



# Annual Procurement Report

For the Period

1 April 2023 – 31 March 2024

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## **Executive Summary**

Between the 1 of April 2023 and 31 March 2024, 7 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 13 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 2023 – 31 March 2024 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 to prepare an annual report on their regulated procurements completed during that period.

## **Procurement Strategy**

Eildon Housing Association published a Procurement Strategy in April 2023 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 2023 – 31 March 2024**

We are committed to making public procurement open and accessible to businesses and especially small and medium sized enterprises (SMEs). Whenever possible, when a framework is not used, all tender opportunities greater than £25,000 are advertised on the Public Contracts Scotland (PCS) portal and on the UK 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 15 procurement exercises were carried out in the period, 8 below the regulated thresholds and 7 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: 7 regulated procurements were completed.

Further details of the Regulated Procurements awarded by the Association between 1 April 2023 and 31 March 2024 can be found at Annex 1 of this report.

## 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. A summary of some key areas is noted below.

<b>Community Benefits Requirements</b>	All Contracts above £2m contained community benefit requirements in line with our Procurement Strategy. A new Community Benefits Policy has been introduced during the year to help maximise community benefits from our procurement activities.
<b>Value for Money</b>	Wherever possible contracts are tendered via the PCS portal or appropriate framework agreement. And collaboration on contracts is used where appropriate.
<b>Payment of Contractors</b>	91.48% of invoices were paid within 30 days during the reporting period.
<b>Developing Staff in Procurement</b>	External and internal training has been 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 achieved: -

Cruden Buildings continued to be involved in with the community during 2023/24 as part of our new build development in Earlston.

A noticeboard and planters were provided for the village square, along with kids gardening tools. A mobile cooking station was provided to the local primary school. Two site visits were arranged for level 4 and 5 foundation classes at Borders College. Three classroom talks, providing presentations on careers and interview advice along with meet the apprentice sessions were also given to these students. Borders College students also benefited from a Science, Technology, Engineering and Maths (STEM) group practical demonstration on how building drawings and measurements skills are used in industry and why they are used.

Our legal Services tender secured £3,000 of financial support which will be used to benefit community-based projects identified by the association.

## **Community Benefits Policy**

The Association has developed a Community Benefits Policy during the year, which re-enforces our commitment in this area. It is anticipated that this will help in our drive to maximise community benefits from our procurement activities.

## **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**

We have completed the necessary work to comply with the governments Fair Work First priorities. We are active in broader, national forums through organisations like SFHA and are an Executive committee member of the Scottish Procurement Alliance (SPA), with our CEO also representing Scotland on the SPA's national procurement strategy.

## **Future Regulated Procurement Summary**

The association expects to commence 13 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: -

<b>Contract Title/Subject Matter</b>	<b>New, Extended or Re-let</b>	<b>Expected Contract Notice Publication Date</b>	<b>Expected Award Date</b>	<b>Estimated Value of Contract</b>
Principal Contractor at Tweedbride Court, Peebles	New	Q1 – 2024/25	Q2 – 2024/25	£5,500,000
Principal Contractor at Edgar Road Westruther	New	Q1 – 2024/25	Q2 – 2024/25	£3,000,000
Principal Contractor at High Buckholm, Galashiels	New	Q1 – 2024/25	Q2 – 2024/25	£1,700,000
Mechanical and Electrical Services	Re-let	Q1 – 2024/25	Q2 – 2024/25	£800,000
Home Improvement Team – Electrical Supplies	Re-let	Q2 – 2024/25	Q3 – 2024/25	£500,000
Provision of Work Vans	Re-let	Q2 – 2024/25	Q3 – 2024/25	£350,000
Teviot Court Lift	New	Q2 – 2024/25	Q3 – 2024/25	£350,000
Home Improvement Team – Floor Coverings	New	Q2 – 2024/25	Q3 – 2024/25	£250,000
External Decoration Works	New	Q3 – 2024/25	Q4 – 2024/25	£150,000
External Decoration Works	New	Q3 – 2025/26	Q4 – 2025/26	£150,000
Rent Arrears Management Software	New	Q3 – 2025/26	Q4 – 2025/26	£150,000
Legionella Management Service	Re-let	Q1 – 2024/25	Q2 – 2024/25	£125,000
HR/Payroll/Rota Software	New	Q3 – 2024/25	Q4 – 2024/25	£80,000

## **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 94.27%.

## **Collaboration**

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 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.

In the coming year we plan to review pre-procurement assessments to ensure that all procurement is considered and that we take the best approach to market. This includes exploring the use of Dynamic Purchasing Systems to engage more closely with local suppliers, where appropriate.

## **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

Email – [procurement@eildon.org.uk](mailto:procurement@eildon.org.uk)

## Annex 1 - Regulated Procurement Completed Between 01 April 2023 and 31 March 2024

Contract Title	Suppliers Name	Estimated Value (£)	Award Date	Contract Start Date	Contract End Date (excl extensions)
Grounds Maintenance Service	Timber Creations/Idverde/ Tivoli Group/ Rubers Landscaping	£ 1,000,000	15/03/2024	01/04/2024	31/03/2027
Air Source Heat Pumps	Easy Heat Systems Limited	£ 900,000	06/11/2023	20/11/2023	30/04/2024
Windows and Doors Replacement	Sidey Solutions Limited	£ 700,000	15/11/2023	11/12/2023	10/08/2024
Home Improvement Team - Kitchen Supplies	Howden Joinery Limited	£ 500,000	31/07/2023	01/08/2023	31/03/2024
Provision of Legal Services	Harper MacLeod & TC Young	£ 500,000	13/06/2023	01/08/2023	31/07/2026
External and Internal Audit Services	Chiene & Tait and TIAA	£ 200,000	24/08/2023	06/09/2023	05/09/2028
External Decoration 2024	Ferguson & Aitkin and Bell Group	£ 180,000	18/02/2024	01/05/2024	31/10/2024