

Purchasing, Procurement & Tenders Policy

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Purchasing, Procurement and Tenders

1. Introduction

- 1.1 The purpose of this Policy is to describe how we will purchase works, goods and services, either through competitive tendering or other procurement methods. It covers all types of purchasing and procurement.
- 1.2 For the purposes of this policy Rosehill is deemed to be a 'public contracting authority'.
- 1.3 Therefore the main objectives of this Policy are to:
- Set out how our procurement and purchasing activity should be delivered
 - Demonstrate how we will meet the Scottish Social Housing Charter Standards and Outcomes and our legislative duties
 - Demonstrate how we obtain value for money in connection with our procurement activities.

2. Legal and Regulatory Framework

- 2.1 Whilst this Policy sets out to explain Rosehill's approach to purchasing, procurement and tenders it must do so in the context of legal and regulatory requirements. Therefore the following relevant legislation has been taken into account in the development of this Policy:
- EU Procurement Directives
 - The Public Contracts (Scotland) Regulations 2015
 - The Procurement Reform (Scotland) Act 2014
 - Transfer of Undertakings Protection of Employment Act (TUPE)
 - Bribery Act 2010
- 2.2 The Scottish Social Housing Charter
- 2.2.1 The Social Housing Charter came into effect in April 2012 and this sets the standards and outcomes that all social landlords should aim to achieve when performing their housing activities. The Charter replaces the Performance Standards and the outcomes relevant to this Policy are:

1. Equalities

Social Landlords perform all aspects of their housing services so that every tenant and other customer has their individual needs recognised, is treated fairly and with respect, and receives fair access to housing and housing services.

2. Communication

Social landlords manage their businesses so that tenants and other customers find it easy to communicate with their landlord and get the information they need about their landlord, how and why it makes decisions and the services it provides.

3. Participation

Social landlords manage their businesses so that tenants and other customers find it easy to participate in and influence their landlord's decisions at a level they feel comfortable with.

4. Quality of Housing

Social landlords manage their businesses so that tenants' homes, as a minimum, meet the Scottish Housing Quality Standard (SHQS) by April 2015 and continue to meet it thereafter, and when they are allocated, are always clean, tidy and in a good state of repair.

5. Repairs, maintenance and improvements

Social landlords manage their businesses so that tenants' homes are well maintained, with repairs and improvements carried out when required, and tenants are given reasonable choices about when work is done.

13. Value for Money

Social landlords manage all aspects of their businesses so that tenants, owners and other customers receive services that provide continually improving value for the rent and other charges they pay.

2.2.2 Social landlords are responsible for meeting the standards and outcomes set out in the Charter. The Scottish Housing Regulator is responsible for monitoring, assessing and reporting on how well social landlords, individually and collectively, achieve the outcomes.

2.2.3 In line with the regulatory principles, the Regulator's approach to monitoring landlords' achievement of the outcomes and standards in the Charter will be based on each landlord's performance information and their own assessment of their performance. Therefore, for each year ending on 30th September, we will be expected to:

- Measure and assess our performance in progressing towards or achieving the Charter outcomes and standards
- Provide the Regulator with some key performance information on our achievement of the outcomes and standards
- Report our performance to tenants and other service users who use our services.

2.3 Organisational Values

Our Vision:

"We will provide excellent quality affordable and efficient homes in neighbourhoods that are well managed and maintained; we will contribute to sustaining communities where people feel safe and want to live by providing housing and other services and working with our voluntary and statutory partners."

Our Values:

Our Core Values are:

We Will

- Invest and Support

We will be

- Engaged and Responsive
- Accountable and Compliant
- Fair and Approachable
- Efficient and Responsible
- Excellent and Committed

3. Approved Procurement Routes

3.1 The specific procurement route adopted will be based on the nature, scale and value of the anticipated contract.

3.2 The following options can be considered when procuring works, goods and services:

- Competitive Tendering
- Design and Build
- Partnering
- Off The Shelf (purchase of completed units)
- Framework Agreements (accessing existing compliant frameworks)
- Quick quotes

4. Procurement Activities

4.1 The main works, goods and services that will require to be procured by Rosehill are as follows:

- Contractors and suppliers delivering our reactive repairs, cyclical and planned maintenance and any development
- Professional services including architects, quantity surveyors and other design team members, solicitors, internal and external auditors and other consultants employed on specific projects
- Office supplies and consumable products
- Office furniture and equipment including ICT equipment and services

5. Prices, Quotations and Tenders

5.1 Appendix 1 details and sets out the methods of obtaining prices, quotations and tenders that must be followed when procuring works, goods and services. These methods are based on the value of the procurement and show the acceptable procurement method.

5.1.1 Prices

For items under the first threshold which do not require quotations or tenders, the staff member will where appropriate and /or possible seek to check at least two alternative prices. This can be by reference to a current price list, online or by email.

5.1.2 Quotations

Quotations should be requested in writing. The staff member will ensure that sufficient detail is provided to those invited to quote to enable accurate comparable quotes to be provided.

5.1.3 Tenders

Tender documentation will be prepared and then tenderers will be invited to tender based on this documentation. Reports on tenders and recommendations will be presented to the Management Committee for approval prior to contracts being awarded.

If there are time constraints, the Management Committee may consider delegating authority to the Director to approve contracts up to a pre-approved level with a retrospective report of tenders being presented to the Management Committee at the next available meeting.

Some goods and services may be procured on a basis other than purely price e.g. price and quality. Where this approach is used ratios will be agreed in advance of the tenders being issued. Appendix 2 provides a guide based on Scottish Government recommendations. All procurement that falls within the scope of EU procurement regulations cannot be awarded on price alone.

5.2 Specialist Suppliers or Contractors

5.2.1 If works of a specialist nature are needed and/or a choice of more than one contractor is not available, then a single contractor may be used provided the price is pre-quoted in writing and represents value for money having regard to cost and quality. Any such arrangements must be authorised in advance by the Director (if the value of the proposed contract is less than £15,000 and by the Management Committee for amounts above £15000. We will maintain a clear audit trail in any such cases, to document the reasons why a non-competitive approach was adopted.

5.3 Emergency Situations

5.3.1 Certain situations may arise where the overriding priority is to instruct work. The Director (or most senior employee available at the point of the emergency situation) will have the discretion to direct appoint where necessary.

6. Value For Money

6.1 In our procurement activities we aim to achieve best value by ensuring that where appropriate we assess quality, cost and sustainability. In all high value procurement activities we ensure that the most economical advantageous tender (MEAT) is selected and approved.

7. Register of Contracts

7.1 A register of contracts will be maintained in a central file.

8. Equal Opportunities

8.1 We are committed to ensuring equal opportunities and fair treatment for all people in its work. In implementing this Policy, we will provide a fair and equal service to all people, irrespective of factors such as gender, race, disability, age, sexual orientation, language or social origin, or other personal attributes.

9. Performance Management

9.1 We will monitor performance using the following:

- Contract Key Performance Indicators to monitor the performance of contractors, supplies, consultants.
- Undergo Internal Audit Inspections of procurement to ensure that we are compliant with legislation.
- On an annual basis we will review the anticipated value of contracts that will be placed in the coming year to establish if an Annual Procurement Strategy and a Procurement Report are required.

10. Tenant Participation

10.1 We are a tenant focussed organisation and as such we are committed to involving tenants in all aspects of our work and ensuring that tenants are included, informed and consulted about decisions that have an impact on the way their homes are managed.

10.2 As part of this commitment we will involve our tenants in the development of our policies and seek feedback where appropriate. We will ensure that any significant changes to this Policy and other Policies which will affect our tenants will be the subject of consultation.

11. Risk Management

11.1 In all the key areas of our business we need to consider any risks which may arise. To this end we have in place a robust Risk Management Policy and from this flows our Risk Register. We have identified our material risks which are regularly monitored by our Management Team and Audit Sub-Committee.

11.2 Key to the mitigation of the risks associated with purchasing, procurement and tenders is having a comprehensive policy in place to manage the process. This policy sets out Rosehill's approach to purchasing, procurement and tenders process.

11.3 To ensure we continue to manage the associated risks we will periodically review this Policy to ensure compliance with all legislative requirements and regulatory and best practice guidance.

12. Complaints Procedure

- 12.1 We aim to get things right first time and provide a good quality service to our tenants and other customers. However, we acknowledge that things can go wrong and that some tenants or other customers may be unhappy with the service provided.
- 12.2 We promote our Complaints procedure through our website and periodic articles in our newsletters. In addition, we initially issued all of our tenants with a copy of the new Procedure introduced in October 2012. This information leaflet is also issued to all new tenants as part of the signing up pack.
- 12.3 We are required to report specifically to both our Management Committee and the Scottish Housing Regulator on any complaints concerning equalities issues.

13. Data Protection

- 13.1 On the 25th May 2018 the legislation governing data protection changed with the introduction of the General Data Protection Regulation (GDPR).
- 13.2 We hold a variety of Personal Data relating to individuals including tenants, waiting list applicants, factored owners, other service users, employees and Committee Members. Our Privacy Policy sets out the basis on which we can process and share such data with third parties, it also sets out how we will securely store individuals' data, whether electronically or in paper format. It also provides information on individuals' rights under GDPR including: to view personal data held about them by us; to request a restriction of processing of their data; the right to be forgotten and a right to object to us processing their data. In terms of the rights to be forgotten and to restrict or object to processing of Personal Data, any such requests will require to be considered on their own merits and legal advice will need to be obtained in some circumstances. We have the responsibility for accepting or refusing such requests and will do so in writing.
- 13.3 Under GDPR we are required to provide all customers whose Personal Data we hold with a Fair Processing Notice (also known as a Privacy Notice). The Notice sets out the Personal Data we process and the basis for doing so.

- 13.4 We will only keep and process Personal Data for the original purpose we gathered it for and we will not keep it for any longer than necessary. Attached to our Privacy Policy is a table of Retention Periods for Personal Data held and processed by us. We recognise that not all Personal Data can be processed and kept for the same period of time, and this will vary depending on the individual circumstances of each person whose Personal Data we hold.
- 13.5 The Privacy Policy sets out what should happen in the event of a Data breach e.g. does the breach require reporting to the Information Commissioner's Office and whether the individual affected should be notified. Timescales are set out for dealing with data breaches.
- 13.6 Full copies of our Privacy Policy are available upon request at our office or from our website www.rosehillhousing.co.uk

14. Policy Review

- 14.1 This Policy will be reviewed at least every five years or sooner to ensure it continues to reflect current thinking and practice and to comply with legislative requirements and regulatory guidance.

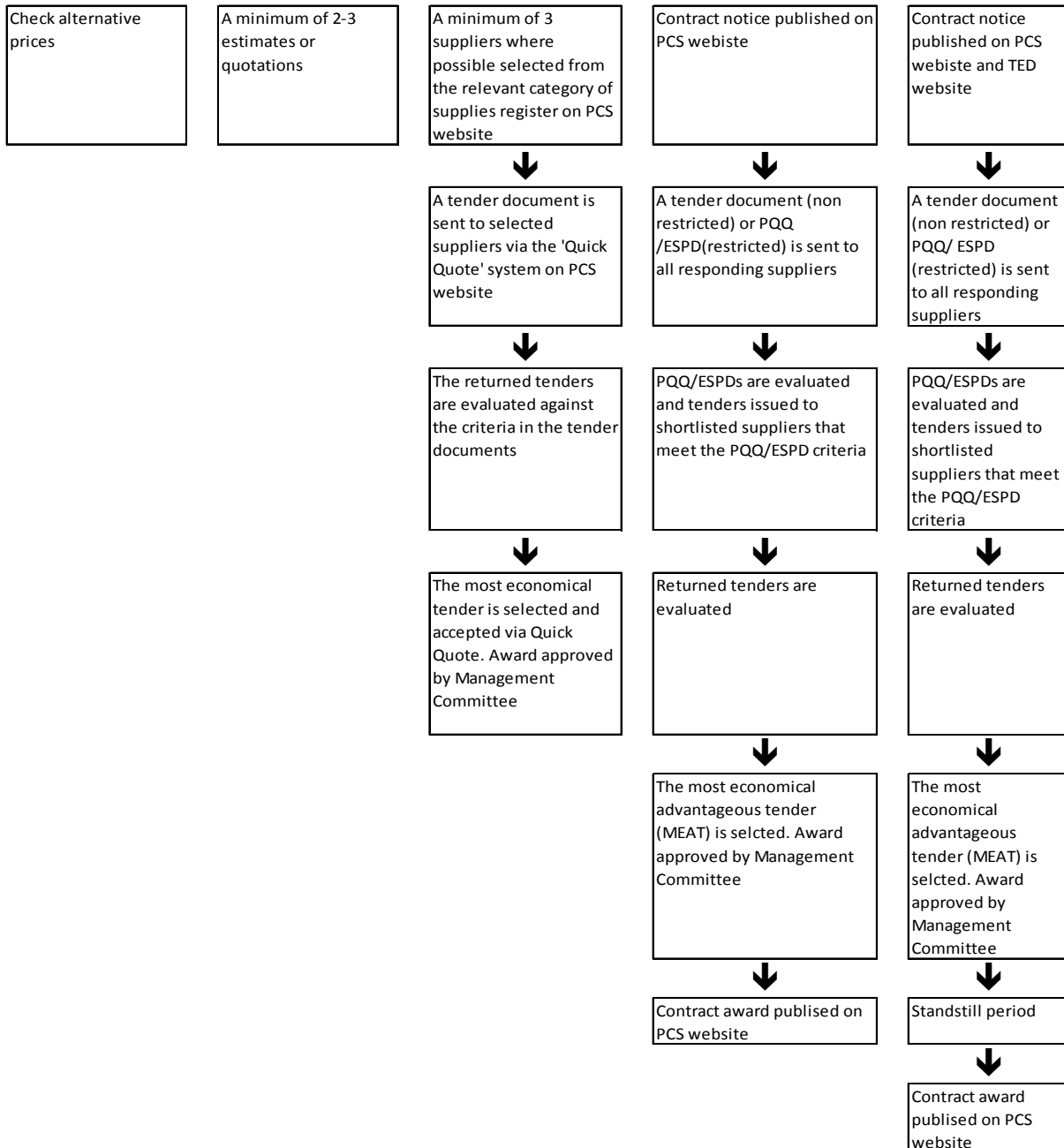
Appendix 1

Procurement Process

| Works / Services <£750 | Works / Services >£750 to <£15,000 | Works/ Services >£15,000 to <£50,000 | Services £50,000 to £181,302 Works £50,000 to £4,551,413 * | Services > £181,302 Works > £4,551,413 EU Threshold |
|---------------------------|--|--|---|---|
|---------------------------|--|--|---|---|

Check for suitable established frameworks

OR



* Works between the value of £50k and £2M may be tendered utilising the quick quote facility on a MEAT basis.

Appendix 2

Quality and Cost Criteria and Ratio Guidance

| Commodity Type | Description | Suggested Price/Quality Ratio |
|----------------|--|-------------------------------|
| Routine | Low Value/High Volume Many Existing Alternatives | 80:20 |
| Leverage | High spend area Many Sources of Supply Commercial involvement can influence price | 60:40 |
| Strategic | Strategic to Operations Few Sources of Supply Large Spend Area Specification may be complex | 60:40, 50:50, 40:60 |
| Bottleneck | Few Sources of Supply and alternatives available Complex specifications If supply fails, impact on organisation could be significant | 40:60, 10:90 |