

Procurement Policy

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Scottish Social Housing Charter Relevant Standards and Outcomes

STANDARD	OUTCOME
<p>Section:- Getting good value from rents and service charges</p> <p>13. Value for money Social landlords manage all aspects of their businesses so that:</p> <ul style="list-style-type: none"> • <i>Tenants, owners and other customers receive services that provide continually improving value for the rent and other charges they pay.</i> <p>14&15. Rent and service charges</p> <p>Social landlords set rents and service charges in consultation with their tenants and other customers so that:</p> <ul style="list-style-type: none"> • <i>A balance is struck between the level of services provided, the cost of the services, and how far current and prospective tenants and service users can afford them.</i> • <i>Tenants get clear information on how rent and other money is spent, including details of individual items of expenditure above thresholds agreed between landlords and tenants.</i> 	<p>This outcome covers the efficient and effective management of services. It includes minimising the time houses are empty; managing arrears and all resources effectively; controlling costs; getting value out of contracts; giving better value for money by increasing the quality of services with minimum extra cost to tenants, owners and other customers; and involving tenants and other customers in setting rents and service charges; and in monitoring and reviewing how landlords give value for money.</p> <p>These outcomes reflect a landlord's legal duty to consult tenants about rent setting; the importance of taking account of what current and prospective tenants and other customers are likely to be able to afford; and the importance that many tenants place on being able to find out how their money is spent. For local councils, this includes meeting the Scottish Government's guidance on housing revenue accounts. Each landlord must decide, in discussion with tenants and other customers, whether to publish information about expenditure above a particular level, and in what form and detail. What matters is that discussions take place and the decisions made reflect the views of tenants and other customers.</p>

Scottish Housing Regulator – Relevant Standards of Governance and Financial Management and Guidance

STANDARD	GUIDANCE
<p>1 The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.</p>	<p>1.3 The governing body ensures the RSL complies with its constitution and its legal obligations. Its constitution adheres to these Standards and the constitutional requirements set out below.</p>
<p>2 The RSL is open about and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. And its primary focus is the sustainable achievement of these priorities.</p>	<p>2.3 The governing body is open and transparent about what it does, publishes information about its activities and, wherever possible, agrees to requests for information about the work of the governing body and the RSL.</p>
<p>3 The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay.</p>	<p>3.1 The RSL has effective financial and treasury management controls and procedures, to achieve the right balance between costs and outcomes, and control costs effectively. The RSL ensures security of assets, the proper use of public and private funds, and access to sufficient liquidity at all times.</p>
<p>4 The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.</p>	<p>4.3 The governing body identifies risks that might prevent it from achieving the RSL's purpose and has effective strategies and systems for risk management and mitigation, internal control and audit.</p>
<p>5 The RSL conducts its affairs with honesty and integrity.</p>	<p>5.1 The RSL conducts its affairs with honesty and integrity and, through the actions of the governing body and staff, upholds the good reputation of the RSL and the sector.</p>

	5.3 The RSL pays due regard to the need to eliminate discrimination, advance equality and human rights, and foster good relations across the range of protected characteristics in all areas of its work, including its governance arrangements.
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PROCUREMENT POLICY

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PROCUREMENT POLICY

1. INTRODUCTION

- 1.1 This policy sets out the Association's approach to Procurement and should be considered in conjunction with its Procurement Strategy which sets out the Association's Procurement Objectives and Key Performance Indicators.

2. SUPPLIERS AND CONTRACTORS

- 2.1 Procurement covers the full range of the Association's activities related to obtaining goods, works and services from initial assessment of business need, through contract management to the end of the service contract or useful life of an asset, including disposal. In undertaking our procurement process, we aim to ensure that we deliver a service which best meets the needs of the Association and our tenants.
- 2.2 We work with a variety of suppliers, contractors and consultants to provide our services. They range from small local businesses to large national organisations. Our Contracts Register lists all of the Associations suppliers, contractors and consultants providing goods, works or services. The Register is updated on a regular basis and is available on the Association's web-site.
- 2.3 As an organisation, we have established a set of core values which we aim to reflect in all that we do:
- being ethical
 - having honesty and integrity
 - being customer focussed
 - ensuring equality
 - being accountable
 - working in partnership
 - achieving continuous improvement
 - having skilled and professional staff
- 2.4 Additionally, as a Registered Social Landlord (RSL) procurement is governed by the Public Contracts Regulations which requires that we operate in a fair, open and transparent way.
- 2.5 A Procurement Manual 'light' is being designed to suit smaller organisations like Housing Associations. A collaborative approach amongst the Highlands and Islands RSLs is being considered as part of the ongoing joint working by the Highlands and Islands Liaison Group Members. The Association does not operate an approved supplier list. The undernoted procurement routes are therefore used by the Association:

Public Contract Scotland (PCS) Tender

- the PCS portal is used for all contracts over £2,000,000 in value whether goods, services or works
- the European Single Procurement Document (ESPD) is used where appropriate. The ESPD is a Pre-Qualification Questionnaire based on a Price/Quality Assessment.
- A Quantity Surveyor (QS) will be commissioned to input New Build Contract tender information via the portal. A QS is best placed to answer any questions raised by tenderers.
- In-house training will continue with staff to use the PCS for non-New Build contracts over £15,000 in value (for example insurance renewal, windows or kitchen suppliers).

Public Contracts Scotland (PCS) Quick Quotes

- The PCS Quick Quotes portal is used for lower value requirements i.e. goods, services and works between £15,000 to £2,000,000 in value.
- This route may be used to commission a QS to provide the service required under PCS Tender noted above.

Framework Agreements

- Framework Agreements for works and services under £15,000 in value are in place for Contractors and Consultants.
- Scotland Excel Framework Agreements can be accessed by the Association as an Associate Member of Scotland Excel (for example vehicles, electrical goods and stationery)
- Care and Repair Scotland has been approached for advice on best practice for the procurement of Care and Repair contracts.

3. VALUE FOR MONEY

- 3.1 Value for Money (VFM) is the term used to express whether or not we have obtained the maximum benefit from the goods and services we have acquired or provided. It is a measure not only of the cost, but takes account of the mix of quality, cost, use of resources, fitness for purpose, timeliness and convenience. In assessing VFM we also consider benefits in terms of reducing wastage and improving service delivery.
- 3.2 Assessment of VFM will be incorporated within the Procurement Manual light under consideration.

4. EQUALITY AND DIVERSITY

- 4.1 At the Association, we value inclusiveness and we are committed to embedding equality and diversity at the heart of our work. We aim to be an inclusive organisation, where individual differences are respected, where staff, people who use services, as well as their families and carers, are treated with dignity and on the basis of their merits, abilities and needs and where everyone has a fair opportunity to fulfil their potential without suffering discrimination or disadvantage.
- 4.2 We firmly oppose all forms of unlawful discrimination, harassment and victimisation. Our Equality and Diversity Policy and Harassment Policy and Procedures detail how the Association will achieve these aims.
- 4.3 We expect everyone who works with us, including our suppliers and partners, to work actively to support us in trying to achieve our aims, comply with our policies and put them into practice.

5. SUSTAINABILITY

- 5.1 Sustainable procurement is defined as “the process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole-life basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment.”
- 5.2 The Association is committed to playing a part in preserving natural resources and preventing environmental pollution, and use sustainable products and services wherever possible. Our Firm Foundations Design Brief and Technical Guidelines and our bespoke Sustainability Policy embrace these concepts by:
- Creating and sustaining communities where people want to live and make a contribution
 - Reducing the energy requirements of our activities and those of our residents
 - Creating and sustaining a workplace where people want to work and give their best.
- 5.3 We are committed to supporting sustainable procurement in order to deliver tangible benefits to both our local community and to the wider community covering all aspects of sustainability - economic, social and environmental. This would include facilitating the involvement of Small and Medium Enterprises (SMEs), third sector bodies and supported businesses in the procurement process.

6. ANTI-BRIBERY AND FRAUD AND ERRORS

- 6.1 The Association wishes to carry out its business transparently and fairly and therefore operates a zero tolerance Anti-Bribery Policy towards bribery by its board members, employees, contractors, agents and other associated persons. Incidences of bribery could lead to the Association's reputation being damaged and also lead to deterioration in its relationships with its tenants, customers, business colleagues and other stakeholders.
- 6.2 The Association is also committed to working only with other organisations or individuals who commit to doing business without bribery. We would encourage firms that want to contract with us to adopt those principles as well.
- 6.3 The Association is committed to the highest standards of corporate governance by implementing its Fraud and Errors Policy. In addition, cognizance and reference should also be made to the Association's Code of Conduct Policy, Disclosure of Interests Policy and Gifts and Hospitality Policy.

7. PROCUREMENT THRESHOLDS

7.1 E.U. Regulated Contract Thresholds

Supplies	£213,447
Services	£213,447
Works	£5,336,937

N.B. All figures are current as at 1 January 2022 and are exclusive of VAT

7.2 Scottish Regulated Contract Thresholds

Supplies	£50,000
Services	£50,000
Works	£2,000,000

N.B. All figures are current as at 1 January 2022 and are exclusive of VAT

7.3 Lochalsh & Skye Housing Association Financial Regulations Thresholds

Below £15,000	The relevant authorised staff members have discretion to decide whether competitive quotations are obtained from the Consultants and Contractors Frameworks (not exceeding £15,000)
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8. GENERAL DATA PROTECTION REGULATION

- 8.1 The Association will treat your personal data in line with our obligations under the current data protection regulations and our own policies and procedures

- 8.2 Information regarding how your data will be used and the basis for processing your data is provided in the Association's Privacy Policy.

9. REVIEW

- 9.1 This document will be reviewed by the Board or Sub-Committee set up for that purpose in accordance with the requirements of the Association's Register of Policies and Procedures.
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SCHEDULE OF REVISIONS		
DATE	REVISION No.	DETAILS
15/03/2021	V2.1	Current figures date at points 7.1 and 7.2 amended FROM 1 January 2020 TO 16 March 2021.
		7.3 – Financial Regulations Thresholds amended FROM £5,000 TO £10,000.
29/08/2022	V2.2	2.5 – Public Contract Scotland (PCS) Tender figures amended (1 st Bullet point) FROM £50,000 TO £2,000,000; (4 th Bullet point) FROM £50,000 TO £15,000; Framework Agreements (1 st Bullet Point) FROM £5,000 TO £15,000
		7.1 Updated figures which are current from 1 January 2022.
		7.3 Figure amended FROM £10,000 TO £15,000.
