



Annual Procurement Report

For the Period

1 April 2022 – 31 March 2023

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Executive Summary

Between the 1 of April 2022 and 31 March 2023, 9 regulated procurements were completed. All were carried out in accordance with Eildon's procurement strategy and in accordance with the Procurement Reform (Scotland) Act.

The Association currently expects to commence 12 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 2022 – 31 March 23 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 2022 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 2022 – 31 March 2023

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) portal and on the Find a Tender Portal 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 20 procurement exercises were carried out in the period, 11 below the regulated thresholds and 9 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 £2m. 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: 9 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 2022 and 31 March 2023 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	Complied All Contracts above £2m contained community benefit requirements in line with our Procurement Strategy.
Payment of a Living Wage	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	Complied All regulated contracts are tendered via the PCS portal. Collaboration on contracts used where appropriate.
Payment of Contractors	Complied 92.55% 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	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 following community initiatives have been supported: -

As part of our £11.6 million-pound development for affordable housing currently under construction in Earlston, we, along with Cruden Building have jointly supported the local community by giving something back with the donation of eight new goal posts for Earlston Primary School. This was part of a wish list drawn up whilst working alongside Earlston Community Council who represent the local residents. This project follows the recent refurbishment of the metal railings surrounding the perimeter of the Earlston War Memorial, which was completed in time for Remembrance Sunday last year.

Bell Group provided paint which helped spruce up the communal shed at the Rodger Fish allotments in Kelso.

Our recently tendered Repairs and Maintenance contract required the successful bidder in each of the four lots to employ an apprentice.

For applicable contracts we will also seek to leverage the benefits supplied by the Edinburgh & South East Scotland City Region Deal to support local supply chains and add additional value to our contracts.

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 Scottish Borders Construction Forum to identify future procurement opportunities for supported businesses.

Progress against Scotland's Public Procurement Priorities

Aside from our statutory/ regulatory obligations EHA take the view that sustainable procurement should benefit our residents and the communities we serve. We have close links with the Council, the South of Scotland Enterprise and are active in local supply-chain forums. Our supplier base is a mixture of local SME's and larger contractors, the later supporting our large development programme, although many local businesses benefit from these works. We are active in broader, national forums through organisations like SFHA and are an Executive committee member of the SPA, with the CEO also representing Scotland on the SPA's national procurement strategy. We also host sustainability forums with Scottish Borders College, the Council and other local RSL's to scope opportunities to stimulate a local circular – and green- economy. We were also the first RSL in Scotland to work with SHIFT to independently assess a range of our activities, including sustainability through specification, procurement and through our supply chains. Recently, we have been working closely with our contractors and supply-chain partners to encourage pragmatic, equitable solutions to mitigate the effects of the global energy crises and other inflationary pressures.

We are supported internally by our Business Assurance Analyst who has joint responsibility for our internal audit function and for ensuring that all procurement activities are conducted in complete alignment with the regulations and our policies. Our Board receives reports on procurement activities and strategies, with regular scrutiny applied to our policies and procurement plans.

Future Regulated Procurement Summary

The association expects to commence 12 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	Estimated Value of Contract
Principal Contractor at Tweedbridge Court, Peebles	New	Q3 - 23/24	Q4 - 23/24	£4,400,000
Principal Contractor at Edgar Road, Westruther	New	Q2 - 23/24	Q2 - 23/24	£2,000,000
Grounds Maintenance Service	Re-let	Q3 - 23/24	Q4 - 23/24	£650,000
Air Source Heat Pump Servicing and Maintenance	New	Q3 - 23/24	Q4 - 23/24	£500,000
Mechanical and Electrical Services	Re-let	Q2 - 23/24	Q2 - 23/24	£480,000
Bathroom and Kitchen Materials for Home Improvement Team	Re-let	Q2 - 23/24	Q2 - 23/24	£400,000
Supply and Fit of New Windows and Doors	New	Q2 - 23/24	Q2 - 23/24	£300,000
Internal & External Audit Services	Re-let	Q1 - 23/24	Q2 - 23/24	£200,000
External Decoration Works	New	Q3 - 23/24	Q4 - 23/24	£200,000
External Decoration Works	New	Q3 - 24/25	Q4 - 24/25	£200,000
Legionella Water Testing Service	Re-let	Q2 - 23/24	Q2 - 23/24	£150,000
Smoke Detection Upgrade Works	New	Q1 - 23/24	Q2 - 23/24	£120,000

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 95.84%.

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

- Neil Wilson-Prior, Director of Property Assets

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Annex 1 - Regulated Procurement Completed Between 01 April 2022 and 31 March 2023

Contract Title	Supplier Name	Estimated Value	Award Date	Contract Start Date	Contract End Date (excl extensions)
Reactive Repairs and Maintenance Service	Consilium / Terry Frame / R3	£ 4,000,000.00	17/02/2023	01/04/2023	31/03/2026
Former Kelso High School PH II	M & J Ballantyne	£ 3,000,000.00	04/04/2022	03/10/2022	03/10/2023
Gas Servicing & Repairs	Dalex	£ 1,000,000.00	31/03/2023	01/04/2023	31/03/2026
Electricity Supply	EDF	£ 300,000.00	11/01/2023	01/02/2023	31/01/2024
Gas Supplies	Gazprom (SEFE Energy)	£ 200,000.00	15/11/2022	01/12/2022	30/11/2023
External Decoration 2023	Bell Group	£ 165,000.00	16/03/2023	01/05/2023	31/10/2023
Supply of Ambient & Frozen Food	William Yule & Son	£ 160,000.00	23/01/2023	01/02/2023	30/09/2026
Employers Agent & Principal Designer- Duns Road Coldstream	Langmuir & Hay	£ 70,000.00	01/12/2022	19/01/2023	31/12/2027
E-Learning Platform and Training Modules	Access Group	£ 55,000.00	24/03/2023	03/04/2023	03/04/2026