

ANNUAL PROCUREMENT REPORT

2018/19



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Section 2 - Introduction

In September 2016, in compliance with the Procurement Reform (Scotland) Act 2014 (the Act) and following approval from the Association's Board of Management on 1 September, Almond Housing Association (AHA) published its first Procurement Strategy.

This is the Association's second annual procurement report under the 2014 Act. The purpose of the report is to both publicise and summarise the performance and achievements of the Association in delivering its Procurement Strategy. It is hoped that the publication of this and subsequent annual reports will help promote the positive impact that AHA's procurement processes can have within the West Lothian area. This report covers the period between 1 April 2018 and 31 March 2019.

The report is intended to:

- aid visibility of procurement activities
- be a mechanism for conveying how the Association is meeting legislative procurement requirements
- outline how the Association's procurement activity is contributing to the delivery of its broader aims and objectives
- ensure transparency of AHA's purchasing activities and provide businesses with advance notice of potential future contracting opportunities that may be offered by the Association.

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Section 3 – Summary of Regulated and Unregulated Procurements Completed

A regulated procurement is any procurement for supplies or services with a value of over £50,000 and for public works contracts with a value of over £2 million. The value of the procurement is measured over the total contract period. For the purposes of this section, a regulated procurement is completed when the award notice is published or where the procurement process otherwise comes to an end. This includes contracts and framework agreements.

The table below shows a summary of both regulated and unregulated procurements awarded by the Association between 1 April 2018 and 31 March 2019.

Table 1. Summary of Regulated and Unregulated Procurements

Contract Description	Estimated life value (£)	Procurement start date	Contract start date	Contract duration (yrs & mths)	Regulated/Unregulated	Procurement Method
Garden Aid Scheme	£15,000	01/02/18	01/05/18	3 years	Unregulated	PCS e-tender
IT backup and recovery	£45,000	02/03/18	01/05/18	2 years	Unregulated	PCS e-tender
IT support maintenance	£35,000	02/03/18	01/05/18	2 years	Unregulated	PCS e-tender
Contract 195: External Painter Work	£105,500	01/04/18	04/06/18	2 years	Unregulated	Negotiated contract
Contract 194: Boiler Replacements	£1,280,583	01/07/18	13/08/18	3 years	Unregulated	Use of Framework
Contract 197: External Render and Balcony Enclosures	£153,000	01/07/18	01/09/18	2 years	Unregulated	Negotiated contract
Contract 198: Partial Electrical Upgrades	£170,000	01/05/18	01/07/18	2 years	Unregulated	Negotiated contract
Contract 199: Window Replacements	£1,800,000	01/07/18	01/09/18	3 years	Unregulated	Use of Framework
Office – Electricity	£21,302	01/07/18	01/08/18	12 months	Unregulated	Negotiated contract
Welfare and Money Advice Services	£26,500	01/04/18	30/04/18	11 months	Unregulated	Negotiated contract
Telephony Contract	£17,639	01/11/18	01/03/19	3 years	Unregulated	PCS quick quote

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Section 4 – Review of Regulated Procurement Compliance

Almond Housing Association is committed to ensuring that all regulated procurement activities undertaken are fair, open, transparent, non-discriminatory and sustainable in accordance with the Association's Procurement Strategy, all relevant legislation and best practice.

Procurement is heavily influenced by legislation. Any changes from the EU, UK or Scottish Governments will be communicated across the Association as soon as it is practical to do so. The Scottish Government issues Scottish Procurement Policy Notes (SPPNs) and these will be implemented and communicated across the Association when they are made readily available.

During 2018/19, the Association completed one regulated procurement which was undertaken in line with the Association's approved Procurement Policy.

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Section 5 – Community Benefits Summary

An integral part of Almond Housing Association's approach to and policy on procurement is sustainability in the widest sense, including ensuring that our procurement processes result in wider meaningful social benefits within the local communities in which the Association operates. The Association therefore considers sustainability/added value as part of our overall assessment of the Quality aspect of tenders that are received.

The Association is committed to maximising Community Benefits from its procurement activities. We work to ensure that any added value is proportionate to the scale of the contract and takes account of the nature of the work being carried out.

The table below reports the summary of all Community Benefits received between 1 April 2018 and 31 March 2019:

Table 2. Summary of all Community Benefits

Everwarm	Financial support for community - £200 donation for starter pack project which was used to purchase essential household items to help people who have previously been homeless. Provided support to local community events or charities.
	Actively participated in careers event in February 2019 at Inveralmond High School. Engaged with over 150 pupils and supported AHA with press release and social media activity.
	Work experience placements for Inveralmond High School.
	Community support – items of food donated to the Community Fridge Project. Food parcels were distributed to local families experiencing food poverty. Door-to-door deliveries were made directly to dozens of tenants, providing them with essential groceries to help keep them going over Christmas and the New Year.
Novus	£20,000 refurbishment of Riverside Community Wing including IT suite, kitchen, flooring and decoration.
	Work experience placements offered, but not taken up.
	Prior notification of recruitment to apprenticeship programme. One young person has successfully completed four-year apprenticeship programme and is now employed by Novus on a permanent basis.
	Provision of refreshments for community events and meetings.
	Decorated properties for older or disabled tenants or those not able to decorate by themselves due to ill health.
Sidey Ltd	Offered work experience placements for young people. School unable to progress so likely to happen in year 2.
	Actively participated in careers event in February 2019 at Inveralmond High School. Engaged with over 150 pupils and supported AHA with press release and social media activity.

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	<p>Supported local schools with educational attainment; provided job descriptions and links to internal industry-based training films to support curriculum development within schools. Feedback from teachers was very positive.</p>
	<p>Donated £750 towards starter packs project which was used to purchase essential household items to help people who had previously been homeless.</p>
	<p>Pledge employee volunteer days plus £200 in goods. Not progressed yet – scheduled for year 2.</p>
Response Building Maintenance Services	<p>Actively participated in careers event in February 2019 at Inveralmond High School. Engaged with over 150 pupils and supported AHA with press release and social media activity.</p>
	<p>Support for community groups – donated surplus materials and time donated to support development of garden and outside tap.</p>
	<p>Financial support for community projects – £150 in gift vouchers.</p>
Continental Landscapes	<p>Supported community groups – provided heavy duty garden bags for community garden projects and uplifted and disposed of garden rubbish on several occasions. Also donated wooden pallets for Youth Action Project to make planters for community projects and help young people gain skills, experience and qualifications in woodwork with West Lothian College.</p>
Mitie, now known as MPS	<p>Supported community groups - supplied and fitted metal gates for Hobart Street Community Garden.</p>
WRB	<p>Financial support for community projects – £200 Asda gift vouchers.</p>
Garden Tidy	<p>Financial support for community projects – £30 gift vouchers.</p>

Using direct feedback from our current contractors, we will continue to develop the existing areas/projects in 2019/20. In addition, we would ask our contractors to consider supporting our early years initiatives when submitting tenders throughout 2019/20.

Supporting children's literacy by:

- Sponsoring a child as part of the AHA Imagination Library Project, improving children's literacy development by gifting books to children under five years old.
- Providing gift in kind support and resources for Story Starters sessions and other community-based learning activities.

Section 6 – Supported Business

The Association is committed to supporting and improving access to procurement opportunities for local SMEs and Supported Businesses. From September 2016, the Association has placed all tender adverts above £10K through the national tender advertising portal, www.publiccontractsscotland.gov.uk. This helps businesses as they know where to find opportunities and receive emails when adverts are placed for their chosen area of speciality.

However, the Association has made special effort to ensure opportunities are open to all and that SMEs and local businesses should not be disadvantaged in any way in the tender process. Consequently, we work to actively support or sponsor a local Supplier Development Programme (SDP), preferably in collaboration with peer RSLs such as Weslo, Horizon/Link and West Lothian Council through events and ‘Meet the Buyer’ type presentations where available.

It was recognised that successful local businesses will help reduce unemployment. Economic development is one of the Association’s key priorities and procurement can play an important part in developing this objective.

Over the course of 2018/19 the Association helped SMEs and local businesses by:

- Ensuring all tenders were advertised on one marketplace, Public Contracts Scotland
- Offered to meet local businesses on a one-to-one basis to ensure there was ongoing dialogue between them and the Association
- Ensured consideration was given to SME issues when developing the tender strategy
- Ensured there was a fair representation of local companies invited along for low-value quotes
- Reviewed tender documents to ensure they were consistent and user friendly

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Section 7 – Future Regulated and Unregulated Procurements

The Association's Contracts Register is publicly available on the Public Contracts Scotland e-tender facility. All tenders over £10K in value are issued electronically via this platform.

With our commitment to support local SMEs and, to remain both open and transparent, below we have summarised all anticipated regulated and unregulated procurements that the Association expects to commence within the next two financial years.

Table 3. Details of upcoming regulated procurements

Contract Description	Location(s)	Contract Year	Estimated Contract Value (£)
Tenant Satisfaction Survey	Internal services	2019/20	£50,000
Photocopiers	Internal services	2019/20	£50,000
IT Backup and Recovery	Internal services	2019/20	£50,000
Stair Cleaning Contract	Stock wide	2019/20	£210,000
Craigshill Reactive Repairs MTC	Craigshill	2020/21	£2,400,000
Howden Reactive Repairs MTC	Howden	2020/21	£1,200,000
Gas service & repair inc Co2 detectors	Stock wide	2020/21	£1,600,000
Electrical tests	Stock wide	2020/21	£225,000
Landscape Maintenance	Stock wide	2020/21	£480,000
Cyclical Decoration	Craigshill	2020/21	£1,315,000
Gas audit	Stock wide	2020/21	£341,960

Table 4. Details of upcoming unregulated procurements

Contract Description	Location(s)	Contract Year	Estimated Contract Value (£)
Insurance Brokerage	Internal services	2019/20	£25,000
Welfare and money advice service	Internal services	2019/20	£26,500
External Painterwork	Stock wide	2019/20	£105,500
Partial Electrical Upgrades	Craigshill	2019/20	£402,000
Office – Electricity	Internal services	2019/20	£21,302
Internal audit services	Internal services	2019/20	£49,375
External audit services	Internal services	2019/20	£15,350
Tenancy Sustainment	Internal services	2019/20	£11,597
Out of hours call handling service	Internal services	2020/21	£30,000
Smoke detector servicing	Stock wide	2020/21	£36,000
Envirovent servicing	Stock wide	2020/21	£11,000

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Office cleaning/desk cleaning	Internal services	2020/21	£30,750
Office – water and waste management	Internal services	2020/21	£5,700

AHA expects to undertake over £8 million of procurement over the next two years. However, this is subject to change.