

## Procurement Strategy

Prepared by	Technical Director
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Reviewed by	Management Committee

Corporate Fit	Internal Management Plan	✓
	Risk Register	✓
	Business Plan	✓
	Equalities Strategy	✓
	Legislation	✓

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### Alternative formats available



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乐意翻译

Our policies provide a framework to underpin our vision and values, to help us achieve our strategic objectives.

## Our Vision

Local people, local control.

By providing quality homes and services, we will create stronger communities and a better quality of life for our customers.

## Our Values

- Focused on the needs of our customers and communities.
- Supportive of our staff and Committee members.
- Responsible, efficient, and innovative.
- Open and accountable.
- Inclusive and respectful.
- Fair and trustworthy.

## Strategic Direction

**Consolidation and improvement:** Applicable to our core business as a landlord & property manager.

**Growth:** Through the new build opportunities, we are taking forward.

**Partnerships:** Where this can help to address shared goals and increase capacity and value.

**Resilience:** A key priority across all parts of our business.

## Strategic Objectives

**Services:** Deliver quality, value for money services that meet customers' needs

**Homes & neighbourhoods:** Provide quality homes and neighbourhoods.

**Assets:** Manage our assets well, by spending wisely.

**Communities:** Work with local partners to provide or enable services and activities that benefit local people and our communities as a whole

**Our people:** Offer a great workplace environment that produces a positive staff culture and highly engaged staff.

**Leadership & Financial:** Maintain good governance and a strong financial business plan, to ensure we have the capacity to achieve our goals.

## Our Equalities and Human Rights Commitment

We understand that people perform better when they can be themselves and we are committed to making the Association an environment where employees, customers, and stakeholders can be open and supported. We promote equality, diversity, and inclusion in all our policies and procedures to ensure that everyone is treated equally and that they are treated fairly on in relation to the protected characteristics as outlined in the Equality Act 2010.

## Privacy Statement

As data controller we will collect and process personal data relating to you. We will only collect personal information when we need this. The type of information we need from you will vary depending on our relationship with you. When we ask you for information, we will make it clear why we need it. We will also make it clear when you do not have to provide us with information and any consequences of not providing this. We are committed to being transparent about how we collect and use your data, and to meeting our data protection obligations with you. Further information about this commitment can be found within our full Privacy Statements.

## Policy Scope & Review

For the purpose of this policy the term Association will include all members of the Tollcross Housing Association Limited. Therefore, all employees, governing body members, volunteers, customers and other relevant stakeholders will be expected to adhere to this policy and/or procedure. All policies and procedures are reviewed every 3 years in line with best practice and current legislation. The Association reserves the right to make additions or alterations to this policy and procedure from time to time. Any timescales set out in this policy may be extended where required.

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## 1. Executive Summary

1.1. The Association's Management Committee and staff are committed to delivering value for money across all areas of the service by means of an effective procurement process which will ensure compliance with legislative requirements. The Association intends to achieve this by establishing clearly stated outcomes throughout this strategy document which will be corporately adopted, monitored, reported on and enhanced where appropriate.

## 2. Introduction: Strategy Rationale

2.1. This strategy aims to equip Tollcross Housing Association (the Association) with the direction required to continue achieving the overarching goals of attaining value for money and being able to demonstrate adequate governance and accountability in relation to the expenditure of Association funds. This Strategy covers the period to 31 March 2019.

2.2. The Association is a "contracting authority for the purposes of the Public Contracts Scotland Regulations 2015 (the 2015 Regulations) and the Procurement Reform (Scotland) Act 2014. The 2015 Regulations specify legal procedures which the Association must follow when buying supplies (at or above the value of £164,176), services (at or above the value of £164,176) and works (at or above the value of £4,104,394). These values are subject to review on an annual basis.

2.3. In broad terms, the Procurement Reform (Scotland) Act 2014 introduces a degree of regulation for certain procurements which are below the financial thresholds of the 2015 Regulations. As a result, all Association procurement requirements for services and supplies above £50,000 in value and all Association procurement requirements for works above £2m shall now be regulated contracts for the purposes of the Act. Where a contracting authority has a likely annual spend of more than £5m on regulated contracts, the Act obliges it to prepare and publish an annual procurement strategy and thereafter publish an annual report on performance against the strategy.

2.4. Therefore, the purposes of this strategy are:

- Better efficiency, savings and value for money (in terms of quality and cost)
- Added value for our customers, their communities and the wider local economy
- Compliance with legislation and regulatory requirements

## 3. Impact of Strategy

3.1. Implementation of the various actions required by this Strategy shall evidence that the Association is actively compliant both with legislative requirements and also with best practice in respect of its procurement activities. Once implemented, the actions required under this Strategy shall demonstrate the Association's commitment to ensuring transparency, equal treatment, non-discrimination and proportionality in all its regulated procurement activities.

3.2. The adoption of this Strategy shall also serve to build upon and enhance the Association's existing procurement capacity and capabilities.

3.3. The policies and procedures deriving from this strategy shall highlight the concept of value for money in procurement being an informed choice for the Association between cost, quality and sustainability by delivering on the key priorities of:

- a) Maximising efficiency and collaboration
- b) Delivering and demonstrating real cash savings across the organisation
- c) Improving access to Association contracts, particularly for Small and Medium Enterprises (SMEs).
- d) Embedded sustainable procurement within the Association's procurement strategy. This means that before carrying out any regulated procurement the Association shall consider how in the procurement process it can:
  - i) Improve the economic, social and environmental wellbeing of the location in which we operate.
  - ii) Facilitate the involvement of SMEs, other third sector bodies and supported business in the process; and
  - iii) Promote innovation

#### **4. Interaction with policy /manual**

- 4.1. The Association has an existing procurement policy/manual which is aimed primarily at operational staff who require day to day guidance on how the Association can comply with procurement rules. This Strategy aims to provide a higher level overview of the Association's approach to procurement and to satisfy its obligations under the Act to publish a procurement strategy.

#### **5. Vision**

- 5.1. To deliver efficient and effective processes across all procurement activities within the Association which demonstrate our professionalism, fairness, integrity while ensuring that our money is spent wisely.

#### **6. Procurement Strategy: Target Outcomes**

- 6.1. How the Association will ensure that its regulated procurements will contribute to the carrying out of its functions and achievement of its purposes.
- Procuring officers will aim to always consider the Associations functions, this Strategy and the procurement policy/manual at the outset of, and during, any procurement activity.
  - The Association will aim to engage in effective and relevant consultation prior to and throughout the life of this Strategy.
  - The Association will aim to engage in effective contract and economic operator management to monitor the effectiveness of regulated procurements
  - The Association will aim to establish and work towards appropriate high level commercial targets.
  - The Association will, if appropriate, consider joint procurement.
  - The Association will aim to engage, if appropriate, in relevant community and stakeholder consultation during procurement exercises.
  - The Association will aim to use clear outcomes in contract notices.
- 6.2. How the Association intends to ensure that its regulated procurement will deliver value for money.
- Procuring officers will aim to always consider the Associations functions, this Strategy and procurement policy/manual at the outset of and during any procurement activity.
  - The Association will aim to consider the balance of value for money on a case by case basis, while ensuring consistency and transparency in procurement exercises.
  - The Association will aim to consider the whole life cost of each procurement, in a clear, transparent and proportionate manner in line with fundamental principles of the EU Treaty.
  - The Association will aim to use appropriately the flexibility afforded to the Association by the value for money concept in order to consider priorities that are relevant to the Association's particular procurement, and align these with the Association's overall policy objectives.
- 6.3. How the Association intends to ensure that its regulated procurements will be carried out in compliance with its duty to treat relevant economic operators equally and without discrimination.
- Procuring officers will always aim to consider the Association's functions, this Strategy and the procurement policy/manual at the outset of, and during, any procurement activity.
  - The Association will aim to ensure that these principles are following in all procurements, regardless of value.
  - The Association will aim, where appropriate, to ensure early market engagement prior to the publication of a contract notice.
  - The Association will aim to use clear and precise language in all procurement documentation to allow all "reasonably well informed and normally diligent tenderers" to interpret it in the same way.
  - The Association will use the standard European Single Procurement Document.
  - The Association will always consider contract size including the opportunity to break requirements into smaller lots.
  - The Association will aim to, where appropriate, state the Association's desired outcomes using clear and precise language without stating how they should be achieved
- 6.4. How the Association intends to ensure that it's regulated procurement will be carried out in compliance with its duty to act in a transparent and proportionate manner.

- Procuring officers will aim to always consider the Association's functions, this Strategy and the procurement policy /manual at the outset of, and during, any procurement activity.
- The Association will aim to move towards electronic communication for procurement activity and in particular the Public Contracts Scotland website.
- The Association will where appropriate engage in open public and market engagement.
- The Association will aim to use clear and precise language to prevent broad interpretation.
- The Association will aim to use inclusive and not overly burdensome and known award criteria.

6.5. How the Association intends to ensure that its regulated procurements will be carried out in compliance with the sustainable procurement duty.

- Procuring officers will aims to always consider the Association's functions, this Strategy, the procurement policy /manual and the Association's sustainability policy at the outset of and during any procurement activity.
- The Association will aim to always have regard to the Sustainable Procurement Guidance in respect of regulated procurements.
- The Association will aim to consider and if appropriate use the tools provided by the Scottish Government in relation to the sustainable procurement duty e.g. the Scottish prioritisation toll, life cycle mapping, sustainability test and the Scottish flexible framework.

6.6. The Association's general policy on the use of community benefit requirements.

- The Association will if appropriate include contractual requirements in relations to community benefit requirements where these are in line with the Association's objectives.
- Procuring officers will aim to always consider the Association's functions, this Strategy and procurement policy/manual at the outset of and during any procurement activity.
- The Association will aim to always have regard to the community benefits statutory guidance in respect of contracts with an anticipated value of more that £4m.
- In respect of contracts with an anticipated value of more that £4m, the Association will aim to consider the inclusion of community benefit clauses, such as contractual requirement relating to training and recruitment, the availability of sub-contracting opportunities or otherwise intended to improve the economic, social or environmental wellbeing of the Associations area in a way which is additional to the main purpose of the contract in which the requirement is included.
- In respect of contracts with an anticipated value of more that £4m, the Association will aim to provide a summary of the community benefit contracts the Association intends to include as award criteria or a statement of the Association's reasons for not including any such requirement.
- In respect of contracts with an anticipated value of less that £4m, the Association will aim to consider whether, despite there being no legal obligation to consider community benefit clauses, it would be inappropriate to include community benefit clauses.

6.7. The Association's general policy on consulting and engaging with those affected by its procurements.

- Procuring officers will aim to always consider the Association's functions, this Strategy and procurement policy/manual at the outset of and during any procurement activity.
- The Association will aim to carry out appropriate consultation prior to the adoption of its procurement strategy.
- If appropriate, the Association will consult and engage with relevant stakeholders in the context of individual procurement exercises. Such consultation and engagement will comply with the principles set out in the National Standards for Community Engagement and the Community Empowerment (Scotland) Act 2015.

6.8. The Association's general policy on the payment of a living wage to persons involved in producing, providing or constructing the subject matter of regulated procurements.

- The Association recognises the importance of payment of a living wage by the Associations suppliers and will consider how it can work towards payment of a living wage to persons involved in producing, providing or constructing the subject matter of regulated procurements.

- 6.9. The Association's general policy on promoting compliance by contractors and sub-contractors with the Health and Safety at Work etc. Act 1974 and any provision made under that Act.
- Procuring officers will aim to always consider the Association's functions, this Strategy and procurement policy/manual at the outset of and during any procurement activity.
  - The Association will aim to engage in assessment of potential health and safety risks arising from particular contracts and consideration of how it will monitor contracts to ensure compliance with health and safety requirements, including how an economic operator demonstrates compliance.
  - The Association will aim to ensure that any measures the Association takes to ensure the promotion and compliance of health and safety requirements in its procurements are relevant, proportionate and not overly burdensome, and meet current legislation as a minimum. The degree to which health and safety requirements are specified within procurement documents will vary according to the goods, services or works being purchased and the Association will therefore consider these on a case by case basis.
  - If there are specific health and safety concerns in relation to a particular procurement the Association may require an economic operator to detail the measures they would implement to respond to the identified risk.
  - The Association will aim to consider where it is appropriate to require economic operators to provide evidence to demonstrate that all levels of the supply chain act in compliance with relevant health and safety regulations; and provide details of how they actively promote and manage good health and safety practice e.g. through training and the communication of relevant information to staff.
- 6.10. The Association's general policy on the procurement of fairly and ethically traded goods and services.
- Procuring officers will aim to always consider the Association's functions, this Strategy and procurement policy/manual at the outset of and during any procurement activity.
  - In regulated procurements, if relevant the Association will aim to consider how, by including fair and ethical requirements, the Association can promote fairness, dignity and rights of workers and producers in international trading.
  - The Association will where appropriate aim to include fair and ethical trading requirements in contract award criteria where relevant and proportionate, subject always to the requirements of the Regulations and EU law.
  - So as not to discriminate against any economic operators to maintain transparency and to promote competition and innovation, the Association will where appropriate accept all labels which have equivalent standards and bids from economic operators that meet the specified criteria without certification.
- 6.11. The Association's general policy on how it intends to approach regulated procurement involving the provision of goods to improve the health, wellbeing and education of communities in the Association's area; and promote the highest standards of animal welfare.
11. The Association procures a very limited amount of food and catering and does not expect to carry out any regulated procurement in this regard.
- 6.12. How the Association intends to ensure that so far as is reasonably practicable, the following payments are made no later than 30 days after the invoice (or similar claim) relating to the payment is presented;
- a) payments due by the Association to a contractor
  - b) payments due by a contractor to a sub-contractor; and
  - c) payments due by a sub-contractor to a sub-contractor.
- Procuring officers will aim to always consider the Association's functions, this Strategy and procurement policy/manual at the outset of and during any procurement activity.
  - The Association will aim to comply with late payment legislation.
  - The Association will aim to comply with SPPN8/2009 which sets out the Scottish Government's policy and approach to ensuring prompt payment in its procurements and the Association will ensure that its contracts include appropriate clauses in relation to prompt payment.
  - The Association will aim to ensure effective contract management and monitoring throughout the term of its contracts to ensure that prompt payment continues to be applied throughout the duration

of the contract e.g. by requesting information on prompt payment at all levels of contract and the Association will, where relevant, aim to take any necessary steps to rectify any prompt payment issues experienced.

- The Association may if relevant consider monitoring the prompt payment of sub-contractor by carrying out spot checks and or using project bank accounts or trustees, when relevant and appropriate. The Association may also consider obliging contractors and sub-contractor to declare any claims for late payment.

## **7. Regulated Procurement Projects: Annual budget expenditure**

- 7.1. A list of all projects which fall within Regulated Procurement expenditure guidelines are shown at Appendix 1 for current year and 2017-18. These projects will individually be assessed against the criteria set out in section 4 of the strategy and will be reviewed as part of the annual report.

## **8. In-house Capabilities**

- 8.1. The Association will ensure that all staff with responsibilities for procurement have undergone training on procurement requirements and have access to and comply with the Procurement manual which contains the Strategy, Policy and Procedures.

## **9. Annual Report**

- 9.1. The Association will produce an annual performance report detailing outcomes for the regulated procurement contract works shown at Appendix 1, reviewed against the target outcomes identified in section 4 of the Strategy. The report will identify where outcomes have been successfully achieved or not, and will incorporate an action plan for the next 12 month period incorporating all lessons learned.

## **10. Strategy Review**

- 10.1. The contents of the strategy will be reviewed every 3-years. However, appendix 2 will be updated annually.

## Appendix 1 – Equality & Human Rights Impact Assessment

Policy			
EIA Completed by		EIA Date	
1. Aims, objectives, and purpose of the policy / proposal			
2. Who is intended to benefit from the policy / proposal?			
3. What outcomes are wanted from this policy / proposal?			
4. Which protected characteristics could be affected by proposal?	<input type="checkbox"/> Age	<input type="checkbox"/> Gender reassignment	<input type="checkbox"/> Religion or belief
	<input type="checkbox"/> Disability	<input type="checkbox"/> Marriage & civil partnership	<input type="checkbox"/> Sex
	<input type="checkbox"/> Race	<input type="checkbox"/> Pregnancy and maternity	<input type="checkbox"/> Sexual orientation
5. If the policy / proposal is not relevant to any of the protected characteristics listed in part 4, state why and end the process here.			
6. Describe the likely impact(s) the policy / proposal could have on the groups identified in part 4			
7. What actions are required to address the impacts arising from this assessment? (This might include; collecting data, putting monitoring in place, specific actions to mitigate negative impacts).			
8. Consider the impact and actions to be considered for the following Human Right articles:			
Article 6: Right to a fair trial			
Everyone should be given the opportunity to participate effectively in any hearing of their case and present their side.			
Impact:	Actions:		
Article 8: Right to respect for private life, family life & the home			
Everyone has the right to access and live in their home without intrusion or interference.			
Impact:	Actions:		
Article 14: Prohibition of discrimination			
Everyone has equal access to the other rights contained in the Human Rights Act.			
Impact:	Actions:		

## Appendix 1 – Procurement Activity

### 2024/25

Contractor	Contract	Procurement Route	Contract Value	Contract Duration
Shearer	Gutter renewal	PCS	£51,100.00	1 year
McConnell	KBR Contract	PCS	£4,633,939.20	3 years
City Technical	Gas Central Heating Installation	PCS	£1,673,122.00	3 years
Designer Software	Housing Management Software	PCS	£80,000.00	Long term
Various contractors	Reactive maintenance works	PCS	£4,500,000.00	3 plus

### 2025/26

Contractor	Contract	Procurement Route	Contract Value	Contract Duration
TBC	EICRs and associated works	PCS	£140,000.00	3 Years
TBC	Landscaping	PCS	£600,000.00	3 Years
TBC	Close Cleaning	PCS	£450,000.00	3 Years
TBC	Windows	PCS	£500,000.00	3 Years
TBC	Painting	PCS	£500,000.00	3 Years
TBC	Gas Servicing	PCS	£1,000,000.00	3 Years