS £1000)

SIZE OF BUSINESS	NUMBER OF INDIVIDUAL BUSINESSES	TOTAL SPEND	% OF TOTAL NUMBER OF SUPPLIERS	% OF SPEND TOTAL
Micro (1-9 employees)	51	£1,630,809.48	25.12%	12.64%
Small (10 – 49 employees)	46	£2,647,733.16	22.67%	20.52%
Medium (50 – 249 employees)	47	£3,639,255.19	23.15%	28.21%
Large (250 and over employees)	55	£4,911,124.53	27.09%	38.06%
Unclassified	4	£73,043.13	1.97%	0.57%
TOTAL	203	£12,901,965.49	100%	100%

Size of Business % of spend total 2020/21



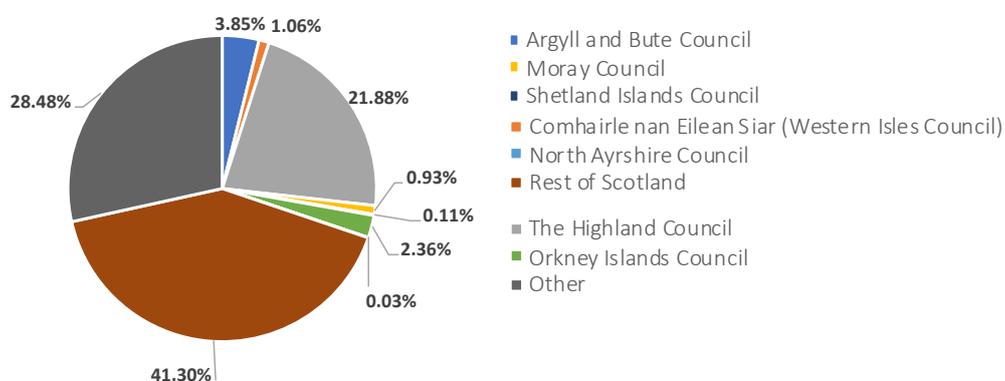
SPEND BY LOCALITY

Table 4 shows whether spend occurred within or outwith a HIE local authority area and how much spend relates to SMEs (where spend exceeds £1k and excludes the 3 exceptional projects). This data is sourced from the Scottish Government's Observatory Hub and the location of a supplier is determined by the invoice address of the business – it should be noted though that a number of suppliers although outwith the HIE area are employing staff within the HIE area and/or using local sub-contractors.

TABLE 4: SPEND BY GEOGRAPHICAL AREA

LOCAL AUTHORITY AREA	NO. OF SUPPLIERS	TOTAL SPEND	% OF TOTAL SPEND	VALUE OF TOTAL SPEND WITH SME'S
Argyll and Bute Council	6	£496,958.73	3.85%	£496,958.73
Comhairle nan Eilean Siar (Western Isles Council)	6	£136,225.90	1.06%	£136,225.90
The Highland Council	42	£2,822,800.34	21.88%	£2,367,398.69
Moray Council	6	£120,033.71	0.93%	£115,873.71
North Ayrshire Council	1	£14,167.50	0.11%	£14,167.50
Orkney Islands Council	3	£304,359.53	2.36%	£304,359.53
Shetland Islands Council	1	£4,033.48	0.03%	£4,033.48
HIE Sub-total	65	£3,898,579.19		£3,439,017.54
Rest of Scotland	65	£5,328,821.05	41.30%	£2,706,525.14
Other	73	£3,674,565.25	28.48%	£1,772,255.15
Overall TOTAL	203	£12,901,965.49	100%	£7,917,797.83

2020/21 Spend by Locality % of Total Spend



PAYMENT TERMS

During this period HIE paid 80% of invoices within 10 days of receipt.



SECTION 3 COMMUNITY BENEFIT SUMMARY

We are committed to considering the inclusion of community benefit and community wealth building aspects in our procurements – specifications and terms and conditions wherever relevant and proportionate to specific contracts. This is a legal obligation for contracts valued over £4 million, however, we include community benefit requirements when they are relevant and proportionate to the nature of the requirements irrespective of the value of the contract. Our aim is to wherever possible benefit from a direct positive impact on contract delivery, and contribution to HIE and HIE regional priorities.

To help bidders and maximise the volume of community benefits/wealth building realised through our contracts, we provide examples within the following themes:

- Recruitment & Training
- Educational
- Environmental
- Supply Chain
- Community Engagement
- Equality & Diversity

The Covid-19 pandemic and associated restrictions has impacted on the ability for some of the community benefits within our contracts/framework agreements (including call-offs) to be actioned, for example career fairs, work placements, educational talks and site tours/visits. We are exploring ways in which these can be maximised as restrictions are lifted and contractors have more opportunities to deliver their offered benefits.

Table 5 provides a summary of the community benefits/wealth building contractors have advised they have delivered during 2020/21. These may have been directly delivered because of one of our contracts, or our contract has helped to support other contracts/work to enable the delivery of the benefits.

TABLE 5: SUMMARY OF COMMUNITY BENEFITS/WEALTH BUILDING DELIVERED DURING 2020/21

THEME	EXAMPLES OF COMMUNITY BENEFITS DELIVERED
Recruitment & Training	<p>Permanent staff recruited to deliver contract – some unemployed individuals</p> <p>Recruitments through The Highland Council Back to Work Scheme</p> <p>Position created and supported by The Highland Council Graduate Employment Scheme providing training.</p> <p>Work placements offered</p> <p>Short-term contracts to offer work experience for 2 young people.</p> <p>One-week urban designer placement delivered</p> <p>Staff developed and achieved qualifications – forklift training, trailer licenses, spraying tickets, PASMA tickets, social media, First Aid at Work, vocational training, ILM Level 7 Coaching, Institute and Faculty of Actuaries, PMI exams, SVQs in warehousing.</p> <p>Engagement with Barnardos to engage young people for workplace experience.</p>
Educational	<p>Participation in Founders for School programme – helping school pupils to understand innovation.</p> <p>Unpaid 4-week summer internship.</p> <p>Preparing donation of tablets for education use.</p> <p>Visits/presentations to students – i.e., business class and entrepreneurship.</p> <p>Sponsorship of Student Awards</p> <p>Assisted Learning Students</p> <p>Employee mentoring</p> <p>Graduate mentoring and help with CVs and interview processes</p> <p>Sponsorship off sports team and activities</p> <p>Work with UHI to expedite student’s commercial awareness and increase employability.</p>
Environmental	<p>Use of video conferencing, social media and apps, virtual networking platforms and telephone to avoid/reduce travel and related emissions – major advance during Covid-19 restrictions.</p> <p>Migration to online platforms for issuing questionnaires.</p> <p>Woodland maintenance to produce mulch –diverted from landfill.</p> <p>Reduced paper usage.</p> <p>Proposed specification changes to reduce carbon footprint.</p> <p>Digital modelling of online conferences and remote engagement opportunities.</p> <p>Waste reduction.</p> <p>Use of environmental and concentrate chemicals to use less.</p> <p>Energy efficiency measures introduced.</p> <p>Encouraged recycling.</p>
Supply Chain	<p>Work contracted/offered to SMEs, Social Enterprises and supported businesses.</p> <p>Sub-contractors paid within 30 days, in some instances less than 7 days.</p> <p>Promotion of sub-contracting and procurement opportunities.</p>
Community Engagement	<p>Online events.</p> <p>Donations and sponsorship to charities, community groups and sport related organisations.</p> <p>Free or reduced cost services for example woodland path maintenance, discounted grass cutting services, security patrol service after break-in/vandalism.</p> <p>Encourage colleagues to volunteer and support local communities.</p> <p>Supply of toiletries to a local hospital and vulnerable people.</p> <p>Paid days from work each year for employees to volunteer for community activities. Charity fund-raising.</p> <p>Pro bono support to communities and social enterprise organisations.</p>
Equality & Diversity	<p>Policies and practices in place.</p> <p>Adaptions</p> <p>Designing services for users with a range of additional requirements.</p> <p>Dedicated collaboration with autism services to address barriers to access.</p> <p>Working with Deaf Action Scotland, UHI.</p> <p>Committee established and on journey to improve their organisation’s diversity.</p> <p>Realignment of hours to assist with more flexible working for employees.</p>

In addition to the summary table above, we have included an update relating to one of our exceptional projects referred to in Section 2 – Cairngorm Funicular Structural Strengthening where the contractor is Balfour Beatty.

CAIRNGORM FUNICULAR STRUCTURAL STRENGTHENING

CONTRACT DELIVERED BY BALFOUR BEATTY.

This contract is for the delivery of a major structural strengthening scheme to the existing funicular railway at Cairngorm Mountain in the Scottish Highlands. A call-off contract was actioned using the SCAPE Civil Engineering Scotland framework agreement with a total value of £9.9m, the contract was awarded to Balfour Beatty in October 2020.

Work commenced in October 2020 and a social value progress report was submitted by Balfour Beatty in June 2021.



APPRENTICESHIPS

1 engineer full-time member of project team – to be supported to complete apprenticeship.

Working with local ground-work sub-contractor for new apprenticeship intake and involvement in project.

Social Value delivered by June 2021 – 10 weeks = £1760

WORK PLACEMENTS

2 x civil engineering students on site (1 x 18 weeks, 1 x 12 weeks)

1 to start early July 2021

Working with Universities to identify additional students for work placements.

Social Value delivered by June 2021 – 10 weeks = £1489.50

LOCAL SUPPLY CHAIN

£0.48m local (Aviemore and Glenmore area) spend

Local contract awards for Groundworks and Agency Labour

Social Value delivered by June 2021 - £0.40m

COMMUNITY ENGAGEMENT

30 hours (6 staff x 5 hours) voluntary work

Further volunteering dates being identified for August – October 2021. Potentially supporting local ranger service on clearing path drains, litter picking, involvement in tree planting with local school pupils.

Social Value delivered by June 2021 = £444

Social Value figures are generated through the SCAPE Social Value Portal associated with the Civil Engineering Framework Agreement. As of June 2021, the contractor has reported that the project has delivered £694,000 in social value.

Through the Scape Framework the contractor's project team have also continued to deliver aspects of community benefits:

ENGAGEMENT WITH LOCAL EDUCATION:

- UHI Civil Engineering student's hackathon
- Chartered Institute of Building (CIOB) Highland members information session
- DWP for unemployed group and session for young adults from Black and Minority Ethnic (BAME) groups arranged via Skills Development Scotland
- Aviemore Primary School – worked with Balfour Beatty environmental specialist to install upcycled CDs on the scaffolding, the shiny CDs protect birds from landing on the railway
- Further aspects profiled in the e-newsletter

Considerate Constructors Scheme (CCS) – monitoring visit held 5/7/21 assessing the project team against Appearance, Community, Environment, Health & Safety & Workforce. Balfour Beatty were given a score of 40/50 and a rating of excellent.

Local Labour – 95% of staff working on the project have travelled less than 40 miles to reach the site each day.

An e-newsletter has been created by Balfour Beatty and our Communications Team which captures and share news on the community benefits achieved during project delivery.

This can be viewed via <https://spark.adobe.com/page/Qt7Ly-00OmTUcn>



SECTION 4 SUPPORTED BUSINESSES SUMMARY

A primary aim of a Supported Business is the social and professional integration of disabled or disadvantaged persons. At least 30 per cent of the employees of those businesses should be disabled or disadvantaged.

We raise awareness of Supported Businesses internally and try to help identify possible Supported Businesses within our area for potential tender opportunities.

We encourage the consideration of Supported Businesses before we tender to allow us to consider reserving contracts for supported businesses.

Our tender documents contain information about Supported Businesses to encourage tenderers to consider sub-contract opportunities and where actioned report this back to us on an annual basis.

In this reporting period we have not spent any money with Supported Businesses and we will look for opportunities to improve this in the future and explore supplier development opportunities.



SECTION 5 FUTURE REGULATED PROCUREMENTS SUMMARY

As part of the Reporting requirement we produce a summary of planned procurement activity over the next 24 months (a Forward Plan). This list is indicative, and timescales are estimated, some activity may no longer be required, or the timescales may change. Other factors that influence the Forward Plan include the change of priorities, some activity may happen before the dates identified, we may have an option to extend the contract, the value of the procurement may change and not require to be advertised, we award contracts through other framework agreements.

Please refer to Appendix 2 to view our potential Forward Plan. This will be regularly updated and maintained on [Procurement | Highlands and Islands Enterprise | HIE](#)



SECTION 6 OTHER CONTENT FOR CONSIDERATION

The review and annual update of our joint Procurement Strategy (June 2021) included a new action plan (see Table 6). Key national and [HIE Operating Plan 2021](#) priorities for us to progress through our procurements and supply chain include:

- Raising awareness within the marketplace of future tender opportunities and capacity to bid
- Encouraging and promoting Fair Work First in our supply chain
- Contributing to Net Zero Scotland achievement
- Increasing the delivery of community benefits and community wealth building into the HIE region
- Reducing costs

We will also be commencing work on the development of a new Procurement Strategy to cover the period 1st April 2022 to 31st March 2025, this will include internal and external stakeholder engagement and consultation.

TABLE 6: PROCUREMENT STRATEGY ACTION PLAN

PROCUREMENT ACTION PLAN		
OBJECTIVE	AIMS	ACTIONS
SUSTAINABLE PROCUREMENT	Increase spend with SME's, supported businesses and third sector organisations	<ul style="list-style-type: none"> Where appropriate use Prior Information Notices (PINs) for procurements to raise earlier awareness of future tender opportunities Pre-market engagement opportunities identified and progressed Use the Partnership 4 Procurement Social Enterprise Scotland register and Grow Local (SG funded for 21/22) management information
	Raise business awareness of procurement opportunities – including sub-contracting – and capacity to bid	<ul style="list-style-type: none"> Continue to work with the Supplier Development Programme (SDP) to hold specific tender webinars, Talking Tenders sessions, encourage PCS registrations and promote sub-contractor opportunities. Participate in the Meet the Buyer North 2021 event Consider opportunities in individual tender strategies Incorporate where appropriate main contractor advertisement of sub-contractor opportunities
	Encourage and promote Fair Work Practices (FWP) in our supply chain	<ul style="list-style-type: none"> Continue to include in appropriate procurements – including main contractor promotion with sub-contractors Continue to monitor contractor provision of FWP Continue to learn from best practice Consider how to incorporate more FWP into call-offs from collaborative framework agreements that we use
	Contribute to Net Zero Scotland achievement and the global climate emergency through our procurements and supply chain.	<ul style="list-style-type: none"> Await and embed Scottish Government guidance into our internal procurement documentation and templates Identify our priority areas and incorporate circular procurement considerations and emissions reductions goals. Consider at each stage of the Procurement Journey (do we need to buy? demand management, specification, evaluation, and contract management). Reduce, re-use, recycle and recover. Consider the development of a sustainable procurement policy. Refresh our flexible framework/sustainability prioritisation tool action plan Procurements support HIE's Property Strategy Review and identify (where appropriate) alternative products from existing contracts/framework agreements Encourage our supply chain to implement sustainable procurement action plans
	Increase the delivery of community benefits and community wealth building into the HIE region	<ul style="list-style-type: none"> Continue to identify and embed best practice to maximise the inclusion and delivery of community benefits from our procurement activities Review our internal procurement guidance and contract strategy templates to consider a more targeted approach – including a communities and place approach Work with partner organisations to identify opportunities for the region

DELIVER VALUE FOR MONEY	Reduce costs	<ul style="list-style-type: none"> Regularly review our spend data to identify commercial opportunities to do things differently that deliver savings and non-cashable benefits Promote demand management Include whole-life costing evaluations where applicable and link to circular procurement Monitor and increase our spend on contracts and frameworks Seek opportunities to collaborate and benefit from economies of scale and buying power Review and consider appropriate price : quality ratios within our evaluation methodology which achieve the relevant balance between helping to reduce costs and not reducing the required quality of goods/services/works.
	Increase the profile of procurement	<ul style="list-style-type: none"> Market and promote the benefits of procurement internally Regularly report on procurement activity and secured outcomes
LEADERSHIP & GOVERNANCE	Increase the strategic involvement of procurement	<ul style="list-style-type: none"> Review our processes to ensure commercial and procurement considerations are included as early as possible
	Maximise efficiencies from the systems we use	<ul style="list-style-type: none"> Seek and implement opportunities to automate purchase to pay processes – particularly in the consideration of any new systems Develop and implement a Procurement Systems related ICT Strategy Improve our internal contracts register Publish a Forward Plan on our website Consider the use of Public Contracts Scotland Tender for appropriate procurements and contract management aspects
CONTINUOUS IMPROVEMENT	Improve our skills and expertise	<ul style="list-style-type: none"> Identify and access procurement and commercial training and skills development across the procurement team and project/contract managers Review and develop the internal procurement training we provide Review and update our internal procurement guidance documentation
	Knowledge sharing	<ul style="list-style-type: none"> Make procurement related lessons learned available across the organisation
	Improve our contract management key performance indicators	<ul style="list-style-type: none"> Review the suite of key performance indicators available within Public Contracts Scotland Tender for relevant inclusion in contracts.

APPENDIX 1

Completed Regulated Procurements (1st April 2020 to 31st March 2021)

A summary of the Regulated Contracts awarded by HIE/WES/CMSL/ORIC during this period are listed below:

TITLE	AWARD DATE	START DATE	END DATE (EXCLUDING ANY EXTENSION OPTIONS)	ESTIMATED TOTAL CONTRACT VALUE (EX VAT) (INCLUDED ANY EXTENSION OPTIONS)	SUPPLIER NAME
Design Team Services at Plot 15 Inverness Campus	17/4/20	27/3/20	27/11/20	£219,226.00	Austin Smith:Lord (GB)
Cleaning Services – The Enterprise Centre, Argyll	8/5/20	01/04/20	31/3/23	£70,987.96	Allan Ingram Industrial Cleaning Services Ltd
Property Lot 1 Prime Consultant Framework Agreement	6/6/20	01/06/20	31/5/24	£997,420.00	Torrance Partnership LLP (GB)
Property Lot 2 Strategic Development Advice Framework Agreement	17/6/20	01/06/20	31/5/24	£379,775.00	Turnberry Consulting Ltd (GB)
Scottish Aquaculture Supply Chain Cluster	11/6/20	18/6/20	17/6/22	£72,172.50	Risk & Policy Analysts Ltd
HMS Licence Renewal	24/7/20	01/7/20	30/6/21	£61,112.12	Avolin LLC (US)
Space Hub Scotland Due Diligence	20/8/20	12/8/20	12/11/21	£350,000.00	RSM UK Consulting LLP (GB)
European Marine Science Park – Facilities Management	04/09/20	13/10/20	12/10/23	£372,005.00	Oban Electrical Services (Ltd) (GB)
Cairngorm Funicular Structural Strengthening	09/10/20	28/09/20	27/11/21	£9,900,765.02	Balfour Beatty Civil Engineering Ltd (GB)
Due Diligence Framework Agreement	29/10/20	12/10/20	11/10/23	£960,000.00	Azets Holding Ltd (t/a Azets) (GB) Ernst & Young LLP (GB) Frontline Consultants Ltd (GB)
Data Protection Services Framework	4/12/20	07/12/20	06/12/22	£352,500.00	TKM Consulting (GB) GDP LLP (GB) Burns & Turner Ltd (GB)
Digital Economy Business Survey 2021	12/1/21	12/1/21	12/5/21	£170,975.00	Market and Opinion Research International Limited
Data Protection Services including DPO Services	14/1/21	18/1/21	17/1/22	£90,000.00	TKM Consulting (GB)
Specialist Advice Framework Agreement	15/3/21	01/04/21	31/3/24	£900,000.00	Anderson Anderson & Brown LLP (GB)
EDRMS & Document Scanning Software Support and Maintenance	30/3/21	01/04/21	30/03/22	£78,300.73	Objective Corporation UK Limited (GB)

APPENDIX 2

Future Regulated Procurements Summary (to 31st March 2023)

PROCUREMENT TITLE	ADDITIONAL DESCRIPTION	EXPECTED CONTRACT START DATE*	EXPECTED CONTRACT PUBLICATION DATE*
Food and Drink Awards 2022 -25		01/11/2021	01/06/2021
Inverness Campus Owners Association Landscape Supervisory Services		01/12/2021	01/09/2021
Website Management and Development Services		14/12/2021	22/09/2021
Hydrogen Economy - Levering External Funds	Support to attract and lever funding sources.	01/01/2022	15/9/21
City Deal - Food and Drink Technology Centre (TechHub) - Business Support & Event Management Services		01/04/2022	30/09/20/21
Office Cleaning Services (various sites)		03/01/2022	tbc
STEM Education Rooms		23/02/2022	01/10/2021
City Deal: Digital Tourism Conference	Digital Tourism Conference to bring together tourism practitioners and other interested parties, focusing on digital technologies and to be delivered digitally.	1/03/2022	01/09/2021
Support for Communities		25/03/2022	20/9/21
Digital Highlands and Islands Technical Support Services	Technical support for City-Region Deal project plus other wider digital activity	01/04/2022	05/01/2022
An Lochran (Inverness Campus) Facilities Management Services		01/04/2022	01/10/2021
An Lochran (Inverness Campus) Waste Management Services		01/04/2022	01/10/2021
Innovate Your Business Programme	Innovate Your Business (IYB) is a programme offering one-to-one support to the wider SME businesses base throughout the Highlands and Islands, providing guidance on a range of issues related to business innovation.	01/04/2022	01/11/2021
Plot 6 Inverness Campus Design Team Services		01/04/2022	01/09/2021
Inverness Campus Landscape Services		01/04/2022	21/09/2021
Orkney Research & Innovation Campus (ORIC)- Detailed design	Architectural service to redesign the proposed building, new renewables heating system for the entire complex, through to full planning consents stage.	01/04/2022	tbc
Board Health Check, Skills and Training Services	To provide Board Health check, Skills and Training to mainly micro and small social/ community enterprises across the Highlands and Islands region.	30/04/2022	01/10/2021
HIE Subsidiaries Audit Services		01/05/2022	01/10/2021

Sustainable Tourism Development for Communities		01/06/2022	01/10/2021
Research Appraisal and Evaluation Framework Agreement	Project Delivery Support	01/07/2022	04/11/2021
Management Services at Horizon Scotland		01/08/2022	01/04/2022
IMPACT30 Programme to support young business leaders	Programme supporting young business leaders of fledging enterprises to grow their business through providing mentoring, coaching and other support.	01/08/2022	01/02/2022
XpoNorth Digital Support Programme (Creative Industries)		01/08/2022	15/04/2022
Management & Design of Pavilion at All Energy Exhibition & Conference Management Services		01/08/2022	01/04/2022
XpoNorth (Event & Network) Conference Management and Business Support Services		30/09/2021	01/04/2022
Life Science Innovation Centre (LSIC) Facilities Management Services		01/10/2022	01/04/2022
Leadership for Growth		01/10/2022	01/05/2022
Staneyhill, Shetland Design Team Services		01/10/2022	01/05/2022
Catering Services An Lochran (Inverness Campus)		01/12/2022	01/07/2022
Data Protection Services Framework Agreement		07/12/2022	01/06/2022
Inverness Campus Owners Association Security Services		09/12/2022	01/09/2022
City Deal - Food and Drink Technology Centre (TechHub) Refurbishment		01/02/2023	01/10/2021
Staneyhill, Shetland Construction Project		01/04/2023	01/09/2022
Pension Scheme (Trustees)		01/05/2023	01/11/2022
Orkney Research & Innovation Campus (ORIC) - Phase 2 Construction Project		01/04/2023	01/09/2022
City Deal – Food and Drink Technology Centre (TechHub) Facilities Management Services		01/07/2023	01/02/2022
City Deal – Next Generation Programme		01/10/2023	01/06/2022
Supply and Installation of Business Pods - Enterprise Park Forres	Supply and installation of 4 business pods	tbc	tbc
Supply and Installation of Business Pods	HIE region wide	tbc	tbc
Marketing Services Framework Agreement		tbc	tbc

*This list is indicative, and timescales are estimated, some activity may no longer be required, or the timescales may change. Other factors that influence the Forward Plan include the change of priorities, some activity may happen before the dates identified, we may have an option to extend an existing contract, the value of the procurement may change and not require to be advertised, and we may choose to award a contract through a framework agreement instead.



www.hie.co.uk

info@hient.co.uk



Highlands and Islands Enterprise
Iomairt na Gàidhealtachd 's nan Eilean