

## **PROCUREMENT STRATEGY**

**Classification: Management**

**Status: Approved**

<b>Policy Lead:</b>	Director of Property Assests
<b>Date Approved:</b>	April 2025
<b>Last Review Date:</b>	April 2025
<b>Review Due Date:</b>	April 2028
<b>Review Period:</b>	3 years unless required earlier due to changes in the law, regulation, best practice or requirement of the Association

## REFERENCE PAGE

<b>Document Title:</b>	Procurement Strategy
<b>Aim:</b>	Ensure we procure in line with legislation and best practice
<b>Objective:</b>	5 Property Assets: Invest in our property assets to ensure a targeted approach to address needs
<b>Scope of Policy:</b>	Staff
<b>Nominated Officer:</b>	Director Property Assets
<b>Approval Source:</b>	Board
<b>Legal &amp; Regulatory References:</b>	Procurement Legislation
<b>Procedural References:</b>	Procurement Manual
<b>Consultation Completed:</b>	N/A
<b>Risk Implications:</b>	1- Existing policy, minimal change
<b>Equalities Impact Assessment:</b>	None
<b>Accessibility:</b>	Accessible electronically/online and in print. All documents can be translated and made available in audio, braille and large print versions upon request.
<b>Publish on Website:</b>	Yes

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## INTRODUCTION

The Corporate Procurement Strategy for Eildon Housing Association Ltd will provide a framework for future planning for all purchases across Eildon and has been informed by and prepared pursuant to the Procurement Reform (Scotland) Act 2014 (the Act). This strategy covers the period April 2025 – March 2028.

This strategy will support Eildon's strategic objectives, which are as follows:

- **Governance** – ensure the highest standards of governance and partnership working are adhered to, including compliance with our regulatory framework.
- **Viability** – ensure it operates within a sound financial framework protecting our long-term viability whilst prudently utilising the inherent financial strength of the organisation in order to meet existing commitments and potential new opportunities.
- **Housing and Support** – ensure the delivery of high quality, responsive and affordable housing and support services.
- **Care** – ensure the delivery of high quality responsive and affordable care services.
- **Property** – ensure the delivery of high-quality new homes and property asset management services.
- **Continuous Improvement** – will further develop its organisational capacity by reviewing existing practices and investing in people and the technical infrastructure.

The strategy will be reviewed and updated to ensure compliance with relevant legislation, Eildon's goals and stakeholder's feedback.

Procurement begins when a need to buy is identified and is the process of acquiring goods, services and works from external suppliers or in-house providers at best whole life costs, in the right quantity, at the right quality, at the right time, in the right place. It provides the best service for the benefit of Eildon and its customers and continues throughout the management of the contract.

## PROCUREMENT VISION

To achieve superior procurement performance through advanced sustainable procurement practices for the benefit of Eildon, its customers, the communities in which it operates and its wider stakeholders.

Eildon is a 'contracting authority' for the purposes of the Act and the Public Contracts (Scotland) Regulations 2015 (the Regulations). Both the Act and the Regulations specify legal procedures which Eildon must follow when buying supplies, services and works over certain estimated contract values.

Where a contracting authority has an anticipated annual spend of more than £5m on contracts regulated by the Act (regulated contracts), it is obliged to prepare and publish a procurement strategy. Eildon anticipates that it will have such an annual spend and this strategy aims to fulfil that obligation.

## KEY DRIVERS SHAPING PROCUREMENT

The Procurement function has responsibility to facilitate the delivery of savings and efficiencies through good procurement practice across Eildon whilst mitigating operational, commercial and compliance risk.

There are a number of key drivers influencing and shaping procurement for organisations like Eildon. These are in the main legislative but must also be driven by Eildon's need to remain viable and provide services which are affordable and cost effective to our customers.

Legislatively Eildon's procurement is guided by:

- The Public Procurement etc. (Scotland) (Amendment) (EU Exit) Regulations 2019
- Public Contracts (Scotland) Regulations 2015
- Procurement Reform (Scotland) Act 2014

All procurement activity must comply with the PPR 2019, as amended by the EU Exit Regulations, where the underlining principles of public procurement remain:

- Accountability;
- Integrity;
- Efficiency;
- Openness;
- Fairness;
- Transparency;
- Equal treatment and non-discrimination; and
- Proportionality.

To meet these standards Eildon will ensure that all staff with purchasing responsibilities understand their responsibility in applying the key principles of public procurement. This is in the delivery of value for money, appropriate quality and service to meet business needs and appropriate governance.

## STRATEGIC AIMS

The purpose of this strategy is:

- To enable procurement to contribute to Eildon's overall vision and to provide efficiencies to help Eildon 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 Eildon, balancing cost and quality of service.
- To provide a framework for Eildon to develop a plan to achieve continuous improvement in its procurement activity.
- To ensure that waste management and net-zero practices are scored and assessed proportionally, where practicable.

## STRATEGIC OBJECTIVES

The main strategic aims of this strategy will be supported by key strategic objectives:

- Ensure all procurement activities including tendering, awards, contract management and reporting procedures are in accordance with legislative and ethical requirements and comply with good procurement practice across Eildon.
- Ensure that procurement initiatives consider whole life costs and deliver best value for money for Eildon.
- Ensure effective contract and supplier management so that business is conducted professionally, and contractors comply with environmental, social and employment law throughout the life of a contract.
- Investigate joint working initiatives and opportunities where appropriate.
- Open up opportunities for the majority of its procurement activity to suppliers (in particular, small and medium-sized enterprises (SMEs)) by advertising tender opportunities for regulated contracts on the Public Contracts Scotland website, where possible.
- Ensure that procurements regulated by the Act (regulated procurements) are carried out in accordance with this strategy, so far as reasonably practicable.

## PROCUREMENT OBJECTIVES

Eildon will always consider its functions, this strategy and its procurement policy at the outset of, and during, any procurement activity.

Contracts must be awarded through genuine and effective competition unless there are exceptional reasons to the contrary and will be clear, concise and unambiguous.

Each regulated procurement will record details of how Eildon has met the key standards of value for money, equality, sustainability, transparency, health and safety, community consultation, fair and ethically traded goods, fair working practices and community benefits. This information will be used to inform Eildon's annual procurement report.

### Value for money

All procurement activity must be focussed on the delivery of value for money; conducted to high professional standards, in accordance with relevant guidance and to the relevant legal requirements; and overseen by appropriately trained and authorised staff to minimise the risk of legal challenge.

The balance of value for money will be considered on a case by case basis, whilst ensuring consistency and transparency in procurement activity. Eildon will select the most economically advantageous tender, considering a balance between price and quality.

Eildon will achieve value for money through effective contract monitoring, management and performance.

### Equal and non-discriminatory treatment

Eildon considers equality throughout its procurement activity to ensure compliance with the Equality Act 2010 and the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012.

Eildon uses standard tender documentation drafted in clear and precise language to allow all reasonably well-informed and normally diligent tenderers to interpret the documentation in the same way.

Contracts will be split into smaller lots, when appropriate, to maximise competition, minimise purchasing cost and optimise efficient allocation.

### Transparency and proportionality

Eildon will continue to use modern methods of electronic procurement, in particular the Public Contracts Scotland website, to support process improvement across Eildon.

Eildon will ensure that clear and precise language is used throughout its procurement activity and make use of inclusive, not overly burdensome, and known award criteria to ensure transparency from the start of a procurement process until contract award.

Once implemented, the actions required under this strategy shall evidence that Eildon ensures compliance with legislative and best practice requirements and Eildon's commitment to ensuring transparency, equal treatment, non-discrimination and proportionality in all procurement activity.

### **Sustainability / Community benefits**

Eildon will always have regard to its sustainability strategy and the statutory guidance on the sustainable procurement duty under the Act at the outset of, and during, any regulated procurement activity.

Eildon will investigate and embed into our contract requirements ways of improving contract performance.

Eildon will explore opportunities for innovation and consider the tools provided by the Scottish Government in relation to the sustainable procurement duty, for example, the Scottish Government prioritisation tool, life-cycle mapping, sustainability test and the Scottish flexible framework.

In line with our Community Benefits Policy, we will endeavour to include community benefits in a fair and proportionate manner in all procurement opportunities. Such clauses may include contractual requirements relating to training and recruitment, the availability of sub-contracting opportunities or otherwise intended to improve the economic, social or environmental wellbeing of Eildon's area in a way which is additional to the main purpose of the contract in which the requirement is included.

### **Consultation / Engagement**

Consultation on individual contracts will vary depending on the nature of the works and services being procured. However, Eildon is committed to engaging with all its stakeholders in all procurement activity to understand the needs of Eildon's area and analyse the impact of our procurement strategy.

## **Living wage**

As a living wage accredited employer Eildon encourages all contractors to pay the living wage to their employees.

Eildon will always have regard to the statutory guidance on the selection of tenderers and award of contracts addressing fair work practices, including the living wage, in its procurement activity.

## **Health and safety**

Tender evaluations will include criteria promoting compliance with Health & Safety at Work Regulations, Eildon's customer service requirements and when appropriate and relevant will include Corporate Social Responsibility criteria.

Eildon will ensure that any measures taken to ensure the promotion and compliance of health and safety requirements in its procurement activity are relevant, proportionate and not overly burdensome. The specific health and safety criteria set down by Eildon will vary according to the goods, services or works being purchased and be considered by Eildon on a case-by-case basis.

## **Fairly and ethically traded goods**

Where relevant, Eildon will consider how, by including fair and ethical requirements, Eildon can promote fairness, dignity and the rights of workers and producers in international trading.

Eildon will, if appropriate, include fair and ethical trading requirements in contract award criteria, subject always to the requirements of the Act and the Regulations.

## **Ensuring prompt payments to contractors and sub-contractors**

Eildon is committed to paying contractors within 30 days of invoicing which is a provision within our standard Terms and Conditions Eildon will remind contractors of their obligation to pay sub-contractors within 30 days of invoicing.

## STRATEGY OWNERSHIP, STRUCTURE, ROLES & RESPONSIBILITIES

The Corporate Procurement Strategy and policy as approved by the Board and all related guidance documents as approved by the Executive Team have been circulated to the Leadership Group. The Business Assurance Analyst will have clear reporting lines to the Director of Property Assets and in conjunction with him will ensure that Eildon has policies and procedures in place to comply with the Act and the Regulations.

Procurement activity will take place under the leadership of the Director of Property Assets.

Eildon is currently operating a decentralised approach to purchasing activities. Each department manages their individual budget and makes purchasing decisions aligned with business needs. Every department has staff responsible for purchasing at an operational level.

Department Directors will be responsible for ensuring that all purchasers in their departments are aware of and comply with relevant procurement processes and procedures to ensure best value for money.

Purchasers (staff with purchasing authority) will be responsible for complying with relevant purchasing processes and procedures and seeking help from the Business Assurance Analyst throughout the procurement process, if necessary.

## CONCLUSION

The Procurement Strategy provides a framework for Eildon for implementing processes and procedures for ensuring best practice and best value in its procurement activity.

To achieve this continuous improvement and development of purchasing it is important that there is support for this approach from the most senior levels of Eildon and that this support is cascaded across the organisation consistently.