



Rural Stirling

Housing Association

Annual Procurement Strategy

2023-2024

Rural Stirling Housing Association, Stirling Road, Doune, FK16 6AA.	
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Appendix 1 Anticipated Regulated and Non-Regulated Procurement Spend 2023/2024

1. Introduction

- 1.1 Procurement is a highly regulated area, being seen by the Scottish Government as a significant area where the broader aims of value for money and social, economic, and environmental sustainability can be developed and realised.
- 1.2. The legislation surrounding procurement includes the following and this should be complied with at all times:
 - Procurement Reform (Scotland) Act 2014
 - Public Contracts (Scotland) Regulations 2015
 - Procurement (Scotland) Regulations 2016
 - Guidance under the Procurement Reform (Scotland) Act 2014 (issued 17 March 2016)
- 1.3. Much of Scotland's public procurement legislation comes from European Directives. Scottish procurement is no longer subject to the EU legal framework following the UK exit from the EU. Changes have been made to the procurement regulations that apply in Scotland that fixed deficiencies that would otherwise arise in the regulations because of the UK's exit from the EU.
- 1.4 The changes are largely technical in nature. They do not impact on procurement procedures which will remain fundamentally unchanged.
- 1.5 The Procurement Reform (Scotland) Act 2014, places requirements on contracting authorities with significant procurement expenditure with respect to a procurement strategy and an annual procurement report. Where a contracting authority has an anticipated annual spend of **£5m** or more on regulated contracts, contracting authorities are required to prepare and publish a procurement strategy. We anticipate that we will have such an annual spend in the 2023-2024 financial year and this strategy has been produced to fulfil this requirement.
- 1.6 The Procurement Strategy covers the period **2023-2024**. The Board approved an **Annual Procurement Report** in **October 2022** for year **2022-2023**. The Procurement Report sits alongside the Procurement Strategy.

2. Procurement Vision

- 2.1 Our vision for procurement is that it will be compliant, follow best practice, will be fair, open, and transparent and carried out in a sustainable manner, to ensure that the needs of our communities are met and that we deliver best value for the Association and our tenants.

3. Procurement Strategy Rationale

- 3.1 This Procurement Strategy sets out the strategic aims which underpin and direct our procurement activities. It provides a high-level overview of our approach to procurement and how we aim to satisfy our procurement obligations.

- 3.2 Our procurement activity will support delivery of our strategic vision and mission for ***strong and attractive rural communities*** and ***to provide affordable, quality housing and support community aspirations.***
- 3.3 Procurement and Contract Management is a key priority theme identified in our **Business Plan**. We understand that efficient procurement and management of contracts is essential to ensure value for money and will use procurement as a strategic tool to improve our performance, increase satisfaction and deliver value for money.
- 3.4 We have developed an internal Sustainable Procurement Policy and Procedure that is based on Scottish Government Procurement Regulations and good practice. We need to ensure that we manage contractor's and consultant's performance effectively and will ensure that our staff have the appropriate skills and training to ensure the effective management of contracts. As a client it is essential that we prepare comprehensive briefs and specifications and hold those we appoint to deliver on our behalf to account. We have access to several procurement frameworks and will use these to maximise opportunities to make efficiencies in procurement exercises and reduce costs.
- 3.5 This procurement strategy is aimed at delivering effective, consistent, best practice procurement across the whole organisation.

4. **Strategic Aims, Objectives, and Key Priorities**

- 4.1 A set of values steer our behaviours to achieve our mission and include: ***Accountable, Ambitious, Caring, Collaborative, Inclusive and Respectful.*** Building on our values are seven key strategic objectives. Our strategic objectives are a set of interlinked objectives, underpinned by a delivery plan for the coming year. These fully reflect the opportunities and threats in the evolving external environment in which we operate and our current internal strengths and weaknesses.
- 4.2 Each of the seven objectives is described below:

- ***Strategic Objective 1: Delivering excellent services to our tenants:*** *this means being the best social landlord we can be, delivering a high standard of service, resourcing our activities well and meeting our regulatory requirements.*
- ***Strategic Objective 2: Developing new homes to meet our communities' needs:*** *This means continuing to develop and build new homes to meet the needs of our rural communities. We will develop new housing that responds to needs of all members of our communities, including developing accessible housing and supporting inclusive communities which meet people's needs as they change. We will also work with our partners to prevent rural homelessness. This will enable us to grow and strengthen the organisation, the communities in which we operate and in so doing deliver improved value for money for our tenants.*

- **Strategic Objective 3: Providing safe, high quality energy efficient homes:** This means keeping our existing stock safe, warm and attractive and meeting EESSH, Fire Safety and other regulatory and government standards.
- **Strategic Objective 4: Supporting and sustaining our communities:** This means delivering excellent services which place the customer at the heart of everything we do. We will develop our knowledge and understanding of customer needs, wants and expectations, and use this information to improve our performance.
- **Strategic Objective 5: Achieving meaningful participation and scrutiny:** This means working collaboratively with our tenants in the design, delivery and improvement of our services and moving from **consultation** to **co-creation**. When we improve the way in which we deliver services, we will not only use our understanding of our tenants and our communities, but we will actively seek the views of our tenants. We will also exploit digital opportunities for service delivery where appropriate for our tenants using digital technology to support engagement and participation and easy access to our services.
- **Strategic Objective 6: Taking action to address climate change and promoting sustainability:** This means minimising the impact of our activities on our environment, promoting our initiatives, and working towards a carbon neutral position.
- **Strategic Objective 7: Working with partners effectively:** This means working with partners to deliver more homes and services and working alongside communities to help them to help themselves.

4.3 Our procurement strategy will contribute to all seven of our strategic objectives

5. How we will comply with our Procurement Duty

5.1 As a contracting authority of regulated procurement our Procurement Strategy should set out how our regulated procurements will comply with our procurement duty. This is set out in **Table 1** below:

Procurement duty per 2014 Act requirements	Our Strategy Commitments
Procurement aligns with strategic plans and priorities	We will conduct regulated procurement activity in line with our Business Plan and Strategic Delivery plans to ensure that procurements are aligned with, and facilitate delivery of, our strategic objectives.
Contract and Supplier Management	This strategy sets out our approach to contract and contractor management for both new development works and services.
Economically, environmentally, and socially responsible	We will, for every appropriate regulated procurement consider how, in conducting the procurement, we can: <ul style="list-style-type: none"> • improve the economic, social, and environmental wellbeing of our area of operation;

	<ul style="list-style-type: none"> • facilitate the involvement of small and medium enterprises, third sector bodies and supported businesses in the process, and • promote innovation. <p>We will seek benefits in economic, environmental, social, and health within the communities in which we operate, with a particular focus on reducing inequality.</p>
Value for Money	<p>Where there are no appropriate existing frameworks in place and where the estimated value of the contract is equal to or greater than £50,000 for goods and services and £500,000 for works, we will award contracts based on the most economically advantageous tender (MEAT) which balances value for money and the required quality of the service, goods or works being procured.</p> <p>Where relevant, we will consider the whole-life cost of the goods or services being procured.</p>
Procurement is fair equal and non-discriminatory and complies with legal requirements	<p>We will ensure that:</p> <ul style="list-style-type: none"> • all procurement activity across the organisation aligns with our Sustainable Procurement Policy and Procedure • all procurement activity complies with statutory and regulatory requirements; • contracts can be structured in such a way as to assist, wherever practical, local suppliers, small and medium enterprises and the third sector to tender for appropriate contracts; • relevant contracts include a Community Benefits clause; • relevant contracts include sustainable procurement requirements. <p>We will advertise all regulated procurements at each relevant stage on the Public Contracts Scotland (PCS) Portal.</p> <p>Tender and contract documentation will use clear and precise language and will be available in electronic form at all stages of the procurement process.</p> <p>Questions relating to a regulated procurement, received via the questions feature on PCS, will be answered within a reasonable timescale and answers will be available to all potential tenderers simultaneously via PCS.</p>
Transparency and Proportionality	<p>We will carry out all regulated procurements in a transparent and proportionate manner.</p>

	<p>To achieve this, we will advertise all regulated procurements at each relevant stage on the PCS Portal.</p> <p>Pre-Qualification Questionnaires and Quality Questionnaires will be reviewed for each procurement to ensure that the qualification and quality requirements are proportionate to that procurement and that no requirements are potentially discriminatory.</p> <p>All tender documentation will be available on the PCS portal and the question and answer feature on the portal will be used to ensure all tenderers receive clarifications and/or additional information simultaneously.</p> <p>The PCS portal post-box feature will be used for all tender returns at every stage.</p> <p>Notification of the successful tenderer and of the unsuccessful tenderers will be done in a timely manner. Public notification of the award of a tender be via publication of an award notice on the PCS portal and will be completed within the PCS award notice deadline.</p> <p>All regulated procurements will be included within our Contracts Register and published on our website.</p>
Sustainability	<p>We aim to provide, maintain, and manage good quality affordable housing to sustain our rural communities. We also recognise that our environment is fragile, and we need to conserve resources to protect our future. As both a consumer of services and provider of homes, there is a great deal we can do to reduce the impact of our activities on the environment.</p> <p>The sustainability focus of our development activities will be the reduction of the carbon footprint of our operations: we will ensure that our activities reduce waste, reduce energy consumption, and minimise CO₂ emissions.</p> <p>We will seek to integrate sustainability measures at all stages of the process including decisions on the most effective forms of procurement; construction methods; material specification; energy sources and energy efficiency; waste management and site management.</p> <p>We will seek to influence the sustainability practices of our contractors and where appropriate include sustainability targets within contract condition for both works and services.</p>
Community Benefit Requirements	<p>We will comply with the legal duty for explicit Community Benefits clauses required on all contracts above £4m.</p>

	<p>Additionally, we will consider including Community Benefits requirements for all procurement over £50k for goods and services, and over £100k for works.</p> <p>Delivery of Community Benefits will be monitored regularly as part of effective contract management.</p> <p>Our annual Procurement Report will include a summary of any Community Benefits in place and planned in future already determined contracts</p>
Collaborative working	We will consider, for all regulated procurement, the potential for us to work creatively and collaboratively with partners to support the local economy in the communities in which we operate and identify opportunities for joint procurement initiatives.
Consultation and Engagement	<p>We will carry out consultation with our Board of Management as part of the procurement process for all our regulated contracts.</p> <p>We will consult with residents and community groups on the design of new build housing developments by means of public consultation events, community council meetings, community panels, newsletters, and flyers.</p> <p>Where possible, feedback received as a result of the consultation process will be included in contract terms of regulated contracts.</p>
Fair Work Practices	<p>The Rural Stirling Group (RSG) is committed to the principles of the Scottish Government's Fair Work First. We will encourage and promote contractors and suppliers to pay the Scottish Living Wage and will select tenderers and award contracts in line with statutory guidance addressing fair work practices, including the Living Wage, in procurement activity.</p> <p>We will always ensure a proportionate approach based on the nature, scope, size, and place of the performance of the regulated contract.</p>
Compliance with the Health and Safety at Work Act	We will promote compliance with the Health & Safety at Work etc. Act 1974.
Fairly and Ethically Traded Goods and Services	<p>We will seek to ensure, where possible, that the goods and services purchased are fairly and ethically traded.</p> <p>For regulated procurement, our contract terms and conditions will enable us to end a contract if the contractor</p>

	or subcontractor fails to keep to their legal duties in the areas of environmental, social or employment law when carrying out the contract. We will seek assurances of fair and ethical practices in supply chains by including, where relevant and proportionate, contract conditions requiring contractors to comply with relevant social, environmental and employment law.
Payment to contractors	As required by the Act, we will ensure as far as is practical and within our control that payments to contractors and sub-contractors will be made within 30 days of presentation of invoices or claims.

6. Procurement Spend

6.1 Our anticipated spend in relation to regulated and non-regulated procurement, in financial year 2023 to 2024 is anticipated to be circa **£7,956,447** as shown at **Appendix 1**.

7. Implementation, Monitoring, Reviewing and Reporting

7.1 This strategy is underpinned by our Sustainable Procurement Policy and Procedure, which will be followed for all procurement activity.

7.2. In accordance with the Procurement Reform (Scotland) Act, we will maintain a Procurement Register for all regulated procurement (which is procurement of goods or services over £50k or works over £2m). This Procurement Register will capture the information required to enable compilation and publication of the Annual Procurement Report. The Procurement Register is available on our website www.rsha.org.uk

7.3. All staff undertaking procurement activity are responsible for ensuring that:

- all procurement is undertaken in line with policy and procedure.
- all regulated procurement is recorded in the Procurement Register.

7.4. The Director of Housing and Property Services has responsibility for:

- encouraging compliance with regulatory guidelines and best practice across the organisation;
- reviewing the Sustainable Procurement Policy and Strategy;
- compiling and publishing the Annual Procurement Report;
- reporting to the Board, tenants, and the Scottish Government in respect of our procurement activities.

8. Strategy Ownership & Contact Details

- 8.1. Corporate accountability for our procurement activity sits with the Director of Housing and Property Services and the post holder is the first point of contact for procurement related enquiries:

Craig Wood
Director of Housing and Property Services
Rural Stirling Housing Association
Stirling Road
Doone
Perthshire
FK16 6AA
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Anticipated Regulated Procurement Spend 2023/2024

In 2023/24 we anticipate undertaking the following regulated procurement totalling **£6,936,000**

Contract Type	Detail	Amount
Works with a value of £2m or above	New build housing (Croftamie and Lampson Road)	£5,912,000
Goods and Services with a value of £50k or above	Development Services New Build Housing (Includes Design Team services and Development Agency Services)	£333,000
	Reactive Maintenance Service	£300,000
	Gas Services	£180,000
	IT Services	£96,000
	Legal Services	£60,000
	External Audit	£55,000

Anticipated Non-Regulated Procurement Spend 2023/2024

In 2023/24 we anticipate undertaking the following nonregulated procurement totalling **£1,020,447**.

Contract Type	Detail	Amount
Works £50k - £2m	Planned maintenance	£940,447
	Adaptations	£80,000
Goods and Services £10k - £50,000	-	-