

Southside

HOUSING ASSOCIATION

Annual Procurement Report

Report Period:

01/04/2019 – 31/03/2020

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1.0 INTRODUCTION

- 1.1 Under the 2014 Act the Association is required to prepare an annual procurement report to reflect on our performance against our procurement strategy.
- 1.2 To comply with this and all legislative requirements Southside Housing Association has produced this Annual Procurement Report which summarises all regulated procurement activity for the period.
- 1.3 Regulated procurements are public contracts with an estimated value in excess of £2m for works contracts or £50k for other types of contract.

2.0 SUMMARY OF REGULATED PROCUREMENTS COMPLETED

- 2.1 For the period of the Strategy, to 31 March 2020, the Association's programme of Regulated Procurements, are summarised below:

Two regulated procurement activities were completed during the reporting period.

Community benefits delivered on one regulated procurement completed during the reporting period.

2.2 In the period from 1 April 2019 to 31 March 2020, the Association completed the following Regulated Procurements:

Subject of Contract	Date of Award	Supplier	Estimated contract value	Start Date	End Date (excl. any extension)
New Build Development at St Andrews Drive, Phase 1, Glasgow	17.02.2017	Cruden Builders	8,903,591	March 2017	August 2019
Tenement Improvement Works at 166 Gorbals Street, Glasgow.	24.01.2018	McLaughlin Construction	2,600,000	February 2018	November 2019

3.0 REVIEW OF REGULATED PROCUREMENT COMPLIANCE

- 3.1 Southside Housing Association is committed to ensuring that all regulated procurements comply with both the Association’s Procurement Strategy and all relevant legislation.
- 3.2 All of the regulated procurements completed during the period 01.04.19 – 31.03.2020 were undertaken in line with the Association’s approved Procurement Policy.
- 3.3 All awarded contracts are published on the Association’s Web Site.
- 3.4 The Table below details information on how the Association’s procurement activity achieved the policies set out within its Procurement Strategy.

<p>Value for Money:</p>	<p>As set out in the Strategy, the Association assessed where possible, its regulated procurements (listed in section 2 above) by means of a balance between quality and price, in order to deliver the most economically advantageous tender.</p> <p>Both Quality and Price were considered in the tender process and all bidders were advised of how this would be assessed.</p>
<p>Equal Treatment & Non-Discrimination:</p>	<p>For all regulated procurement activities undertaken where possible, the Association advertised contracts at each relevant stage on the Public Contracts Scotland Portal and, when required, in the Official Journal of the European Union (OJEU).</p> <p>All questions raised in procurement exercises were dealt with through the portal so that all bidders had the same information.</p>
<p>Transparency & Proportionality:</p>	<p>For all regulated procurements the Association uses:</p> <ul style="list-style-type: none"> • electronic communication when communicating with suppliers • Is clear and precise in the language used to detail the requirements • Has utilised the European Single Procurement Document when seeking potential suppliers.

Sustainable Procurement:	<p>The Association ensures that in all regulated procurements it will consider how, when framing the contract requirements it could contribute to the following:</p> <ul style="list-style-type: none"> • Improving the economic, social and environmental wellbeing in particular reducing inequality within our main areas of operation • Facilitating the involvement of small and medium enterprises and supported businesses in the process • Promoting innovation <p>Our design brief for all new build and major repair and improvement works include the requirement to design homes which optimise the use of finite natural resources, energy consumption and the production of waste and emissions.</p> <p>The new build development listed in 2.2 have been designed to achieve Housing for Varying Needs, Secure by Design and Technical Standards Section 7 Silver Level Aspects 1- 8 inclusive.</p>
Community Benefit Requirements:	Refer Section 4.0 for the Association’s Community Benefit Summary.
Payment of The Living Wage:	Where relevant and proportionate sustainability requirements, including support for Fair Working Practices and the Living Wage were included in contract documents.
Compliance with Health & Safety Legislation:	For all regulated procurement activity either works or services contracts the selection process ensures that all bidders invited to participate will have to demonstrate their compliance with the Health and Safety at Work Act 1974. This will be assessed at Pre-qualification stage by either a 3rd party accreditation or policy.
Consultation and engagement:	The Association has not as yet carried out a procurement that directly impacts our tenants since the strategy was developed. For any future regulated

	procurement activity where our customers are affected by procurement process we will consult and engage with those affected in line with our strategy for Customer Engagement and the requirements of the Scottish Social Housing Charter.
Fairly & Ethically Traded Goods and Services:	<p>The Association recognises that our Procurement Strategy states that where relevant and proportionate to a regulated contract, we will encourage fair and ethical trading principles in its procurement requirements.</p> <p>The Association is currently working out how best to ensure that this is considered in all regulated procurements going forward.</p>
Regulated Procurements involving food:	There was no regulated procurement activity involving food during the reporting period.
Payment within 30 days:	The Association is committed to ensuring that all suppliers who are awarded business are paid within 30 days. The Association is unable at this stage to provide a summary report confirming the percentage of invoices paid within this timescale. This will be improved in the future following the upgrading of the Association's I.T System.

4.0 COMMUNITY BENEFIT SUMMARY

- 4.1 Southside Housing Association is committed to maximise Community Benefits from its procurement activities.
- 4.2 Community Benefits Clauses are contractual clauses which can be used to build a range of economic, social and environmental conditions into the delivery of public contracts.
- 4.3 Prior to the commencement of a regulated procurement process, the Lead Officer will consider whether Community Benefit Requirements can be included in the contract.
- 4.4 There is no formal requirement for the consideration of Community Benefits in contracts with an estimated value of less than £4 million, however the

Association will consider Community Benefits for each contract that is subject to regulated procurement and apply these where applicable.

4.5 The table below provides information on the Association’s Community Benefit activity during the reporting period.

USE OF COMMUNITY BENEFIT REQUIREMENTS: 1 Apr 2019 to 31 March 2020	
Total number of regulated contracts awarded	2
Total number of contracts awarded over £4 million	1
Total number of contracts awarded with community benefit requirements	1
Total number of contracts awarded over £4 million with community benefit requirements	1

4.6 New Build Development at St Andrews Drive, Phase 1 - Community Benefit:

- Internal and External minor repair works undertaken to Local Community Hall
- Employment of 2 full time labourers – long term unemployed
- Employment of an Apprentice Joiner
- Lego Challenge at Cardinal Winning Secondary, Glasgow (Support Needs School)

4.8 The Association recognises, albeit having achieved a selection of Community Benefits within 2 regulated contracts, that it still has a long way to go before the inclusion of community benefits becomes normal practice.

4.9 For all future Regulated Procurement Activity the Association’s Community Initiatives Team will manage the process of maximising opportunities for Community Benefits across all our regulated procurements.

5.0 SUPPORTED BUSINESSES SUMMARY

5.1 The Association acknowledges that before we start a regulated procurement, we need to consider how we might use the process to facilitate the involvement of small and medium enterprises, third sector bodies and supported businesses.

5.2 The Association is currently researching how best we can deliver on this and it is our intention for future regulated procurements to include this as part of our Community Benefit clauses.

6.0 FUTURE REGULATED PROCUREMENTS SUMMARY

6.1 Over the next two financial years, the Association anticipates progressing at least the following procurements:

Subject of contract	New, Extended or Re-let procurement	Expected Contract Notice date	Expected Award date	Expected Start date	Estimated contract value
Construction of New Build Development in Pollokshields, Glasgow	New	2019	July 2020	September 2020	£21,615.000
Construction of New Build Development in Mossbank, Glasgow	New	Oct 2019	March 2021	June 2021	£5,700.000

7.0 CONCLUSION

- 7.1 The Association has updated its Procurement Strategy for the period 1 April 2020 to 31 March 2021 and will report on the outcomes from that updated strategy next year.
- 7.2 For more information about this report, or the Association's Procurement Strategies (past and present) please contact:

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