



Annual Procurement Report

For the Period

1 April 2019 – 31 March 2020

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EXECUTIVE SUMMARY

Between the 1 of April 2019 and 31 March 2020, 14 regulated procurements were completed. All were carried out in accordance with Eildon's procurement strategy.

During the same period, community benefits were included in 3 awarded regulated procurements.

The Association currently expects to commence 9 regulated procurements over the next two financial years however this is subject to change.

INTRODUCTION

This report has been prepared as the Annual Procurement Report for the period 1 April 2019 – 31 March 2020 to meet the requirements of the Procurement Reform (Scotland) Act 2014 which requires any public organisation which has an estimated annual regulated spend of £5m or more (excluding VAT) to prepare an annual report on their regulated procurements completed during that period.

PROCUREMENT STRATEGY

Eildon Housing Association published a Procurement Strategy in April 2020 for the period noted above. The purpose of the strategy is:

- To enable procurement to contribute to the Association's overall vision and to provide efficiencies to help the Association deliver its key priorities and front-line services
- To procure goods and services in a lawful and ethical manner that complies with public sector procurement requirements and which encourages participation and sustainable economic growth.
- To ensure that procurement initiatives deliver best value for the Association, balancing cost and quality of service.
- To provide a framework for the Association to develop a plan to achieve continuous improvement in its procurement activity.

SUMMARY OF PROCUREMENT ACTIVITY 1 APRIL 2019 – 31 MARCH 2020

We are committed to making public procurement open and accessible to businesses and especially small and medium sized enterprises (SMEs). All tender opportunities greater than £25,000 are advertised on the Public Contracts Scotland (PCS) advertising portal and in the Official Journal of the European Union where required. We also publish our contract register on our website.

The PCS portal has a 'Quick Quote' facility which is a proportionate process to request and receive quotes for lower value goods and services and for goods and services which are competitively advertised using collaborative framework suppliers.

A total of 28 procurement exercises were carried out in the period, 14 below the regulated thresholds and 14 above them.

SUMMARY OF REGULATED PROCUREMENT COMPLETED

A regulated procurement is any procurement for public supplies or services with value of over £50,000 and for public works with a value of over £2 million. 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.

During the reporting period: 14 regulated procurements were completed. All were carried out in accordance with the Association's Procurement Strategy.

Further details of the Regulated Procurements awarded by the Association between 1 April 2019 and 31 March 2020 can be found at Annex 1 of this Annual Procurement Report on page 7.

REVIEW OF REGULATED PROCUREMENT COMPLIANCE

Eildon is committed to ensuring all regulated procurements comply with both the Association's Procurement Strategy and all relevant legislation. All awarded contracts are included in our contract register which is published on our website.

This includes compliance with sustainable compliance duties.

Community Benefits Requirements	Fully Complied All Contracts above £2m contained community benefit requirements in line with our Procurement Strategy.
Payment of a Living Wage	Fully Complied Where relevant and proportionate sustainability requirements, including support for Fair Working Practices and the Living Wage were included in contract documents.
Value for Money	Fully Complied All regulated contracts are tendered via the PCS portal. Collaboration on contracts used where appropriate.
Payment of Contractors	Fully Complied 89.72% of invoices were paid within 30 days during the reporting period. All regulated procurement contained the standard clause in relation to payment.
Developing Staff in Procurement	Fully Complied External and internal training provided to staff with procurement responsibilities.

COMMUNITY BENEFIT SUMMARY

The Association is committed to maximising Community Benefits from its procurement activities. The use of Community Benefits clauses contributes to Eildon’s Procurement Strategy (April 2020) Procurement Objectives, in particular, “Community Benefit clauses will be incorporated into all contracts with a value in excess of £2m.

Summary of Community Benefits 2019/20	
Total Number of Contracts Awarded	28
Total Number of Regulated Procurements	14
Number of Contracts Awarded > £2M with Community Benefit Requirements	2
Number of Contracts Awarded with Community Benefit Requirements	3
% of Community Benefits Awarded from the Total Number Contracts Awarded	10.71%
% of Community Benefits Awarded from the Total Number of Regulated Procurements	21.43%

As reported previously, the Association has employed a Community Benefits Officer jointly with Hart Builders, to deliver and promote the community engagement of this partnership.

Due to extenuating circumstances caused by the Covid-19 pandemic we have been unable to collect the community benefits data and figures relating to this partnership.

Apprenticeships which were established as part of our Repairs and Maintenance contract continue in post and we continue to help with community initiatives such as Men’s Sheds.

SUPPORTED BUSINESS SUMMARY

Supported businesses are a sub-section of the third sector. The aim of a supported business is the social and professional integration of disadvantaged or disabled persons where at least 30% of the employees are disadvantaged or disabled. Eildon are working in conjunction with other local RSLs, Scottish Borders Council, NHS Borders and Borders College through the procurement reform group to identify future procurement opportunities for supported businesses.

FUTURE REGULATED PROCUREMENT SUMMARY

The association expects to commence 9 regulated procurements over the next two financial years however these are subject to change. Details of these contract requirements are shown in the table below:

Contract Title / Subject Matter	New, Extended or Re-let	Expected Contract Notice Publication Date	Expected Award Date	Expected Start Date	Estimated Value of Contract
Hoprigroad, Cockburnspath, Principal Contractor	New	March 2021	April 2021	May 2021	£1,900,000
Oakview Day Centre - Principal Contractor	New	January 2021	February 2021	March 2021	£750,000
Millar House, Principal Contractor	New	June 2021	July 2021	August 2021	£450,000
External and Communal Decoration	New	February 2021	March 2021	April 2021	£300,000
External and Communal Decoration	New	February 2022	March 2022	April 2022	£300,000
Borders College, Galashiels, Architect	New	March 2021	April 2021	May 2021	£160,000
Borders College, Galashiels, Engineer	New	March 2021	April 2021	May 2021	£90,000
Hoprigroad, Cockburnspath, Architect	New	September 2020	October 2020	November 2020	£78,000
Borders College, Galashiels, Employers Agent	New	March 2021	April 2021	May 2021	£55,000

PROCUREMENT SPEND WITH CONTRACTED SUPPLIERS (%)

This measure indicates the level of the Association's spend made within an existing contract. Best Practice requires that this figure is as high as possible. Eildon seek to maintain a figure of 90% or greater in order to ensure that best value is achieved and that relationships with suppliers are clearly documented for legal and monitoring purposes. Our most recent spend report confirmed an on contract spend of 93.75%.

COLLABORATION

Eildon are re part of the procurement reform group which consists of local RSLs, Scottish Borders Council, NHS Borders and Borders College.

PROCUREMENT COMPLAINTS RECEIVED

No formal challenges or complaints were received by the Association during the reporting period.

ANNUAL PROCUREMENT REPORT OWNERSHIP & CONTACT DETAILS

- John Duncan, Director of Property Assets
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ANNEX 1 - REGULATED PROCUREMENT COMPLETED BETWEEN 01 APRIL 2019 AND 31 MARCH 2020

Contract Title	Supplier Name	Estimated Value	Award Date	Contract Start Date	Contract End Date (excl extensions)
Sergeants Park II Main Contractor	Hart Builders (Edinburgh Ltd)	£ 9,500,000	01/05/2019	03/06/2019	15/01/2021
Langhaugh Principal Contractor	Hart Builders (Edinburgh) Ltd	£ 6,500,000	01/08/2019	01/09/2019	28/02/2021
Provision of Legal Services	Harper McLeod / TC Young	£ 375,000	01/04/2019	01/04/2019	31/03/2022
External and communal redecoration	Bell Group / Novus Property Solutions	£ 300,000	09/03/2020	01/08/2020	02/11/2020
St Johns Manse Principal Contractor	Finlaysons	£ 220,000	16/09/2019	16/09/2019	01/06/2021
External and communal redecoration	Bell Group / Ferguson & Aitkin	£ 190,000	22/04/2019	06/05/2019	30/09/2019
Lifts - Replacement and Upgrade	Omega Lift Services	£ 150,000	31/05/2019	14/06/2019	31/03/2020
Home Improvement Team - Kitchen supply	Magnet	£ 140,000	05/09/2019	04/10/2019	31/03/2021
Rent Sense software	Mobysoft	£ 130,000	24/01/2020	26/02/2020	25/02/2024
Home Improvement Team - Electrical supplies	Edmundsons Electrical	£ 100,000	04/09/2019	07/10/2019	31/03/2021
Communal Boiler Replacement RH	Caledonian Heating and Plumbing Ltd	£ 80,000	30/09/2019	01/10/2019	31/10/2020
Security Trustee	Law Debenture	£ 70,000	18/04/2019	01/06/2019	12/07/2055
Home Improvement Team - Floorcoverings	Desport and Gray	£ 60,000	27/09/2019	04/10/2019	31/03/2021
Home Improvement Team - Plumbing Supplies	Wolseley	£ 50,000	30/09/2019	07/10/2019	31/03/2021