



PROCUREMENT POLICY

POLICY NO. 49

Date of Review	November 2023
Date of Next Review	November 2028
Regulatory Standards of Governance and Financial Management	<p>RS 1: <i>The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.</i> Guidance: 1.2</p> <p>RS 3: <i>The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay.</i> Guidance: 3.1</p> <p>RS 5: <i>The RSL conducts its affairs with honesty and integrity</i> Guidance: 5.1</p>

1. AIM

- 1.1 Glen Housing Association will implement effective, efficient and proportionate procurement activities to ensure it complies with the appropriate legislation whilst also maximising value for money. In all its procurement activity it will seek to procure sustainably and give as much support as possible to the local economy.

2. INTRODUCTION

- 2.1 This policy describes how the Association will purchase, or 'procure', goods, services and works. Detailed procedures regarding purchasing are contained within the Association's Procedures.
- 2.2 The term 'procurement' as used in this policy covers the process of purchasing the full range of goods, services and works we require, ranging from small items (e.g., office stationery) to large development and planned maintenance contracts awarded following a full tendering process.
- 2.3 Under the system of delegated authority, staff members will be responsible for committing Association funds to the purchase of goods, services and works in the legitimate operation of the Association's business.
- 2.4 It is the Association's policy that all activities, which involve procurement, will be undertaken with honesty, integrity and with appropriate internal controls in place, both to safeguard the staff involved and maintain the reputation of the Association.
- 2.5 All the Association's procurement activities will aim to achieve optimum value for money in a sustainable manner by ensuring that, whenever appropriate, we assess quality, cost and sustainability. We recognise that the lowest cost will not necessarily be the best value in the longer term and may therefore award contracts based on the most economically advantageous tender.
- 2.6 We also recognise the importance of sustainable procurement, and our duty to procure in a manner that improves the economic, social and environmental wellbeing (this includes reduction of inequality) of the communities in which we operate. All our procurement will be sustainable and balance price, quality and the positive impact on our community whilst always being proportionate to the size of each individual procurement exercise.
- 2.7 To help achieve a sustainable procurement approach, we will maximise the community benefits that we secure through our procurement activities. We recognise that this must be proportionate to the value of the contracts being procured.. A key driver in this will be having an impact on the local economy. We realise the distinct benefits we can create as a small business working with other small businesses in helping local employment, recirculating wealth within the local economy and strengthening community cohesiveness.
- 2.8 We will ensure that our procurement processes are fair and comply with legal requirements, including European Union procurement rules and Scottish Government legislation, particularly the changes required by the Procurement Reform (Scotland) Act 2014 and the Procurement (Scotland) Regulations 2016.

2.9 The specific procurement approach adopted for individual procurement exercises will be based on the nature, scale and value of the contract being awarded (Ref: Appendix 1). Where it is appropriate to consider tenders on a basis other than purely price, a scoring matrix will be developed. The factors scored will vary depending on the nature of what is being procured with the weighting of the different factors (e.g. 70% quality, 30% price) considered and determined in advance: scoring criteria will be included in tender packs.

2.10 In making procurement decisions, we will also seek to contribute to maintaining and improving the environment, both by purchasing recycled or 'environmentally friendly', fair and ethically traded goods whenever possible and/or by supporting suppliers or contractors whose values and production processes are environmentally positive.

3. ACCOUNTABILITY IN PROCUREMENT

3.1 With the adoption of this policy, the Association will ensure compliance with the following:

- (a) Current law and statutory regulations.
- (b) Codes of practice, in particular those produced by professional bodies.
- (c) Accounting standards, in particular compliance with external and internal audit requirements.
- (d) Association Rules, Board remits and Standing Orders.
- (e) Delegated powers to Office Bearers and staff.
- (f) SHR and SFHA guidance, e.g., Regulatory Standards, Code of Conduct for Board Members/staff.

3.2 The Association will ensure that any Board Member or member of staff who has an interest in the item being procured takes no part in the procurement process and that any such interest is declared and recorded in the required manner.

3.3 The Board of Management will ensure that Board Members participate in the procurement process at the appropriate stages in accordance with the tendering procedures as outlined within this policy and the Financial & General Regulations.

3.4 Failure to comply with any policy or procedure relating to procurement will be regarded as a serious offence. In the case of a Board Member, this may result in their being required to stand down from the Board. In the case of a member of staff, this will result in disciplinary action, the level of which will depend on the severity of the offence.

4. PRINCIPLES OF PROCUREMENT

In respect of all transactions that involve committing Association funds to the purchase of goods and services the following principles should be applied:

- (a) The appropriateness of the goods/service for the purpose of the procurement, e.g., what level of quality/standard is required and why.
- (b) Our strategic aim, in all our procurement activities will be to achieve the best 'value for money' by ensuring that, whenever appropriate, we assess quality, cost and sustainability (*most economically advantageous*). Where competing quotes are not being obtained on 'best value for money', reasons should be given on the order and authorised by the Director or appropriate Office Bearer/Committee.
- (c) In considering value for money and appropriateness, staff should identify additional requirements such as sustainability, timing (e.g., speed of delivery), back up/implementation requirements, community benefits, and special discounts.
- (d) Staff should be aware that the Association is not registered for VAT and consequently suffers the full cost of VAT charges.

5. OUR COMMITMENT TO EQUALITY & DIVERSITY

- 5.1 Glen Housing Association is committed to promoting fair and equal treatment for all and is opposed to any form of unlawful discrimination. We operate an Equality & Diversity Policy which informs all aspects of our business and ensures we adhere to the Equality Act 2010.

In line with our commitment and upon request, the Association can make this Policy available, free of charge, in a variety of alternative formats including large print, audio, Braille and community languages.

6. AUTHORITY TO INCUR EXPENDITURE

- 6.1 All procurement activities will be conducted in accordance with the Association's Financial & General Regulations policy and in line with the financial limits detailed within Section 7 of this policy.
- 6.2 The Board will review these financial limits regularly to ensure that they remain appropriate for the effective governance of the Association.
- 6.3 *As per the Financial & General Regulations, the approval of the budget by the Board allows authorised staff to incur expenditure up to the approved amount under each budget heading. Staff members have delegated authority to procure works and services up to the following limits:*

Admin Staff	-	up to £500
Housing Officer Level	-	up to £1,000
Housing Manager/Corporate Manager	-	up to £5,000
Director (HM in Director's absence)	-	up to £10,000

7. FINANCIAL LIMITS FOR TENDERS

- 7.1 The Board of Management, in conjunction with the Director, will consider when tendering for services to the Association is appropriate or when receipt of quotations or estimates is acceptable (*Ref: Financial & General Regulations*).
- 7.2 In view of 7.1 and 6.3 above, the following cost guidelines will be adhered to. In the event of any incident where these guidelines are not adhered to, the reasons for this will be reported on at the appropriate Committee and homologated at the next Board of Management meeting.
- (a) Expenditure between £10,000 and £50,000 will *normally* require at least two quotations or estimates. The Director has delegated authority for authorisation of projects up to £10,000 with the proviso that all details are reported to the relevant Board or Committee.
 - (b) Expenditure over £50,000 will go out to tender and require three tenders. Approval of the successful tender by the Board will be required.
 - (c) Major capital expenditure likely to exceed £250,000 will require a tender list of 6 if not advertised on Public Contracts Scotland. Approval of the successful tender by the Board will be required.
 - (d) If the Association anticipates that an estimated lifetime value of a contract will be equal to or above £50,000 (excluding VAT) for goods and services, then it must publicise its intention to seek offers as part of a regulated procurement on the Public Contracts Scotland (PCS) website.
 - (e) If the Association anticipates that an estimated lifetime value of a contract will be equal to or above £2,000,000 (excluding VAT) for works, then it must publicise its intention to seek offers as part of a regulated procurement on the Public Contracts Scotland website.
- 7.3 In line with Scottish Government procurement legislation, the Association will adhere to regulations relating to contract thresholds of £50,000 for goods and services and £2,000,000 for works. As outlined within section 7.2 d & e, if the whole life value of a contract is equal to or above these values (excluding VAT), then the Association must advertise the opportunity in the Public Contracts Scotland (PCS) website. Given the scale of the Association, and its level of expenditure, the Association will not be required to use PCS for most of our procurement activity so should procure in accordance with the guidelines in section 7.2 a - c.

8. PARTNERING AGREEMENTS REPAIRS CONTRACTS

- 8.1 It is acknowledged that the largest procurement activity the Association regularly faces is in relation to our repairs and maintenance activities. The Association will maintain a list of Approved Contractors upon which to call on to execute our repairs and maintenance activities.
- 8.2 The Association will select repairs contractors as per the Selection of Contractors Policy (Appendix 3) and associated detailed procedures
- 8.3 The Association will enter into Partnering Agreements with repairs contractors for each trade following a procurement process as set out in this policy based on the lifetime value of the contract. These Partnering Agreements will normally last 3-4 years.
- 8.4 For example if the Associations annual spend on plumbing repairs was £30,000, the lifetime procurement value of a 3 year Partnering Agreement would therefore be £90,000. In order to procure these works the Association's primary procurement method as summarized in Appendix 2 would be to invite 3 quotations or tenders from our list of approved contractors.
- 8.5 Once appointed, staff would have delegated authority to order works to the contractor subject to spend values and budget heading limits as outlined in Sections 6 and 7 of this Policy.
- 8.6 Acknowledging the challenges of procuring works, where the Association has been unable to procure planned or programmed works through the normal procurement process, we may approach our approved contractors and negotiate the terms of the contract.

9 SERVICE AGREEMENTS AND CONTRACTS

- 9.1 We will procure certain services through contracts or service agreements for periods of one year or longer, in accordance with current procedures. Examples are contracts for the provision of planned / repairs and maintenance services (e.g., Quantity Surveyor, out of hours call handling), lift maintenance, landscape maintenance, agreements for the servicing of office equipment, fire and security alarms or IT systems.
- 9.2 Where these agreements fall within the spending limits for staff they will have delegated authority to enter into agreement, otherwise these services should be procured as per the detailed procedures.
- 9.3 The results of tendering exercises for service contracts or agreements will be reported to the next meeting of the Board for approval prior to contracts being awarded.

10. OBTAINING PRICES, QUOTATIONS AND TENDERS

10.1 The summary table in Appendix 2 sets out the different methods of obtaining prices, quotations and tenders that must be followed when procuring goods, services and works. These methods are based on the value of the procurement and show the acceptable procurement method and the necessary level of approval.

10.2 Prices

For items under the current cost limit which do not require quotations or tenders, the authorised member of staff will, where appropriate and/or possible, seek to check at least two alternative prices either by telephone, by accessing a current catalogue or price list, or by requesting details by e-mail.

10.3 Quotations

Quotations may be requested either verbally or in writing. In either case, the authorised member of staff will ensure that sufficient detail is provided to those invited to quote to enable accurate, comparable quotes to be received.

10.4 Tenders

Following the development of the appropriate tender documentation, suppliers will be invited to tender. Where the value of the contract sum is above the appropriate threshold, reports on tenders and recommendations will, dependent on their value, be presented to the Board for information or approval.

As outlined in Section 4, some goods, services and works may be procured on a basis other than pure price (e.g. price, quality and/or sustainability). Where this is the case, appropriate criteria and ratios will be agreed in advance of the procurement being advertised in the market.

10.5 Negotiation

Where it is proposed that contracts are procured through negotiation, there must be clear justification for doing so and the decision to enter into contracts based on negotiation must be approved at the appropriate level of authority.

11. SPECIALIST SUPPLIERS/ CONTRACTORS/ CONSULTANTS

11.1 Where there is only one specialist supplier or contractor for a particular item or service, we will seek to negotiate the most advantageous price and terms prior to placing an order or signing an agreement. Details of the discussions held and the reasons for the final recommendation will be fully recorded and reported to the Board of Management for approval should financial limits dictate that Board approval is required.

11.2 Appointment of Consultants

Staff may make consultants appointments subject to financial limits.

Appointment of consultants can be made based on:

(a) Previous performance on behalf of the Association.

- (b) Recommendation by another approved consultant, contractor or RSL..
- (c) Allocating workload according to experience, size of practice, value of contract and workload commitments. It may, for instance, be inappropriate to award a large contract to a one person firm whereas for a smaller contract this may be wholly appropriate.

12. OTHER METHODS OF PROCUREMENT

- 12.1 We will continually review our methods of procurement in order to achieve best value for money, meet our duty of sustainable procurement, and to comply with current statutory regulations, Scottish Housing Regulator guidance and 'good practice'.
- 12.2 We will seek to develop mutually beneficial customer/supplier relationships, particularly with those local contractors, consultants and suppliers with which we wish to develop medium to long-term arrangements for the benefit of the Association.

13. SUPPLY CHAIN

- 13.1 The Procurement (Scotland) Regulations 2016 sets out a variety of situations in which the Association must exclude a potential member of its supply chain.
- 13.2 These situations include: conviction of an offence; bribery; corruption or theft; failure to comply with payment of tax or another statutory duty; misconduct or collusion to distort competition; lack of a necessary license; non membership of a regulatory body required to perform the contract; insolvency or appointment of a receiver; or, deficient performance in another regulated procurement.
- 13.3 In addition to the situations listed in 12.2, further guidance can be published by the Scottish Government, and this may include additional assessment of potential suppliers relating to recruitment, remuneration (including payment of a living wage) and other terms and conditions, as well as Trades Union recognition.
- 13.4 There is a duty on the Association to pay its contractors in a timeous manner.

14. MONITORING AND REVIEWING

- 14.1 The Director is responsible for ensuring that all Board Members and members of staff involved in the procurement process follow this policy, and the supporting procedures.
- 14.2 The Director is responsible for ensuring that staff implement this policy, and the relevant procedures, when procuring goods, services and works.
- 14.3 The Director will ensure that the Board reviews this policy regularly, and that the appendices are reviewed as necessary and revised if required.

- 14.4 The Director will present a procurement spend report to Board annually this will summarise procurement activity for the year, both regulated and non-regulated and provide details of major contracts and the procurement method used. The report will confirm compliance with this policy and legislative requirements.
- 14.5 The Association will monitor the value of its contracts within a given financial year, to ensure it complies with the Scottish Government Procurement Regulations. Although the scale of the Association means that, whilst the following obligations are not mandatory, they should be kept in mind:
- (a) Procurement Strategy – If the Association’s regulated procurement expenditure equals or is greater than £5,000,000 within a financial year, it must prepare a procurement strategy that sets out how it will carry out regulated procurements to achieve its purpose, deliver value for money and comply with legislation. In addition, the strategy will require to give details of the Association’s policy in areas such as: community benefits; consultation with those affected by the procurement such as tenants; payment of the living wage; promotion by its supply chain of health and safety, ethically traded goods/services, community wellbeing; payments by the authority within 30 days.
 - (b) Procurement Report – If the Association is required to prepare a procurement strategy, it must produce an annual procurement report on its regulated procurement activities at the end of each financial year that includes: completed regulated procurements; adherence to the procurement strategy; community benefits achieved; involvement of supported businesses; and expected procurements in the next two years.
 - (c) Community Benefits – The Association will have a duty to consider imposing community benefits in procurements over £4,000,000. If it does include community benefits as a mandatory part of the procurement, then it must detail within the contract notice a summary of the community benefit requirements it intends to include in the contract. If the Association does not intend to include any community benefit requirements, it must provide reasons.
 - (d) Contracts Register – The Association will have to put in place a system to create and maintain a contracts register for regulated procurement, and publish the register on the internet or by an appropriate means.

15. REVIEW

This policy should be reviewed every 5 years.

APPENDIX 1 OF PROCUREMENT POLICY

GUIDANCE ON APPROACH TO PROCUREMENT

1. Contract Thresholds and Duration.

Contract thresholds (the estimated lifetime value of a contract excluding value added tax), under the Procurement Reform (Scotland) Act 2014, are as follows:

Threshold	Type of Contract	
	Goods and Services	Works
Non Regulated Procurement (Route 1)	£0 - £49,999	£0 - £1,999,999
Regulated Procurement	>= £50,000	>= £2,000,000

Scottish Government guidance stipulates Framework Agreements must not exceed 4 years. The Association will enter into 3 year Partnering Agreements with an optional 1 year extension which will ensure we do not exceed the Scottish Government's guidance.

2. Procurement Approach

High-level guidance¹ on the approach to be taken during procurement activities is outlined below.

2.1 Non Regulated Procurement

- i. Before you proceed please:
 - a. ensure that you have authority to procure goods and/or services on the Association's behalf
 - b. consider if the purchase is essential
 - c. consider if alternative options been considered
 - d. consider if there is a robust and approved business case / budget.
- ii. Prepare a brief - as a minimum, identify the key requirements, outputs, consider how the responses will be objectively evaluated and include estimated timescales for the requirement. Also consider how the contract will be managed in terms of quality, service, cost and delivery at this point.
- iii. Identify suppliers – seek the appropriate number of quotations / estimates (in line with the Association's Procurement policy,) who have the experience and expertise to meet your requirements. In order to receive the appropriate number

¹ As suggested by the Scottish Government - <https://www.procurementjourney.scot/>

of quotes back from suppliers, the Association may wish to approach several suppliers in case not all respond.

Suppliers may be identified from the list of approved contractors. Refer to Appendix 3 for the Selection of Contractors Policy.

The Association may also select suppliers by searching the register of suppliers on the Public Contracts Scotland (PCS) website which provides a 'Quick Quote' system to seek quotations from suppliers registered on the website.

If the Association does not wish to use PCS, suppliers may be identified via the other means using internet searches, trade publications or phone directories or by advertising locally.

- iv. Prepare quotation documents – your completed brief and the Association's terms and conditions of contract for the purchase of goods and/or services should be attached. Any other information that may affect a supplier's quote should also be included in the 'Invitation to Quote' document.

Suppliers may ask questions about the 'Invitation to Quote' document and as a result you may wish to issue further information or clarification not contained within the original document. If you have issued any clarifications, you should communicate all questions, answers and clarifications in writing to all suppliers.

- v. Receive and evaluate responses –If PCS is not used, then quotation responses may be received in hard copy or by email.

Quotation response should be opened in lined with the Association's governance arrangements, stipulated in the Tender Opening Procedures (see Appendix 5).

Consideration should be made to using an evaluation process² (where contracts are awarded on the basis of best value for money taking account both qualitative and financial criteria) to determine which response best meets the Association's requirements and identify the successful supplier.

- vi. Notify suppliers of outcome – the chosen successful supplier should be notified of their success in writing using a Contract Award Letter as appropriate. This must be signed by a person with the delegated authority to procure and commit the Association to the contract.

At the same time, unsuccessful suppliers should be notified. A supplier is entitled to ask for the reasons why their quotation was unsuccessful. It is essential all feedback is documented for audit purposes and based on the objective criteria used to evaluate the quotation.

² Evaluation process and guidance example as provided by the Scottish Government, https://www.procurementjourney.scot/sites/default/files/documents_library/Copy%20of%20Prepare%20Quotation%20Documents%20-%20Evaluation%20Process%20%26%20Guidance%20template%20Document.xls

- vii. Retention of documentation – all documents relating to the quotation process must be retained to ensure a full audit trail.
- viii. Contract management – the supplier’s performance should be managed throughout the lifetime of the contract and the Association should ensure that the goods / services are delivered in line with the performance or service level expectations identified in the original quotation.

The review of Contractors’ performance will also be conducted in line with the Association’s Selection of Contractors Policy in Appendix 3.

2.2 Regulated Procurement

For detailed guidance and best practice on the approach for regulated procurement, refer and follow the Scottish Government’s Procurement Journey –

<https://www.procurementjourney.scot/>.

It should be noted that all regulated procurements must be advertised on the Public Contracts Scotland website –

<http://www.publiccontractsscotland.gov.uk>

APPENDIX 2 OF PROCUREMENT POLICY

METHODS OF OBTAINING PRICES, QUOTATIONS, AND TENDERS

Refer to the Financial & General Regulations, Section 4 for authorisation levels for unbudgeted expenditure.

LIFETIME VALUE (EXCL VAT) – 3 YEAR MAX TERM	PRIMARY PROCUREMENT METHODS	SECONDARY PROCUREMENT METHODS	APPROVAL	AFFECTED PROCUREMENT ACTIVITY
Up to 10,000	<ul style="list-style-type: none"> • Delegated Authority to staff as per Financial Regulations. Staff to price check. 	<ul style="list-style-type: none"> • Two quotations/ estimates 	<ul style="list-style-type: none"> • As per Financial Regulations 	<ul style="list-style-type: none"> • General Office Expenditure • Consultants • Training • Promotion Participation • Audit
£10,000 - £50,000	<ul style="list-style-type: none"> • Partnering Agreement • Invitations to submit quotation (two quotations) from contractors. • Negotiation 	<ul style="list-style-type: none"> • Two quotations or estimates 	<ul style="list-style-type: none"> • Director 	<ul style="list-style-type: none"> • Minor repairs contractors • Ad Hoc / one off Component Replacements • Planned maintenance works broken into smaller lots strategy. • Annual Cyclical Painter work • Accounting Services

LIFETIME VALUE (EXCL VAT) – 3 YEAR MAX TERM	PRIMARY PROCUREMENT METHODS	SECONDARY PROCUREMENT METHODS	APPROVAL	AFFECTED PROCUREMENT ACTIVITY
£50,000 - £250,000	<ul style="list-style-type: none"> • Invitations to submit quotation / tenders (3 quotations or 3 tenders) from approved contractors. • Negotiation 	<ul style="list-style-type: none"> • External Frameworks (Changeworks) • Local Advertising • Public Contracts Scotland 	<ul style="list-style-type: none"> • Board Approval 	<ul style="list-style-type: none"> • Main repairs contractors (for 5-year contracts) • Major Component Replacement
£250,000 - £2,000,000	<ul style="list-style-type: none"> • Invitations to submit quotation/ tenders (6 quotations or 6 tenders) 	<ul style="list-style-type: none"> • External Frameworks (Changeworks) • Local Advertising • Public Contracts Scotland 	<ul style="list-style-type: none"> • Board Approval 	<ul style="list-style-type: none"> • No anticipated Regulated Procurement
>= £50,000 (Goods and Services)	<ul style="list-style-type: none"> • Regulated procurement through Public Contracts Scotland 	<ul style="list-style-type: none"> • N/A 	<ul style="list-style-type: none"> • Board Approval 	<ul style="list-style-type: none"> • No anticipated Regulated Procurement
>= £2,000,000 (Works)	<ul style="list-style-type: none"> • Regulated procurement through Public Contracts Scotland 	<ul style="list-style-type: none"> • N/A 	<ul style="list-style-type: none"> • Board Approval 	<ul style="list-style-type: none"> • No anticipated Regulated Procurement

APPENDIX 3 OF PROCUREMENT POLICY

SELECTION OF CONTRACTORS POLICY

1. APPROVED CONTRACTORS

- 1.1 The Association will maintain a list of approved contractors upon which to call to tender and execute all forms of building works, repairs and maintenance services. This policy does not cover procurement of contractors for new development which is done via the Fife Housing Association Alliance.
- 1.2 Additions to the approved list will be done by staff as required on receipt of the necessary information. A contractor's inclusion on the list will not guarantee that contractor work.
- 1.3 For works of a specialist nature, the Association's staff will have authority to exercise their own judgement in selecting a suitable contractor, if no contractor is available from the list.
- 1.4 This policy sets out the arrangement for new contractors being added to the approved List and the arrangements for reviewing existing contractors on the approved List.
- 1.5 There will ideally be a minimum of two approved contractors per main trade.

2. RETAINING EXISTING CONTRACTORS ON THE LIST

- 2.1 The Association will enter into Partnership Agreements (Appendix 4) with some of our main day-to-day contractors to reinforce our commitment to small local contractors and to recognise the commitment we have from them in continued improvements in service and high levels of quality and value for money.
- 2.2 Each Partnership Agreement includes its own arrangements for review.
- 2.3 Notwithstanding, all contractors will be required to update their company details at least every five years in conjunction with the review of the Procurement Policy.

3. NEW CONTRACTORS BEING ADDED TO THE LIST

- 3.1 From time to time the Association will be approached by contractors wishing to be added to the List. Unless it is felt that the Association has adequate coverage on the list the following information will be requested:

3.1 (Continued)

- (i) Size, nature and structure of company
 - (ii) Trades and facilities offered
 - (iii) Position of company regarding construction industry tax scheme
 - (iv) Insurance cover
 - (v) Emergency cover
 - (vi) Copy of Equal Opportunities Policy or is prepared to subscribe formally to the Equality & Diversity Policy of the Association.
 - (vii) Copy of Health and Safety Policies
 - (viii) References or recommendations as required
 - (ix) Guarantees and warranties as required
 - (x) The firm's financial standing and record
 - (xi) Any unresolved dispute, arbitration, litigation etc. between the Association and the firm
 - (xii) Rates for jobbing work
 - (xiii) Prepared to subscribe to Association's Code of Conduct for Contractors
- 3.2 If a contractor approaches the Association for inclusion on the List but it is felt that there is no requirement to expand the list, the contractor will be advised of such. With their permission, basic contact details will be retained in the event that they may be approached in the future.
- 3.3 Contractors on the approved List not included on the Partnering Agreements will be appointed *works* as per our Appointment of Repairs & Maintenance Contractors Procedure and any works ordered will be as per our Procurement Policy and Procedures.
- 3.4 A contractor's inclusion on the approved List will not guarantee that contractor work.
- 3.5 The Association's Board of Management or appropriate Committee will approve any contractor not on the Approved List in being invited to tender for any work as per the Financial Regulations, prior to tender documents being issued.

4. REVIEW OF CONTRACTORS' PERFORMANCE

4.1 The Board of Management will normally review the list of approved contractors every three to five years. This will consider whether or not the contractor has carried out work for the Association and their performance in doing so. Where a Partnering Agreement exists, these will include their own indicators for measuring performance.

4.2 Review of the contractors' performance should also include:

- Costs
- Value for money
- Ability to respond to target timescales.
- Emergency cover
- Standard of work
- Tenant satisfaction
- Track record of solving (not creating) problems
- Record of submission of reports and accounts timeously
- Knowledge, skills and availability of tradesmen and key staff
- Helpfulness and knowledge of office-based staff.
- Current workload.

To assist with this, inspections of work will be carried out with the Association aiming to post inspect at least 20% of repairs completed. (Criteria for post inspections are included in the Repairs Policy.)

4.3 Contractors who are deleted from the Approved list will be notified of the decision in writing and are then able to follow the complaints procedure.

5. POLICY REVIEW

This Policy will be reviewed at least every 5 years in line with the List of Approved Contractors and any Partnering Agreements we may have in place.

APPENDIX 4 OF PROCUREMENT POLICY

GLEN HOUSING ASSOCIATION

PARTNERING AGREEMENT

1. INTRODUCTION

- 1.1 The Association is using this Partnering Agreement to reinforce its commitment to its contractors and recognise the commitment we have from them in continued improvements in service and high levels of quality and value for money.
- 1.2 This Agreement operates in conjunction with our Procurement Policy and Procedures. It also assumes acceptance of working within the requirements of the Association's Asset Management Strategy, Repair Policy and other associated policies.
- 1.3 Good, effective partnership working relies heavily on trust, integrity and honesty; the Association is entering into Partnering Agreements in order to build on existing good working practices between the Association and its contractors, to work as a team in delivering a quality repairs and maintenance service for its tenants.
- 1.4 We are looking to build new relationships with contractors as well as build upon relationships with existing contractors to encourage them to have a stake in the work they do in our properties.
- 1.5 The Partnering Agreement sets out what each party expects from the other in this relationship and what we want to achieve by working together. This way of working brings benefits to the contractor, the Association and ultimately the tenants.

2. OBJECTIVES

- 2.1 To continue to improve the standards of our repairs and maintenance services through team working.
- 2.2 To meet and, where necessary, improve on our repairs completion target timescales.
- 2.3 To achieve high levels of tenant satisfaction, to monitor this and to make constructive use of the feedback received.
- 2.4 To facilitate good communication and a relationship based on mutual respect.

2. OBJECTIVES (Continued)

- 2.5 To increase the technical knowledge available to the Association.
- 2.6 To offer financial stability and cost control to both the Association and Contractor by agreeing appropriate labour rates and materials on costs.
- 2.7 To reduce overall costs and achieve value for money by reducing defects and call backs operating a “getting it right first time” approach.
- 2.8 To streamline the process by making best use of the skills and experience of our staff and contractors, by the Association giving as clear instructions as possible whilst allowing its contractors to use their own expertise and judgement.
- 2.9 To standardise the materials and components used to aid the procurement process.
- 2.10 To build knowledge of our properties, building elements, components and materials.
- 2.11 To extend the life span and maintenance cycles of building elements through quality workmanship and the use of high quality, durable, sustainable materials.
- 2.12 To offer best value on supplies/materials avoiding unnecessary mark-ups.
- 2.13 To ensure the availability and accessibility of skilled staff to meet the demands of the repairs and maintenance service.
- 2.14 To work together to solve problems that may arise and to come up with positive solutions.
- 2.15 To provide accessible aftercare and clear communication links to facilitate problem solving.
- 2.16 To provide quotes/estimates and other information quickly.
- 2.17 To provide fair and competitive costs for any cyclical, planned or major works.
- 2.18 To use knowledge and experience of housing stock to feed into planned programmes as required.

3. STANDARDS

3.1 What the Contractor can expect from the Association

- 3.1.1 We will work with the contractor in seeking to achieve the above stated objectives.

3.1 What the Contractor can expect from the Association (Continued)

- 3.1.2 We will work within the remit of the Association's policies and procedures.
- 3.1.3 We will provide clear instruction of work required and access arrangements.
- 3.1.4 We will ensure official confirmation orders are provided for all verbally instructed works.
- 3.1.5 We will deal with any problems or queries without seeking to lay blame and will work with the contractor to get a positive solution.
- 3.1.6 We will make prompt payments of accounts due, normally within 28 days of submission.
- 3.1.7 We will inspect at least 20% of reactive repair works carried out and fully inspect any major works.
- 3.1.8 We will provide feedback on tenant surveys and post inspections every quarter.
- 3.1.9 Where the Association confirms through our Quantity Surveyor that good value can be achieved, Cyclical Maintenance works may be programmed with the contractor over a period of 3 years.

3.2 What the Association can expect from the Contractor

- 3.2.1 To work with the Association in seeking to achieve the above stated objectives.
- 3.2.2 To follow the Code of Conduct for dealing with tenants, offering a consistent level of service.
- 3.2.3 To follow procedures relating to Appointment of Contractors, Repair Categories and Target Response times, Right to Repair and No Access Calls.
- 3.2.4 To provide evidence of all relevant documentation including insurances and Health & Safety information which may be requested.
- 3.2.5 To abide by the Associations CDM arrangements, taking on the role of Principal Designer and Contractor and preparing Construction Phase Plans for repairs and maintenance works.
- 3.2.6 To provide invoices timeously, normally within 1 month of satisfactory completion of the work.
- 3.2.7 Mark up on components/materials/plant will normally be limited to 20%.

3.3 Monitoring, Review and Addressing Poor Performance

- 3.3.1 Contractor performance will be measured against repairs timescales as laid out in the Association’s Repairs Policy or noted within any additional contract documentation.
- 3.3.2 Results from tenant satisfaction surveys will be monitored closely and both the contractor and Association will seek to make constructive use of any feedback gained.
- 3.3.3 Contractor performance on providing invoices within 1 month of satisfactory completion of work will be monitored.
- 3.3.4 Results from post inspection of works will be monitored and any issues will be raised with the Contractor at the earliest possible time.
- 3.3.5 Association will ensure prompt payment of invoices following satisfactory resolution of any queries (if required).
- 3.3.6 The basis of the Agreement is good team working and a culture of mutual trust and respect. Any issues relating to poor performance, on either side, should be dealt with at the earliest opportunity.
- 3.3.7 Both contractor and the Association should work together to solve problems and identify positive solutions.
- 3.3.8 Lessons should be learnt from any incidents of poor performance in order to facilitate continuous improvement in service.
- 3.3.9 The Association’s Board will **review the effectiveness of this Agreement at least every 5 years** in conjunction with our Procurement Policy.
- 3.3.10 Contractors’ **rates will be reviewed annually**. In the event of an increase, these will be checked by the Association’s Quantity Surveyor to confirm they remain appropriate for the trades concerned.

Signed on behalf of Association: _____

Position: _____

Date: _____

Signed on behalf of Contractor: _____

Position: _____

Date: _____

APPENDIX 5 OF PROCUREMENT POLICY

TENDER OPENING PROCEDURE

The Director shall be responsible for ensuring that the following procedure is followed:

- (a) Tenders will be submitted to the Association's Registered office.
- (b) All tenders will be submitted in envelopes marked "tender" but otherwise unmarked in a manner which identifies the contractor.
- (c) Reception staff will be advised of tender return dates.
- (d) Reception staff will mark on the envelope in pen, the time of receipt or if they have been received in the post "by post" and dated.
- (e) Reception staff will place unopened tenders in the Director's Office or safe and advise the relevant staff member of their receipt.
- (f) All tenders will be opened at a designated time in the presence of three people at least two of whom shall be representatives of the Association and one a Board Member.
- (g) Tenders received after the time appointed may be considered on condition that the designated time for opening the tenders has not passed and all tenders received remain un-opened.
- (h) Details of each tender shall be entered in the Tender Register at the time of opening. The Tender Register entry will include the following information:
 - Date
 - Scheme
 - Name of tender
 - Tender price
 - Duration of contract (if applicable)
 - Action taken on each tender.

The three Association representatives shall sign the Tender Register and initial the tender documents.

- (i) Where external consultants have been appointed, such as a Quantity Surveyor, tenders will be passed to them after opening for evaluation and compilation of a tender report.
- (j) The decision to accept a tender will rest with the Board of Management or where an urgent decision is required, with the Chairperson, subject to homologation by the Board of Management.

- (k) The Association may also use electronic tender submission. In such cases the tenders will only ever be submitted to a staff email address of a staff member not involved in the award decision (or direct to consultants). Electronic submission will be held securely and only viewed at the same designated time and place along with other tenders.

If appropriate, electronic submission may be printed and placed in sealed envelope with the other submissions to be opened following the above procedure.