

## Procurement Strategy Annual Report

**Marjorie Sloan, Corporate Services Director**

### 1. INTRODUCTION

- 1.1. The Procurement Reform (Scotland) Act 2014 Section 18 States that regulated organisations must prepare an annual procurement report on its regulated procurement activities as soon as reasonably practicable after the end of the financial year.
- 1.2. This is the Association's third annual procurement report, covering the period 1 April 2019 to 31 March 2020.
- 1.3. The Association has a Procurement Strategy and Procurement Policy. The Procurement Strategy was first agreed in December 2016 and last updated in November 2019. The Procurement Policy was last reviewed in August 2018, with minor updates in April 2019. These are both available on the Association's website.
- 1.4. A number of consultants reports were carried out during 2018 and 2019 which gave recommendations in relation to procurement:
  - Scotland Excel Review
  - Planned Maintenance Overspend – Quinn Internal Audit
  - Governance and Financial Management Review – Altair
- 1.5. These resulted in procurement procedures being improved with the development of a procurement toolkit, which was fully introduced in March 2019. An internal audit had been planned to take place late in 2019/20 to assess how fully the toolkit had been embedded in the organisation. This has had to be delayed due to the restrictions surrounding the Covid-19 outbreak and is currently planned to take place in June 2020.
- 1.6. Once approved by Committee, this report will be published on the Association's website.

### 2. BACKGROUND

#### 2.1. *Summary of Regulated Procurements Completed*

Abertay completed 5 regulated procurement processes, with values ranging from £54,000 to £692,000. Further details of the individual procurements are included at Appendix 1

#### 2.2. Regulated procurements were awarded as follows:

Public Contracts Scotland website notice	2
Public Contracts Scotland quick quotes	3

One additional contract had an award notice issued on Public Contracts Scotland during the year, but the legalities had not yet been completed at the year end. It will be reported in the 2020/21 figures.

2.3. The Public Contracts Scotland website was used to advertise a number of opportunities:

Site Contract Notices Published	3
Site Contract Award Notices	3
Quick Quote Award Notices	9

This includes a number of contracts with a value of less than £50,000 which are not counted as regulated procurement. Some of the notices relate to opportunities which will be awarded in 2020/21.

2.4. *Review of Regulated Procurement Compliance*

All regulated procurement exercises complied with Abertay's Procurement Strategy and Policy.

2.5. *Community Benefit Summary*

The Contractor for the Finavon Street engaged local labour from the Fintry Community. The reactive and void maintenance contractor sponsored garden competition prizes.

2.6. *Supported Businesses Summary*

The Association's officers can let contracts to supported businesses without having to resort to full tendering exercises. A supported business is one where more than 50% of the workers are disabled persons who by reason of the nature or severity of their disability are unable to take up work in the open labour market. No regulated procurement was awarded to supported businesses.

2.7. *Future Regulated Procurements Summary*

Details of future planned regulated procurement are included at Appendix 2.

2.8. *Sustainable Procurement Duty*

Details of Abertay's Sustainable Procurement Duty are included at Appendix 3.

### **3. RISK IMPLICATIONS**

3.1. Complying with procurement legislation and good practice reduces the risk of challenge.

### **4. FINANCIAL IMPLICATIONS**

4.1. There are no specific financial impacts associated with this report, but well managed procurement will help to ensure value for money.

### **5. EQUALITIES AND HUMAN RIGHTS IMPLICATIONS**

5.1. Whilst there are no equality and human rights implications arising from this report, equality and human rights and respected at all times, ensuring compliance with the Public Sector Equality Duty enshrined in the Equality Act 2010.

### **6. COMPLIANCE WITH REGULATORY STANDARDS**

6.1. Good procurement practice assists in meeting Regulatory Standards 1-6.

**7. CONCLUSION**

- 7.1. Following a number of reports, Abertay's procurement practices were improved during 2018/19 and were implemented during the year. Five regulated procurements were carried out, and all fell within Abertay's procurement strategy and policy.

**8. RECOMMENDATIONS**

Management Committee is asked to:

**APPROVE** the Procurement Strategy Annual Report.

Management Committee  
27 May 2020

Agenda Item Number  
20/05/14

### Regulated Procurement

### Appendix 1

Contract Description	Contract or	Contract Start Date	Contract End Date (incl Extensions)	Max Extension (Yrs)	Est Value (£net incl Extentions)	Date Awarded
Painterwork	Mitie Property Services	01/04/19	31/03/23	1	363,669	09/05/19
Smoke & Heat Detector Installations	RB Grant	27/05/19	31/03/20	0	140,910	02/05/19
Perodical Electrical Testing	PME(Dun dee)	20/05/19	31/02/23	1	53,534	16/04/19
Rewire contract	RB Grant	31/10/19	31/03/20	0	86,154	31/10/19
Open Space Maintenance 20-25	Ground Control Ltd	01/04/20	31/03/25	2	691,592	27/02/20

Management Committee 27  
May 2020

**Future Regulated  
Procurement**

**Appendix 2**

<b>Contract</b>	<b>Type</b>	<b>Expected Notice Publication Date</b>	<b>Expected Award</b>	<b>Expected Start Date</b>	<b>Expected Value</b>
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**2020/21**

<b>Charleston Development</b>	New	2019/20	29/04/2020	01/06/2020	£5,401,138
<b>Mossgiel development</b>	New	01/09/2020	01/01/2021	01/03/2021	£6,000,000
<b>Kitchen and Bathroom Upgrades</b>	New	01/07/2020	01/09/2020	21/09/2020	£393,000
<b>Smoke &amp; Heat Detector Installations (Ph 2)</b>	Renew	01/06/2020	01/08/2020	01/09/2020	£240,000
<b>Reactive and Voids Maintenance</b>	Renew	01/06/2020	01/08/2020	01/10/2020	£5,000,000
<b>Close Cleaning</b>	Renew	01/11/2020	01/01/2021	01/04/2021	£120,000

**2021/22**

<b>IT Support</b>	Renew	01/04/2021	31/05/2021	01/07/2021	£60,000
<b>Telephony Services</b>	Renew	01/11/2021	31/12/2021	22/03/2022	£65,000
<b>External Works - Employers Agent</b>	Renew	01/11/2021	31/01/2021	01/04/2022	£70,000
<b>External Works Contractor 2022-2025</b>	Renew	01/11/2021	31/01/2021	01/04/2022	£4,800,000

**2022/23**

<b>Gas Servicing smoke and CO detector testing &amp; Repair</b>	Renew	09/01/2023	28/02/2023	01/04/2023	£1,200,000
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**2023/24**

<b>Painterwork</b>	Renew	01/11/2023	31/12/2023	01/04/2024	£ 504,000.00
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## Appendix 3

### Sustainable Procurement Duty

Specifically in the context of addressing organisations' obligations under the Sustainable Procurement Duty, it should be kept in mind that the Scottish public sector approach to sustainable procurement is closely linked to the priorities set out in the [National Performance Framework](#) (NPF) and is underpinned by a range of sustainability indicators, outlined below. Organisations might find it helpful to refer to NPF outcomes and related indicators in their reports:

- Climate change (carbon and energy consumption, carbon in production, adaption, carbon in vehicle emissions);
- Materials (scarcity, security);
- Waste (production, reuse/recondition/remanufacture);
- Hazardous materials/emissions;
- Bio-security
- Bio-diversity (protection and enhancement);
- Heritage (protection and enhancement);
- Water (consumption and production);
- Employment (skills and training, SMEs/social enterprises/supported businesses – this element of compliance directly relates to the distinct reporting obligations in section 5 and 6 of this template);
- Communities;
- Security and crime (impact and improvement);
- Fair and ethical trading (working conditions, conflict materials);
- Equality (protected characteristics);
- Fair work.

Further details on these indicators, including definitions, are available from the [sustainability test](#).

Organisations are able to add any local priorities to the tools when they are employing the approach outlined in the statutory guidance, so may have other elements they need to report on.

By using the tools as advocated in the statutory guidance, organisations should be able to identify and pursue opportunities associated with individual procurement projects.

This approach should allow organisations to meet reporting obligations under the Climate Change (Scotland) Act 2009 and the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012.