



SHETTLESTON HOUSING ASSOCIATION

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ANNUAL PROCUREMENT REPORT 2021/22

AUGUST 2022

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 2021 and 31 March 2022 and the procurements we expect to complete within the next two financial years. 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 2021/22

The Association completed two regulated procurements during the period 1 April 2021 – 31 March 2022:

CONTRACT	TYPE	DATE OF AWARD	PROCUREMENT ROUTE	SUPPLIER	VALUE	START DATE	END DATE
Clerk of Works Services for newbuild development at St Mark's	Services	Apr-21	Mini-competition via established Framework	Hickton Quality Control	£53,424	Apr-21	Feb-23
External Auditor Services	Services	Jun-21	Quality / Price tenders sought from specialist suppliers	Azets	£180,000	Jun-21	Jun-26
TOTAL VALUE OF REGULATED PROCUREMENT 2021/22					£233,424		

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
Clerk of Works Services for newbuild development at St Mark's	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.	To effectively manage our resources to protect our assets and deliver the best possible outcomes for quality affordable homes in the area.
External Auditor Services	Yes	Consistent, fair and transparent approach to secure best value for contract. Specialist financial audit services. Tenders sought from restricted number of suppliers due to specialist nature of work. Full quality / price assessment completed.	To achieve excellent standards of governance and risk management. 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.

Payments included within Appendix A include those for all live regulated procurement during the reporting period.

5. COMMUNITY BENEFIT SUMMARY

We take a proportionate approach to all procurement activity and include community benefit requirements where appropriate. There were no procurements over £4m in value during 2021/22 and community benefits were not required in the regulated procurements completed.

One of our regulated procurements from 2020/21 was over £4million in value and community benefit requirements were imposed as part of that contract, as required by the legislation. This contract was awarded in March 2021 and the community benefits delivered during the reporting period are shown below. The community benefits will continue to 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 / delivered within the St Mark's newbuild contract:

COMMUNITY BENEFIT	COMMITTED UNDER CONTRACT	DELIVERED 2021/22	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	6	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 direct 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 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
Contractor to deliver EICR Inspections 3 years +1 +1	Services	New	Competitive tender via PCS Open Procedure	Apr-22	Jul-22	Aug-22	£275,000
Planned Maintenance Framework Lots 1-4 (4 years)	Works	New	Competitive tender via PCS Restricted Procedure	May-22	Sep-2022	Oct-2022	£3,400,000
IT Support Services 3 years +1	Services	Re-let	Competitive Tender via PCS Open Procedure or consider use of national framework	Dec-22	Mar-23	Apr-23	£248,000
Framework for Maintenance Contractors	Works	New	Competitive tender via PCS Restricted Procedure	Oct-22	Mar-23	Apr-23	£2,500,000
TOTAL VALUE OF PROPOSED REGULATED PROCUREMENT 2022/23							£6,423,000

ANTICIPATED REGULATED PROCUREMENT 2023/24							
SUBJECT MATTER	TYPE	NEW/ EXTENDED / RE-LET	PROPOSED PROCUREMENT ROUTE	EXPECTED CONTRACT NOTICE PUBLICATION DATE	EXPECTED AWARD DATE	EXPECTED START DATE	ESTIMATED VALUE
Gas Servicing Quality Control Contract	Services	New	Competitive Tender via PCS Open Procedure or consider use of national framework	Jan-23	Apr-23	Apr-23	£105,000
Stock Condition Survey	Services	New	Mini-comp via established Framework	call off from framework	Jun-23	Jun-23	£50,000

Legal Advice Services 3 years +1 +1	Services	Re-let	Competitive Tender via PCS Open Procedure or consider use of national framework	May-23	Jul-23	Jul-23	£420,000
Communications & Publication Services 3 years +1 +1	Services	New	Competitive Tender via PCS Open Procedure or consider use of national framework	May-23	Jul-23	Jul-23	£75,000
Consultant Support Maintenance Works 3 years +1 +1	Services	New	Mini-comp via established Framework	call off from framework	Jun-23	Jun-23	£80,000
TOTAL VALUE OF PROPOSED REGULATED PROCUREMENT 2023/24							£730,000

8. PUBLISHING

This Annual Regulated Procurement Report for the period 1 April 2021 to 31 March 2022, along with our reviewed and updated Procurement Strategy 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

For further information about this report please contact:

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Annual Procurement Report template

[NOTE: reference to contract is also to be construed as meaning a framework agreement]

1. Organisation and report details	
a) Contracting Authority Name	Shettleston Housing Association
b) Period of the annual procurement report	1 April 2021 – 31 March 2022
c) Required by s18 Procurement Reform (Scotland) Act 2014 to prepare an annual procurement report? (Yes / No)	Yes
2. Summary of Regulated Procurements Completed	
a) Total number of regulated contracts awarded within the report period	2
b) Total value of regulated contracts awarded within the report period	£233,424
c) Total number of unique suppliers awarded a place on a regulated contract awarded during the period	2
i) how many of these unique suppliers are SMEs	1
ii) how many of these unique suppliers how many are Third sector bodies	0
3. Review of Regulated Procurements Compliance	
a) Number of regulated contracts awarded within the period that complied with your Procurement Strategy	2
b) Number of regulated contracts awarded within the period that did not comply with your Procurement Strategy	0
4. Community Benefit Requirements Summary	
Use of Community Benefit Requirements in Procurement:	
a) Total Number of regulated contracts awarded with a value of £4 million or greater.	0
b) Total Number of regulated contracts awarded with a value of £4 million or greater that contain Community Benefit Requirements.	0
c) Total Number of regulated contracts awarded with a value of less than £4 million that contain a Community Benefit Requirements	0

Key Contract Information on community benefit requirements imposed as part of a regulated procurement that were fulfilled during the period:

d) Number of Jobs Filled by Priority Groups (Each contracting authority sets its own priority groups)	0
e) Number of Apprenticeships Filled by Priority Groups	0
f) Number of Work Placements for Priority Groups	0
g) Number of Qualifications Achieved Through Training by Priority Groups	0
h) Total Value of contracts sub-contracted to SMEs	£121,408
i) Total Value of contracts sub-contracted to Social Enterprises	£3,156
j) Total Value of contracts sub-contracted to Supported Businesses	0
k) Other community benefit(s) fulfilled	6

5. Fair Work and the real Living Wage

a) Number of regulated contracts awarded during the period that included a Fair Work criterion.	0
b) Number of unique suppliers who have committed to pay the real Living Wage in the delivery of a regulated contract awarded during the period.	0
c) Number of unique suppliers who are accredited Living Wage employers and were awarded a regulated contract awarded during the period.	0
d) Number of unique suppliers who have signed up to the Scottish Business Pledge and were awarded a regulated contract awarded during the period.	0

6. Payment performance

a) Number of valid invoices received during the reporting period.	41
b) Percentage of invoices paid on time during the period ("On time" means within the time period set out in the contract terms.)	100%
c) Number of regulated contracts awarded during the period containing a contract term requiring the prompt payment of invoices in public contract supply chains.	0
d) Number of concerns raised by sub-contractors about the timely payment of invoices within the supply chain of public contracts.	0

7. Supported Businesses Summary

a) Total number of regulated contracts awarded to supported businesses during the period	0
b) Total spend with supported businesses during the period covered by the report, including:	n/a
i) spend within the reporting year on regulated contracts	n/a
ii) spend within the reporting year on non-regulated contracts	n/a

8. Spend and Savings Summary

a) Total procurement spend for the period covered by the annual procurement report.	£2,977,720
b) Total procurement spend with SMEs during the period covered by the annual procurement report.	£2,935,694
c) Total procurement spend with Third sector bodies during the period covered by the report.	0
d) Percentage of total procurement spend through collaborative contracts.	0%
e) Total targeted cash savings for the period covered by the annual procurement report	0
i) targeted cash savings for Cat A contracts	n/a
ii) targeted cash savings for Cat B contracts	n/a
iii) targeted cash savings for Cat C contracts	n/a
f) Total delivered cash savings for the period covered by the annual procurement report	0
i) delivered cash savings for Cat A contracts	n/a
ii) delivered cash savings for Cat B contracts	n/a
iii) delivered cash savings for Cat C contracts	n/a
g) Total non-cash savings value for the period covered by the annual procurement report	n/a

9. Future regulated procurements

a) Total number of regulated procurements expected to commence in the next two financial years	9
b) Total estimated value of regulated procurements expected to commence in the next two financial years	£7,153,000