

Board of Management Audit Committee

Date of Meeting	Wednesday 15 November 2017
Paper No.	AC2-K
Agenda Item	12
Subject of Paper	Departmental Expenditure Limit Update
FOISA Status	Disclosable
Primary Contact	Stuart Thompson, Vice Principal Finance & HR
Date of production	Thursday 9 November 2017
Action	For Noting

1. Recommendations

The Audit Committee is asked to note this report.

2. Purpose of report

The purpose of this report is to provide the Committee with an update on the Departmental Expenditure limits stated in the College Financial Regulations for the year 2016-17.

3. Context

The College is required to comply with the SFC Financial Memorandum and have incorporated all the requirements in the College Financial Regulations. Part of the compliance is the requirement to report on an annual basis a statement of any expenditure that it has incurred during that financial year on or in connection with the matters described below.

Reporting Category	Delegated limits	College 2016-17
External Business and management consultancies	£100,000	None
Extra contractual payments	£5,000 Report	None
Compensation payments	£5,000 Report	None
Special Severance payments	£1,000	None
Ex-gratia payments	£1,000 Report	None
Claims Waived or abandoned	£3,000 Report	None
Write off of bad debt	£3,000 Report	None
Losses	£3,000 Report	None
Overseas student irrecoverable loss limit	£6,000 Report	None
Fraud Loss	£5,000 Report *	None
Operating Leases -non property	£250,000	None
Procurement non-competitive action	£25,000	Appendix 1

4. Impact and implications

The procurement expenditure detailed in this report has been fully authorised by the College however a fully compliant procured contract was not achieved for each of the suppliers listed in Appendix 1.

A full report on the College non compliant procurement expenditure was presented to the September meeting of the College Finance & Physical Resources Committee.

The Committee provided clear instruction and set the expectation that the College should completely eliminate all non compliant procurement expenditure as quickly as possible. The College has actively been securing additional resource and working on increased tender activity, changing suppliers and working with senior managers. A further detailed report will be presented to the next Finance & Physical Resources Committee.

Procurement non-competitive action

Supplier Name	Trade Classification (Thomson)	Annual Net Amount	Future Tender Required (requirement not already identified)	College Use	Stakeholder	Reoccurring from 15/16	Procurement Notes
Dog Digital Limited	Web Site Design	£103,991	Yes	Search Engine Optimisation	Roy Gardner, Corporate & Innovation Director	Yes - £120,399	£75k Spend 14/15. A percentage of the spend over the years has been for Google Advertising.
IMPS (UK) LTD		£61,108	Possible	Installation and maintenance of Ships Engine	Nicola Crawford, Faculty Director - Nautical	No	Is this a continued requirement?
HUDSON GLOBAL RESOURCES LTD	Employment & Recruitment Agencies	£59,727	Scottish Government Framework	Temporary and Interim Staff	Joanne McGuire, HR Director		
Streamline Corporate	Promotional Items	£51,993	Yes	Promotional Items	Roy Gardner, Corporate & Innovation Director	Yes - £61,286	
KEITH ROSS	Human Resources Consultants	£51,704	Yes	Consultancy	Stuart Thompson, Vice Principal - Finance & HR	No	Ending 31st March 2018
STARK EVENTS	Corporate Entertainment	£48,492	Yes	Events Management	Roy Gardner, Corporate & Innovation Director	Yes - £19,220	£12k of this spend was covered by a compliant tender process - Symposium
University of Strathclyde	Printers	£43,831	Yes	External Printers	Roy Gardner, Corporate & Innovation Director	Yes - £38,172	External Print Tender currently in progress
WEX PHOTOGRAPHIC LTD	Photographic - Retail & Supplies	£43,743	No, now approved supplier	Photography Equipment and Maintenance	Sandra Gunn, Faculty Director - Creative Industries	Yes - £13,150	Framework Supplier - WEX Photo Video (received bought over Calcum and moved to ranked 1 on the framework)
INTEGRAL OCCUPATIONAL HEALTH LTD	Occupational Health	£43,284	Yes	Occupational Health	Joanne McGuire, HR Director	Yes - £53,462	Occupational Health Tender currently in progress. Procurement have finalised the document from their end and require it to be reviewed by HR.
GROUP HORIZON LTD		£41,610	No	Staff Training	Carol Murray, Faculty Director - Building, Engineering & Energy	No	No future requirement
TRINITY MIRROR PUBLISHING (Scottish Daily Record & Sunday Mail Ltd)	Newspaper & Magazine Publishers	£40,935	Yes	Advertising	Roy Gardner, Corporate & Innovation Director	Yes - £29,797	
J Thomson Colour Printers	Printers	£40,613	Yes	External Printers	Roy Gardner, Corporate & Innovation Director	Yes - £53,895	External Print Tender currently in progress
Fresh Select	Meat - Wholesale	£39,927	Yes	Food - Meat Wholesale	Jill Weatherall, Faculty Director - Leisure and Performance & Improvement	Yes - £26,025	
FAIR PLEY LTD	Business & Management Consultants	£38,500	Yes	One City Event	Douglas Dickson, Director	Yes - £16,501	£12k Spend 14/15
LEGAL & GENERAL ASSURANCE SOCIETY		£36,325	Yes	Life Insurance	Joanne McGuire, HR Director	Yes - £21,500	£21k Spend 14/15

Supplier Name	Trade Classification (Thomson)	Annual Net Amount	Future Tender Required (requirement not already identified)	College Use	Stakeholder	Reoccurring from 15/16	Procurement Notes
THE FISH PEOPLE SCOTLAND LTD	Fishmongers & Fishmonger Services & Suppliers	£34,326	Yes	Food - Fish	Jill Weatherall, Faculty Director - Leisure and Lifestyle	Yes - £25,252	
MOTIVAIR		£33,882	No	Water Pump Installation	Nicola Crawford, Faculty Director - Nautical	No	No future requirement
MACKAY & INGLIS LIMITED	Printers	£33,109	Yes	External Printers	Roy Gardner, Corporate & Innovation Director	Yes - £17,036	External Print Tender currently in progress
URBAN GROCER		£33,050	Yes	Food - Fruit and Veg	Jill Weatherall, Faculty Director - Leisure and Sandra Gunn, Faculty Director - Creative Industries	No	
ISIS EDUCATIONAL SERVICES	Tour Operators	£29,567	Key Travel	Travel Provider	Roy Gardner, Corporate & Innovation Director	Yes - £23,905	
Pitney Bowes Limited	Mailing Equipment	£29,068	Yes	Postage	Roy Gardner, Corporate & Innovation Director	Yes - £31,526	
NEWSQUEST MEDIA GROUP	Newspaper & Magazine Publishers	£27,923	Yes	Advertising	Roy Gardner, Corporate & Innovation Director	Yes - £25,660	
PRIME MAINTENANCE SOLUTIONS LTD	Property & Estate Management	£27,767	FES FM Ltd	Property Maintenance	Fares Samara, Vice Prinicipal, Infrastructure	Yes - £27,079	Used for LV changes outwith the FES contract. Do we require a LV Maintenance contract in addition to the FES contract?
G & A WILSON	Safety Consultants	£26,331	Yes	Preparing NEBOSH material	Roy Gardner, Corporate & Innovation Director	Yes - £15,809	Is there a continued need for this? £8.5k spend 14/15
SIRSI LTD TRADING AS SIRSIDYNIX		£25,959	No	Library System	Joanna McGillivray, Vice Prinicipal, Student Experience	No	Library Systems contract awarded in February 2017 - PTFS Europe. The new system went live in July 17.
RS MACHINERY		£25,474	No		Nicola Crawford, Faculty Director - Nautical	No	No future requirement
TOTAL		£1,072,240					