



**SHETTLESTON
HOUSING
ASSOCIATION**

SHETTLESTON HOUSING ASSOCIATION

ANNUAL PROCUREMENT REPORT 2022/23

AUGUST 2023

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 2022 and 31 March 2023 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 2022/23

The Association completed two regulated procurements during the period 1 April 2022 – 31 March 2023:

CONTRACT	TYPE	DATE OF AWARD	PROCUREMENT ROUTE	SUPPLIER	VALUE	START DATE	END DATE
Contractor to deliver 5 yearly EICR programme	Services	July 2022	Open Tender via PCS	Valley Group	£193,482	July 2022	June 2027
Planned Maintenance Framework Agreement (2 years +1 +1)	Works	October 2022	Restricted Tender via PCS	Various suppliers appointed to Lots – details below	£3,416,000 (over 4 years)	October 2022	September 2026
TOTAL VALUE OF REGULATED PROCUREMENT 2022/23					£3,609,482		

Planned Maintenance Framework – Appointed Suppliers:

Lot	Supplier 1	Supplier 2	Supplier 3
Lot 1 Kitchen Replacements	MCN (Scotland) Ltd	James Frew Ltd	Novus Property Solutions Ltd
Lot 2 Bathroom Replacements	MCN (Scotland) Ltd	James Frew Ltd	CCG (Scotland) Ltd
Lot 3 Electrical Rewiring	Easy Heat Systems Ltd	GD Chalmers Ltd	GWL-Electrical Ltd
Lot 4 SHQS/Full Internal Refurbishment	James Frew Ltd	Contract Building Services (Scotland) Ltd	Select Facilities (Scotland) Ltd

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 2022/23 was undertaken in line with the Association's approved Procurement Strategy.

CONTRACT	DID PROCUREMENT COMPLY	STRATEGY OBJECTIVES MET	ORGANISATIONAL OBJECTIVES MET
Contractor to deliver 5 yearly EICR programme	Yes	An open tender advertised on PCS ensured a consistent, fair and transparent approach. Tender was based on quality & price to secure best value for the contract. A 3 year +1 +1 appointment ensures alignment with the Association's 5 year EICR programme and secures efficiencies in procurement. Robust contract management will allow regular performance review and help deliver improved performance.	High standards of governance achieved through compliant procurement, transparent reporting and appropriate review and authorisation of contract award by governing body. Longer term contract allows partnership working with supplier to secure compliance with vital electrical safety requirements, contributing to the effective management of our resources to protect assets and deliver the best possible outcomes for quality affordable homes
Planned Maintenance Framework Agreement (2 years +1 +1)	Yes	A restricted, 2 stage tender advertised on PCS ensured a consistent, fair and transparent approach. Tender was based on quality & price to secure best value for the contract. Multiple suppliers were appointed to each Lot to allow flexibility and minimise delivery risk to the Association and ensure continuity of supplier delivery. Robust	High standards of governance achieved through compliant procurement, transparent reporting and appropriate review and authorisation of contract award by governing body. Appointment of multiple suppliers to Lots reduces delivery risk for Association. Full quality / price

		contract management will allow regular performance review and help deliver improved performance.	assessment of tenders ensures best value for money and effective management of our resources.
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Procurement of a Multi-Contractor Framework to Provide Day to Day Common Repairs & Void Repairs was advertised on PCS in November 2022. Following discovery of discrepancies in some of the documentation and submissions a decision was taken to cancel this procurement. This opportunity will be re-advertised in 2023/24.

We are committed to the principles of Fair Work First. 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 to this report include those for all live contracts delivered under 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 2022/23 A community benefits clause was included in the procurement of our Framework for Contractors to deliver Capital Projects.

One of our regulated procurements from 2020/21 was over £4million in value (newbuild development at St Mark's) and community benefit requirements were imposed as part of that contract, as required by the legislation. This contract was awarded in March 2021 and completed in February 2023 and the community benefits delivered as part of this project are shown below.

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

COMMUNITY BENEFIT	COMMITTED UNDER CONTRACT	DELIVERED	COMMENT
Indirect New Entrant Recruited from sub-contractor	1	2	Two apprentices appointed by plumbing sub-contractor and retained following completion of project. Both from Glasgow area.
Apprenticeship	1	1	One apprentice joiner appointed from east end of Glasgow and retained following completion of project.
Work Experience Placements (16 + years of age)	1	1	Local labourer employed on site for duration of contract.

Further Education Visits	4	0	Unable to complete due to post-covid restrictions within schools and then timing of opportunity.
Reduce negative environmental impact.	1	1	Site waste and energy performance data displayed on site notice boards and reviewed at internal meetings & toolbox talks. No specific targeted outcome delivered but regular monitoring of environmental impact throughout contract and reports issued highlighting reductions in energy use and waste to landfill.
Business Mentoring for an SME / supported business	1	1	Support provided to Glasgow based supported business to deliver welcome packs for all new residents.
Non-financial support for a Community Project	2	8	Donated 200 Easter Eggs to North East Foodbank Supplied and installed door entry system to Shettleston Men's Shed Supplied selection boxes to Shettleston Growing Project Supplied 20 children's hoodies to Smelly Welly club Provided materials & skip to Shettleston Growing Project Donated 150 Selection boxes for hampers for local residents Supplied painting materials for local community hall Donated hard hats and hi-viz vests to 2 local primary schools for their construction projects

A community benefit requirement is included within the contract to deliver EICRs and we are discussing with the contractor how the benefits will be delivered, including advertisement of training and apprenticeship opportunities on our website to encourage local applicants; and contribution to the Association's Community Fund.

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, we will continue to encourage the use of supported local businesses as sub-contractors, where appropriate.

7. FUTURE REGULATED PROCUREMENTS SUMMARY

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

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
Framework for Reactive & Void Maintenance Contractors 2 years +1 +1	Services	New	Competitive tender via PCS Open Procedure	July 2023	October 2023	October 2023	£2,700,000
Consultant to deliver Stock Condition Survey	Services	New	Direct award or mini-competition via est national framework	call off from framework	August 2023	August 2023	£75,000
IT Support Services 3 years +1	Services	Re-let	Specialist service - seek quality / price quotations from appropriate suppliers. Consider use of national framework	August 2023 / call off from framework	August 2023	September 2023	£135,000
Document Management System 3 years +1 +1	Services	New	Specialist service - seek quality / price quotations from appropriate suppliers. Consider use of national framework	June 2023 / call off from framework	July 2023	July 2023	£115,000
Insurance Broker 3 years +1 +1	services	Renewal	Competitive tender via PCS Open procedure. Consider use of national framework	January 2024	March 2024	April 2024	£70,000
ESTIMATED TOTAL VALUE OF PROPOSED REGULATED PROCUREMENT 2023/24							£3,095,000

ANTICIPATED REGULATED PROCUREMENT 2024/25							
SUBJECT MATTER	TYPE	NEW/ EXTENDED / RE-LET	PROPOSED PROCUREMENT ROUTE	EXPECTED CONTRACT NOTICE PUBLICATION DATE	EXPECTED AWARD DATE	EXPECTED START DATE	ESTIMATED VALUE
Legal Advice Services 3 years +1 +1	Services	Re-let	Competitive Tender via PCS Open Procedure or consider use of national framework	May 2024 / call off from framework	August 2024	September 2024	£320,000
Communications & Publication Services 3 years +1 + 1	Services	New	Competitive Tender via PCS Open Procedure or consider use of national framework	April 2024 / call off from framework	July 2024	July 2024	£75,000
Consultant to Support Maintenance Works 3 years +1	Services	New	Direct award or mini- competition via established national Framework	call off from framework	Jun-24	Jun-24	£80,000
Gas boiler servicing & repairs and out of hours repairs. 3 years +1	Services	Re-let	Consider direct award via national framework (Scotland Excel)	call off from framework	March 2025	April 2025	£700,000
ESTIMATED TOTAL VALUE OF PROPOSED REGULATED PROCUREMENT 2024/25							£1,175,000

8. PUBLISHING

This Annual Regulated Procurement Report for the period 1 April 2022 to 31 March 2023, 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**ANNEX A**

[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 2022 – 31 March 2023
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	£3,609,482
c) Total number of unique suppliers awarded a place on a regulated contract awarded during the period	10
i) how many of these unique suppliers are SMEs	8
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	1

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)	1
e) Number of Apprenticeships Filled by Priority Groups	3
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	£19,168.99
i) Total Value of contracts sub-contracted to Social Enterprises	£275.00
j) Total Value of contracts sub-contracted to Supported Businesses	0
k) Other community benefit(s) fulfilled	14

5. Fair Work and the real Living Wage

a) Number of regulated contracts awarded during the period that included a Fair Work criterion.	1
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.	9
c) Number of unique suppliers who are accredited Living Wage employers and were awarded a regulated contract awarded during the period.	5
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.	66
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.	£4,381,969
b) Total procurement spend with SMEs during the period covered by the annual procurement report.	£4,353,817
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	8
b) Total estimated value of regulated procurements expected to commence in the next two financial years	£4,270,000