



**SHETTLESTON
HOUSING
ASSOCIATION**

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ANNUAL PROCUREMENT REPORT 2020/21

OCTOBER 2021

1. INTRODUCTION

Under the terms of the Procurement Reform (Scotland) Act 2014 the Association is required to produce an Annual Procurement Report reviewing our performance in procurement activity against the aims and objectives set down within our Procurement Strategy.

The Association undertakes a range of procurements each year and these are recorded within our procurement register, as appropriate. This document relates only to procurement that is defined as 'regulated procurement' under the terms of the legislation. Regulated procurements are public contracts for goods and services over £50,000 and for works over £2,000,000 in value.

2. PURPOSE OF REPORT

This report summarises Shettleston Housing Association's regulated procurement activity undertaken between 1 April 2020 and 31 March 2021. The report provides:

- Detail of the regulated procurement activity undertaken during the period
- A review of whether each procurement complied with the Association's Procurement Strategy
- A summary of community benefit requirements delivered as part of a regulated procurement
- A summary of steps taken to facilitate the involvement of supported businesses in regulated procurements
- A summary of anticipated regulated procurement activity in the next two financial years

3. REGULATED PROCUREMENT COMPLETED 2020/21

The Association completed two regulated procurements during the period 1 April 2020 – 31 March 2021:

CONTRACT	TYPE	DATE OF AWARD	PROCUREMENT ROUTE	SUPPLIER	VALUE	START DATE	END DATE
Periodic testing of fixed electrical installations	Services	Dec-20	Competitive tender via PCS Quick Quotes	Rodgers Electrical	£67,716	Dec-20	Mar-22
St Mark's Design & Build Contractor - Newbuild housing development of 44 homes	Works + Services	Mar-21	Mini-competition via established Framework	The JR Group Ltd	£6,799,824	Mar-21	Feb-23
TOTAL VALUE OF REGULATED PROCUREMENT 2020/21					£6,867,540		

4. REVIEW OF REGULATED PROCUREMENT COMPLIANCE

The Association's Procurement Strategy sets down our key objectives to support the delivery of effective, sustainable and compliant procurement across the organisation. All of the regulated procurement activity completed in 2020/21 was undertaken in line with the Association's approved Procurement Strategy.

CONTRACT	DID PROCUREMENT COMPLY	STRATEGY OBJECTIVES MET	ORGANISATIONAL OBJECTIVES MET
Periodic testing of fixed electrical installations	Yes	Consistent, fair and transparent approach via competitive tender using PCS Quick Quotes secured best value for contract. Encouraged SMEs to tender for works.	To effectively manage our resources to protect our assets and deliver the best possible outcomes for quality affordable homes in the area.
St Mark's Design & Build Contractor - Newbuild housing development of 44 homes	Yes	Consistent, fair and transparent approach to secure best value for contract using mini-competition within an established framework. Use of framework ensured efficiency of procurement. Fair work criterion included within framework terms. Appointed supplier is an accredited Living Wage Employer. Community benefit requirement included within contract terms.	To effectively manage our resources to protect our assets and deliver the best possible outcomes for quality affordable homes in the area.

We promote the payment of the living wage in all regulated procurements and encourage all suppliers to adhere to the principles of fair work practices.

The Association has committed to pay contractors and suppliers within 30 days of being invoiced and require contractors to pay sub-contractors within 30 days of being invoiced. For the reporting period we are unable to confirm 30 day payment for all invoices but will put measures in place to ensure this is monitored and reported in future reports.

5. COMMUNITY BENEFIT SUMMARY

We take a proportionate approach to all procurement activity and include community benefit requirements where appropriate. One of our regulated procurements in 2020/21 was over £4million in value and community benefit requirements were imposed as part of the contract, as required by the legislation. This contract was awarded in March 2021 and none of the community benefits were delivered during the reporting period. The community benefits will be delivered over the course of the contract, up to February 2023 and will be monitored throughout and included in subsequent annual procurement reports.

The following community benefit outcomes have been committed within the St Mark's newbuild contract:

COMMUNITY BENEFIT	QUANTITY (MIN)	COMMENT
Indirect New Entrant Recruited from sub-contractor	1	All jobs created by the project will be advertised locally, working with SHA and other local partners.
Apprenticeship	1	As part of Young Persons Strategy the project will create a role for an apprentice to gain training and real life working experience for long term

		sustainable employment beyond contract completion.
Work Experience Placements (16 + years of age)	1	An opportunity for a young person currently unemployed. Opportunities will be available to disciplines within construction which are flexible in time-scale and work package - certifications and references provided upon completion.
Further Education Visits	4	As part of Young Persons Strategy look to increase local employment through employability workshops or events in a school, college or community group (employability session, career information, mock interviews).
Reduce negative environmental impact.	1	Provide additional support for the local SEA project.
Business Mentoring for an SME	1	Provide support through approval process, free access to training material and help identify opportunities to expand/diversify their business - as a result SMEs will be better placed to win work / provide a higher quality / more diverse service.
Non-financial support for a Community Project	2	Initiatives to promote and assist local projects.

6. SUPPORTED BUSINESSES SUMMARY

The Association is committed, where possible, to provide opportunities to local SMEs, third sector and supported businesses and to encourage contracting partners to consider these types of organisations as sub-contractors. We do not currently have any contracts in place with supported businesses. However, as part of our ongoing discussions with the supplier on our newbuild project we are actively encouraging the use of supported local businesses as sub-contractors.

7. FUTURE REGULATED PROCUREMENTS SUMMARY

The Association's anticipated regulated procurement within the next two financial years is summarised below:

ANTICIPATED REGULATED PROCUREMENT 2021/22							
SUBJECT MATTER	TYPE	NEW/ EXTENDED / RE-LET	PROPOSED PROCUREMENT ROUTE	EXPECTED CONTRACT NOTICE PUBLICATION DATE	EXPECTED AWARD DATE	EXPECTED START DATE	ESTIMATED VALUE
Clerk of Works Services for development project	Services	New	Mini-comp via established Framework	call off from framework	Apr-21	Sep-01	£67,560
External Audit Services 3 years +1 +1	Services	Re-let	Competitive quality / price tender	Jun-21	Jul-21	Jul-21	£245,000
Contractor to deliver EICR Inspections 3 years +1 +1	Services	Re-let	Competitive tender via PCS Quick Quotes	Feb-22	Mar-22	Apr-22	£275,000
IT Support Services 3 years	Services	Re-let	Competitive quality / price tender	Feb-22	Mar-22	Apr-22	£105,000
TOTAL VALUE OF PROPOSED REGULATED PROCUREMENT 2021/22							£692,560

ANTICIPATED REGULATED PROCUREMENT 2022/23							
SUBJECT MATTER	TYPE	NEW/ EXTENDED / RE-LET	PROPOSED PROCUREMENT ROUTE	EXPECTED CONTRACT NOTICE PUBLICATION DATE	EXPECTED AWARD DATE	EXPECTED START DATE	ESTIMATED VALUE
Design Consultants newbuild Development	Services	New	Mini-comp via established Framework	Apr-22	May-22	May-22	£350,000
Legal Advice Services 3 years +1 +1	Services	Re-let	Competitive quality / price tender	May-22	Jun-22	Jul-22	£420,000
Communications & Publication Services 3 years +1 _1	Services	New	Competitive quality / price tender	May-22	Jun-22	Jul-22	£150,000
Consultant Support Maintenance Works 3 years +1 +1	Services	New	Mini-comp via established Framework	call off from framework	Oct-22	Oct-22	£200,000
Contractor newbuild Development (potential)	Works	New	Quality / Price Tender via PCS	Nov-22	Feb-23	Mar-23	£5,500,000
TOTAL VALUE OF PROPOSED REGULATED PROCUREMENT 2022/23							£6,620,000

8. PUBLISHING

This Annual Regulated Procurement Report, along with our reviewed and updated Procurement Strategy for the period 1 April 2021 to 31 March 2022 will be published on the Association's website.

A copy of the report and our updated Strategy will be sent to Scottish Ministers, as required under legislation.

9. CONTACT

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