



Higher National Unit Specification

General information

Unit title: Facilities Management: Managing Procurement and Contracts (SCQF level 8)

Unit code: HX5A 35

Superclass: VH

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Version: 02

Unit purpose

This unit enables learners to develop an understanding of contracts and contract management in various facilities management environments. It will provide learners with knowledge of various types of contracts, specifications and terms and conditions for the procurement of goods and services in a cost effective manner.

This unit is suited to learners who are working or seeking work within the field of facilities management and is part of the HND Facilities Management Group Award.

Outcomes

On successful completion of the unit the learner will be able to:

- 1 Describe the principles of procurement for the facilities management function.
- 2 Explain the specifications and terms and conditions used within the procurement of goods and services.
- 3 Analyse the factors which contribute to procurement costs.
- 4 Evaluate the types of contracts used within facilities management.

Credit points and level

1 Higher National Unit credit at SCQF level 8: (8 SCQF credit points at SCQF level 8)

Higher National Unit Specification: General information (cont)

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Recommended entry to the unit

Entry to this unit is at the discretion of the delivering centre; however it would be beneficial if the learner had prior experience of the facilities management industry. It is recommended that learners have some experience of studying facilities management at Higher National level and that they will already have achieved the HN Unit HL96 34 *Facilities Management: An Overview* and HL98 34 *Facilities Management: Support Services Operations*.

Core Skills

Achievement of this Unit gives automatic certification of the following Core Skills component:

Complete Core Skill None

Core Skill component Critical Thinking at SCQF level 6

There are also opportunities to develop aspects of Core Skills which are highlighted in the Support Notes of this Unit specification.

Context for delivery

If this unit is delivered as part of a group award, it is recommended that it should be taught and assessed within the subject area of the group award to which it contributes.

Equality and inclusion

This unit specification has been designed to ensure that there are no unnecessary barriers to learning or assessment. The individual needs of learners should be taken into account when planning learning experiences, selecting assessment methods or considering alternative evidence.

Further advice can be found on our website www.sqa.org.uk/assessmentarrangements.

Higher National Unit Specification: Statement of standards

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Acceptable performance in this unit will be the satisfactory achievement of the standards set out in this part of the unit specification. All sections of the statement of standards are mandatory and cannot be altered without reference to SQA.

Where evidence for outcomes is assessed on a sample basis, the whole of the content listed in the knowledge and/or skills section must be taught and available for assessment. Learners should not know in advance the items on which they will be assessed and different items should be sampled on each assessment occasion.

Outcome 1

Describe the principles of procurement for the facilities management function.

Knowledge and/or skills

- ◆ Principles of procurement
- ◆ Processes and stages of the procurement of goods and services
- ◆ Legislation relating to procurement compliance
- ◆ Tendering and bid process

Outcome 2

Explain the specifications and terms and conditions used within the procurement of goods and services.

Knowledge and/or skills

- ◆ Specifications for procurement of goods and services including:
 - principle types of specification
- ◆ Standard terms and conditions that are used in the procurement of goods and services

Outcome 3

Analyse the factors which contribute to procurement costs.

Knowledge and/or skills

- ◆ Components which may make up the cost of goods or services
- ◆ Factors to be taken into account when making a procurement decision

Higher National Unit Specification: Statement of standards (cont)

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Outcome 4

Evaluate the types of contracts used within facilities management.

Knowledge and/or skills

- ◆ Types of contracts with facilities management
- ◆ Procurement options in relation to contract type
- ◆ Contract types relating to the procurement of a particular good or service
- ◆ Contract management procedures
- ◆ Processes and procedures of contract start-up and finish

Evidence requirements for this unit

Learners will need to provide evidence to demonstrate their knowledge and/or skills across all outcomes by showing that they can:

For Outcome 1

- ◆ explain the basic principles of procurement in relation to facilities management.
- ◆ review the processes and stages of the procurement of goods and services.
- ◆ review compliance with relevant legislation.
- ◆ review the effectiveness of tendering and bid processes.

For Outcome 2

- ◆ compare and contrast the principal types of specifications.
- ◆ propose specifications for procurement of goods and services.
- ◆ describe the standard terms and conditions that are used in the procurement of goods and services.

For Outcome 3

- ◆ analyse elements which may make up the cost of goods or services.
- ◆ analyse factors to be taken into account when making a procurement decision.

For Outcome 4

- ◆ compare and contrast a minimum of two different types of contracts.
- ◆ identify most appropriate procurement options to a minimum of two different contract types.
- ◆ identify an appropriate contract type that suits the procurement of a particular good or service.
- ◆ explain contract management procedures and identify improvements.
- ◆ evaluate start-up and close down processes and procedures of contract.



Higher National Unit Support Notes

Unit title: Facilities Management: Managing Procurement and Contracts (SCQF level 8)

Unit support notes are offered as guidance and are not mandatory.

While the exact time allocated to this unit is at the discretion of the centre, the notional design length is 40 hours.

This unit could contribute underpinning knowledge for the National Occupational Standards (NOS) ASTFM503 Expand the facilities management service and ASTFM516 Mobilise facilities management contracts.

Guidance on approaches to delivery of this unit

This unit is likely to form part of a group award designed to provide learners with technical and professional skills and knowledge for employment within the facilities management sector. It supports delivery for learners who are employed within this field and will be able to draw on their previous knowledge and experience of the sector. It would be appropriate for centres to contextualise their teaching and encourage learners to use evidence and case studies from employment.

It is suggested that this unit is delivered alongside *Facilities Management: Managing Relationships with Suppliers and Specialists* to provide a holistic view to the procurement and contract process within facilities management. Learners would also benefit from having *Facilities Management: Managing Negotiations* delivered prior to this unit.

Outcome 1:

- ◆ Basic principles of procurement should include: general principles such as the five rights (quality, quantity, time place, price) and the need for probity, ethics and transparency; and company-specific requirements such as policies relating to ethics, sustainability, business critical supplies, competitive advantage and impact on bottom line.
- ◆ Processes and stages of the procurement of goods and services is expected to include specification, sourcing, tender evaluation, adjudication, negotiation, terms and conditions, monitoring, review and exit.
- ◆ Review compliance with relevant legislation including EU procurement process, OJEU, open competition, Office of Government Commerce (OGC), collusion, bribery, fraud, environmental standards, employment (Working Time Directive, Right to Work, Discrimination), Sale of Goods Act 1979, Supply of Goods and Services Act 1982, Unfair Contract Terms Act 1979.
- ◆ Effectiveness of tendering and bid processes is expected to include processes such as spend analysis, supplier/market analysis, expressions of interest, pre-qualification, approved tenderer lists, time-scales, adjudication criteria, invitation of tenders, answering of questions, supplier open days, e-auctions, return and opening of tenders, adjudication processes, short listing, presentations and negotiations.

Higher National Unit Support Notes (cont)

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Outcome 2

- ◆ The standard terms and conditions should be evaluated with regard to factors such as reduction of risk, clarity, common meaning, time saved in not drafting own terms and conditions, and international standards.

Outcome 3:

- ◆ Elements that make up the cost of goods and services is expected to include items such as raw materials, labour costs, manufacturing costs, logistics, consumables, cost of sales, excise duty, insurance, overheads, profit.
- ◆ Factors that should be taken into account when making a procurement decision may include cost, reliability, capacity, reputation, cost, time, quality, compliance.

Outcome 4:

- ◆ Delivery of the contract types considered could include verbal contracts, purchase orders, call-off contracts (enabling or framework contracts), and industry-standard forms (such as JCT forms 2005, PPI/PPP).
- ◆ The contract management procedures should include examples such as key performance indicators, customer-supplier meetings, continuous improvement, flexibility, dispute resolution, sharing of benefits and demand fluctuation work.
- ◆ The start-up and close down processes should deal with issues such as contract mobilisation, early termination, exit processes, liability, ownership and title, acceptance and record keeping.

Guidance on approaches to assessment of this unit

Evidence can be generated using different types of assessment. The following are suggestions only. There may be other methods that would be more suitable to learners.

Centres are reminded that prior verification of centre-devised assessments would help to ensure that the national standard is being met. Where learners experience a range of assessment methods, this helps them to develop different skills that should be transferable to work or further and higher education.

The unit can be assessed outcome by outcome, two or more outcomes together or all outcomes together, providing a holistic assessment of the unit. It would be beneficial to integrate assessments for this unit with other units available within the HND Facilities Management Group Award. Particular thought should be given to integration of assessment with: HN Unit HX59 35 *Facilities Management: Managing Relationships with Suppliers* and Specialists and HN Unit HX58 35 *Facilities Management: Managing Negotiations*.

Higher National Unit Support Notes (cont)

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Due to the focus on vocational skills and experience relevant to the facilities management sector throughout this unit, suggested method for assessment will focus on utilising the learner's own experience. Suitable forms of assessment could include essays, presentations and reports. The use of relevant case studies could help relate assessments to real working situations and contexts.

Assessment could be delivered as an e-assessment if desired.

Opportunities for e-assessment

E-assessment may be appropriate for some assessments in this unit. By e-assessment we mean assessment which is supported by Information and Communication Technology (ICT), such as e-testing or the use of e-portfolios or social software. Centres which wish to use e-assessment must ensure that the national standard is applied to all learner evidence and that conditions of assessment as specified in the evidence requirements are met, regardless of the mode of gathering evidence. The most up-to-date guidance on the use of e-assessment to support SQA's qualifications is available at www.sqa.org.uk/e-assessment.

Opportunities for developing Core and other essential skills

There is no automatic certification of Core Skills or Core Skills components in this unit, however there may be opportunities to develop the Core Skills of Communication, Numeracy, Information and Communication Technology (ICT), Problem Solving and Working with Others at SCQF level 6.

This Unit has the Critical Thinking component of Problem Solving embedded in it. This means that when learners achieve the Unit, their Core Skills profile will also be updated to show they have achieved Critical Thinking at SCQF level 6.

History of changes to unit

Version	Description of change	Date
02	Core Skills Component Critical Thinking at SCQF level 6 embedded.	30/05/18

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General information for learners

Unit title: Facilities Management: Managing Procurement and Contracts (SCQF level 8)

This section will help you decide whether this is the unit for you by explaining what the unit is about, what you should know or be able to do before you start, what you will need to do during the unit and opportunities for further learning and employment.

This unit will enable you to gain knowledge and skills in relation to procurement and contract management within facilities management. It will develop your knowledge of various types of contracts, specifications and terms and conditions for the procurement of goods and services in a cost effective manner.

This unit is suited to learners who are working or seeking work within the field of facilities management and is part of the HND Facilities Management Group Award.

In Outcome 1 you will describe the principles of procurement for the facilities management function.

In Outcome 2 you will be asked to explain the specifications and terms and conditions used within the procurement of goods and services.

In Outcome 3 you will analyse the factors which contribute to procurement costs.

In Outcome 4 evaluate the types of contracts used within facilities management.

You should have some experience of facilities management prior to undertaking this unit and if completing the group award, you can expect to complete this unit following *Facilities Management: Managing Negotiations* and alongside *Facilities Management: Managing Relationships with Suppliers and Specialists*. You may be assessed for this unit at the same time as *Facilities Management: Facilities Management: Managing Relationships with Suppliers and Specialists*.

This Unit has the Critical Thinking component of Problem Solving embedded in it. This means that when you achieve the Unit, your Core Skills profile will also be updated to show you have achieved Critical Thinking at SCQF level 6.