



# **SHETTLESTON HOUSING ASSOCIATION**

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ANNUAL PROCUREMENT REPORT 2023/24

AUGUST 2024

## 1. INTRODUCTION

Under the terms of the Procurement Reform (Scotland) Act 2014 public bodies with an annual regulated procurement value of more than £5million are required to produce an Annual Procurement Report reviewing performance in procurement activity against the aims and objectives set down within their Procurement Strategy. The value of regulated procurement completed by the Association in 2023/24 was just under £3million and, therefore, fell below this threshold level. However, in line with good procurement practice we will continue to produce an annual procurement report to help monitor performance against our Procurement Strategy and objectives.

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 2023 and 31 March 2024 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
- Steps the Association is taking to ensure continuous improvement in procurement activity
- A summary of anticipated regulated procurement activity in 2024/25 and 2025/26

### 3. REGULATED PROCUREMENT COMPLETED 2023/24

The Association completed four regulated procurements during the period 1 April 2023 – 31 March 2024:

CONTRACT	TYPE	DATE OF AWARD	PROCUREMENT ROUTE	SUPPLIER	VALUE (excl VAT)	START DATE	END DATE
Framework for Reactive & Void Maintenance Contractors (2 years +1 +1)	services	October 2023	PCS Open Procedure. Quality & Price tender	Various suppliers appointed to Lots – details below	£2,700,000 (over 4 years)	October 2023	September 2027
Stock Condition Survey	services	October 2023	Direct award via Scotland Excel Building Construction Consultancy Framework Ref: 0920 Framework Lot 14 – Building Surveying	Brown + Wallace	£66,760	October 2023	February 2024
Finance Automation System	services	Jan 2024	Review of specialist providers. Direct award. VEAT notice issued on PCS	MRI	£85,365	December 2023	March 2027
Payment Provider	services	Jan 2024	Review of specialist providers. Direct award. VEAT notice issued on PCS	Pay360	£115,278	June 2024	May 2029
<b>TOTAL VALUE OF REGULATED PROCUREMENT 2023/24</b>					<b>£2,967,402</b>		

## Framework for Reactive &amp; Void Maintenance Contractors – Appointed Suppliers:

<b>Lot 1 Plumbing</b>	<b>Lot 2 Electrical Work</b>	<b>Lot 3 Joiner Work</b>
DH Plumbing Ltd W MC Heating & Plumbing Services WQS WONDERSEAL Ltd WMR Contractors Ltd Team Services (Scotland) Ltd	John Clarke Electrician Ltd Magnus Electrical Services Limited G.D. CHALMERS LIMITED MP Group UK Limited Ib Contracts Ltd Property One Limited	MP Group UK Limited dpgplus Ib Contracts Ltd Property One Limited WMR Contractors Ltd Team Services (Scotland) Ltd
<b>Lot 4 Ventilation</b>	<b>Lot 5 Door Entry &amp; TV Aerial</b>	<b>Lot 6 Underground Drainage</b>
MP Group UK Limited THE VENTILATION EXPERTS MS All Trades Ltd	AlphaComm systems LTD Fortress Security Alarms Ltd DM Integrated Limited	I&D CANT Ltd Stepford Contracts Ltd Probe Drainage Specialists Ltd dpgplus Lanes Group Plc Metro Rod Ltd
<b>Lot 7 Glazing &amp; Window Repairs</b>	<b>Lot 9 Roofing &amp; Builderswork</b>	<b>Lot 10 Stonework Repairs</b>
JM Glass Glasgow Ltd Team Services (Scotland) Ltd	WA Brick and Stone Limited K & G Roofing Ltd Team Services (Scotland) Ltd WMR Contractors Ltd	CBC Stone Restoration and Conservation Ltd Masonry Solutions Ltd Crown Masonry Ltd

There was no award to Lot 8 Roughcasting / Plastering.

#### 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 2023/24 was undertaken in line with the Association's approved Procurement Strategy.

CONTRACT	COMPLIANT	STRATEGY OBJECTIVES MET	ORGANISATIONAL OBJECTIVES MET
Framework for Reactive & Void Maintenance Contractors	Yes	<p>An open tender advertised on PCS ensured a consistent, fair and transparent approach. Tender was based on quality &amp; price to secure best value. Multiple suppliers were appointed to each Lot to allow flexibility and minimise delivery risk to the Association and ensure continuity of supplier delivery.</p> <p>Robust contract management will allow regular performance review and help deliver improved performance.</p>	<p>High standards of governance achieved through compliant procurement, transparent reporting and appropriate review and authorisation of contract award by governing body.</p> <p>Appointment of multiple suppliers to Lots reduces delivery risk for Association. Full quality / price assessment of tenders ensures best value for money and effective management of our resources.</p>
Stock Condition Survey	Yes	<p>Direct award via call-off from national framework ensured a compliant, fair and transparent approach. Use of nationally procured framework secured best value and benefit of economy of scale through collaborative approach.</p>	<p>High standards of governance achieved through compliant procurement, transparent reporting and appropriate review and authorisation of contract award by governing body.</p> <p>Use of national framework ensured best value for money and effective management of our resources.</p> <p>Direct award allowed consistency of supplier and data software and more efficient use of resources.</p>
Finance Automation System	Yes	<p>Limited suitable suppliers available. Review of specialist suppliers and direct award to supplier that best met needs and is compatible with existing software. This minimised impact on other critical business areas.</p> <p>VEAT notice issued to ensure compliant, fair and transparent approach.</p> <p>Robust contract management will allow regular performance review and help deliver improved performance.</p>	<p>High standards of governance achieved through compliant procurement, transparent reporting and appropriate review and authorisation of contract award by governing body.</p> <p>Longer term contract allows partnership working with supplier and consistency of services.</p>

<p>Payment Provider</p>	<p>Yes</p>	<p>Limited suitable suppliers available. Review of specialist suppliers and direct award to supplier that best met needs and is compatible with existing software. This minimised impact on other critical business areas.                  VEAT notice issued to ensure compliant, fair and transparent approach.                  Robust contract management will allow regular performance review and help deliver improved performance.</p>	<p>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 and resilience of services for customers.</p>
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**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 2023/24. However, a community benefits clause was included in the procurement of our Framework for Reactive & Void Maintenance Contractors. The requirement is for each supplier to contribute a sum equal to the value of a percentage of annual contract spend to the Association’s Community Chest. This fund provides assistance to local community groups to deliver activities or common improvements in the Shettleston area. The amount contributed in 2023/24 by Framework suppliers was £4,361.

A community benefit requirement was included within the contract to deliver EICRs awarded in 2022/23 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 non-financial assistance to local community groups. These benefits will be delivered in 2024/25 and 2025/26.

**6. PAYMENT PERFORMANCE**

The Association is 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. Contracts bidding for the Framework for Reactive & Void Maintenance were required to commit to Fair Work principles and payment of the living wage. We are committed to pay contractors and suppliers within 30 days of being invoiced (or sooner where contract conditions require) and expect contractors to pay sub-contractors within 30 days of being invoiced.

The payments included within Appendix A to this report include sums paid during the reporting period for all live contracts that have been delivered under regulated procurement. Spend figures include VAT, where appropriate. The high number of valid invoices shown reflects the fact that repairs completed within our Framework for Reactive & Void Maintenance Contractors are invoiced individually by suppliers.

A number of our contracts have been procured via Scotland Excel national frameworks and we have included spend under these contracts as spend through collaborative contracts.

## **7. 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. 28 of the suppliers appointed via regulated procurement in 2023/24 are SMEs. 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.

## **8. CONTINUOUS IMPROVEMENT**

The Association is committed to securing continuous improvement in our procurement activity and has undertaken a Continuous Improvement Programme for Procurement (CIPP) review with Scotland Excel in June 2024/25. This included completion of the Scottish Government's Flexible Framework Assessment. The outcomes of the CIPP will inform an action plan for improvement and we will report on progress against this to our Board of Management.

## **9. FUTURE REGULATED PROCUREMENTS SUMMARY**

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

<b>ANTICIPATED REGULATED PROCUREMENT 2024/25</b>							
<b>SUBJECT MATTER</b>	<b>TYPE</b>	<b>NEW/ EXTENDED / RE-LET</b>	<b>PROPOSED PROCUREMENT ROUTE</b>	<b>EXPECTED CONTRACT NOTICE PUBLICATION DATE</b>	<b>EXPECTED AWARD DATE</b>	<b>EXPECTED START DATE</b>	<b>ESTIMATED VALUE</b>
Insurance Broker & Cover	services	Re-let	Competitive tender via PCS Open procedure. Consider use of national framework	March 2024	April 2024	April 2024	£600,000
Consultant to support maintenance works 3 years	services	New	Direct award or mini-competition via est national framework	call off from framework	November 2024	November 2024	£60,000
Legal Advice Services 3 years +1 +1	services	Re-let	Competitive Tender via PCS Open Procedure or consider use of national framework	October 2024 / call off from framework	December 2024	January 2025	£320,000
Communications & Publication Services 3 years +1 +1	services	New	Competitive Tender via PCS Open Procedure or consider use of national framework	October 2024 / call off from framework	December 2024	February 2025	£75,000
IT Support 3 years	services	Re-Let	Competitive tender via PCS Open Procedure	December 2024	February 2025	April 2025	£58,000
IT Hardware	goods	New	Consider direct award via national framework for hardware leasing, or seek quotes from suppliers	October 2024 / call off from framework	December 2024	February 2025	£50,000
Electricity Supply Broker & Contract	services	Re-Let	Seek quotes from specialist providers	May 2024	June 2024	June 2024	£67,000
<b>ESTIMATED TOTAL VALUE OF PROPOSED REGULATED PROCUREMENT 2024/25</b>							<b>£1,230,000</b>



<b>ANTICIPATED REGULATED PROCUREMENT 2025/26</b>							
<b>SUBJECT MATTER</b>	<b>TYPE</b>	<b>NEW/ EXTENDED / RE-LET</b>	<b>PROPOSED PROCUREMENT ROUTE</b>	<b>EXPECTED CONTRACT NOTICE PUBLICATION DATE</b>	<b>EXPECTED AWARD DATE</b>	<b>EXPECTED START DATE</b>	<b>ESTIMATED VALUE</b>
Gas Servicing & Repairs and Out of Hours Cover 4 years +1	services	Re-let	Competitive Tender via PCS Open Procedure or consider use of national framework	March 2025	June 2025	August 2025	£1,300,000
Internal Auditor 3 years +1+1	services	Re-let	Specialist Service. Explore potential established frameworks. Quality / Price tenders to suitable suppliers.	March 2025	May 2025	June 2025	£50,000
External Auditor Services (Group) 3 years +1 +1	services	Re-let	Specialist Service. Explore potential established frameworks. Quality / Price tenders to suitable suppliers.	February 2026	March 2026	May 2026	£220,000
Governance Reporting Software 4 years	services	Re-Let	Explore potential established frameworks. Quality / Price tenders to suitable suppliers.	August 2025	October 2025	December 2025	£60,000
Cloud Servers 5 years	services	New	Explore potential established frameworks. Quality / Price tenders to suitable suppliers.	September 2025	November 2025	January 2026	£150,000
<b>ESTIMATED TOTAL VALUE OF PROPOSED REGULATED PROCUREMENT 2025/26</b>							<b>£1,780,000</b>

## **10. PUBLISHING**

This Annual Regulated Procurement Report for the period 1 April 2023 to 31 March 2024, 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 also be issued to Scottish Ministers.

## **11. 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]

<b>1. Organisation and report details</b>	
a) Contracting Authority Name	Shettleston Housing Association
b) Period of the annual procurement report	1 Apr 2023 – 31 Mar 2024
c) Required by s18 Procurement Reform (Scotland) Act 2014 to prepare an annual procurement report? (Yes / No)	No
<b>2. Summary of Regulated Procurements Completed</b>	
a) Total number of regulated contracts awarded within the report period	4
b) Total value of regulated contracts awarded within the report period	£2,967,402
c) Total number of unique suppliers awarded a place on a regulated contract awarded during the period	31
i) how many of these unique suppliers are SMEs	28
ii) how many of these unique suppliers are Third sector bodies	0
<b>3. Review of Regulated Procurements Compliance</b>	
a) Number of regulated contracts awarded within the period that complied with your Procurement Strategy	4
b) Number of regulated contracts awarded within the period that did not comply with your Procurement Strategy	0
<b>4. Community Benefit Requirements Summary</b>	
<b>Use of Community Benefit Requirements in Procurement:</b>	
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 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)	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	0
i) Total Value of contracts sub-contracted to Social Enterprises	0
j) Total Value of contracts sub-contracted to Supported Businesses	
k) Other community benefit(s) fulfilled	1 / £4,361

**5. Fair Work and the real Living Wage**

a) Number of regulated contracts awarded during the period that included a Fair Work First 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.	28
c) Number of unique suppliers who are accredited Living Wage employers and were awarded a regulated contract during the period.	4

**6. Payment performance**

a) Number of valid invoices received during the reporting period.	1,717
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
- b) Total spend with supported businesses during the period covered by the report, including:
- i) spend within the reporting year on regulated contracts
- ii) spend within the reporting year on non-regulated contracts

0
0
0
0

**8. Spend and Savings Summary**

- a) Total procurement spend for the period covered by the annual procurement report.
- b) Total procurement spend with SMEs during the period covered by the annual procurement report.
- c) Total procurement spend with third sector bodies during the period covered by the report.
- d) Percentage of total procurement spend through collaborative contracts.

£2,348,180
£1,389,300
0
25%

- e) Total delivered cash savings for the period covered by the annual procurement report

n/a
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- f) Total non-cash savings value for the period covered by the annual procurement report

n/a
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**9. Future regulated procurements**

- a) Total number of regulated procurements expected to commence in the next two financial years
- b) Total estimated value of regulated procurements expected to commence in the next two financial years

12
£3,0100,000