



## **PROCUREMENT REGISTER JUNE 2019**

This Register relates to the Co-operative's procurement of works, services and supplies. It has been framed to take account of relevant European and the Scottish Government Thresholds on the procurement of works, services and supplies.

We have used the sum of the anticipated expenditure (of each 'Activity') over the period of the entire lifespan of any contract ("contract period") to guide us on what action we take to procure works, services and supplies. If expenditure is estimated to exceed £50,000 in any one year, or cumulatively over a "contract period", then the procurement of that activity will be subject to a process of competition (be that quality price based, or price based). The method of procuring a one off 'Activity' that is estimated to cost more than £10,000 but less than £50,000 will be determined in accordance with the Co-operative's Procurement Policy.

The Register will be updated on an ongoing basis, and be presented to Committee annually. This is the first annual report on the current register.

In **Table 1**, we list items that we expect to exceed the expenditure thresholds contained within the EU and Scottish Regulations (“the thresholds”), and we set out processes that we will use to:

- i) procure one off Activities estimated to cost more than £50,000, but less than “the thresholds”;
- ii) procure Activities estimated as costing more than £50,000 over a “contract period”, but less than “the thresholds”
- iii) all activities for which costs exceed “the thresholds”.

Some Activities that cost less than £10,000 per annum may also be included in this table (usually for ‘qualitative’ reason); the reason for their inclusion will be highlighted in the ‘Proposed Action’ column.

In **Table 2** we set out our process for procuring Activities of estimated value of less than £50,000 over a “contract period”.

In **Table 3** we list contracts and the strategy for the procurement of these contracts during the current financial year. Once these contracts are procured they will be moved to Table 1 or Table 2 depending on contract worth and complexity.

Action Note:

Items in red require action within one year of this report

Items in purple require Committee approval

Items in white require Committee approval – but no action required in year 1 of report

**TABLE 1****Current Ongoing Contracts**

Activity	Phase	Estimated/Approx Cost	Proposed Action	Timescale & Award	Contract Conclusion Date	Responsibility	Comments
<b>Kitchen &amp; Boiler Renewal</b>	5 kitchen only  6,7,8,9 Kitchen & Boiler  Area 5 boiler only included in budgets but monitoring frequency of repairs	Estimated total Contract Cost <b>£REDACTED</b> ex vat	Quality/Price selection process was carried out, which resulted in MCN being appointed for 5 years To be continually monitored to ensure budgets not exceeded	Ongoing - MCN were appointed 30/11/2015.	31 <sup>st</sup> March 2020	Maintenance Manager, Property Officer & Finance Manager	Major repair/capital works  Ongoing contractor engagement
<b>Gas Maintenance &amp; servicing contract (3 Star)</b>	All Properties including EHP office.	Estimated annual cost excluding Vat <b>£REDACTED</b> for all maintenance and servicing of all EHP properties including EHP office.  Annual costs are subject to a % increase agreed within the contract documents	Quality/Price selection process was carried out which resulted in James Frew/ Gas Sure being appointed for 3 years (with option of 2 further one year extensions).	Ongoing – James Frew/Gas Sure were appointed 01/06/15	31 <sup>st</sup> May 2020  Potential finish date inclusive of extensions 31 <sup>st</sup> May 2020	Maintenance Manager, Property Officer, Maintenance Assistant	Cyclical/Reactive maintenance  To be procured again for 1 <sup>st</sup> April 2020 start

Activity	Phase	Estimated/Approx Cost	Proposed Action	Timescale & Award	Contract Conclusion Date	Responsibility	Comments
<b>Gas Maintenance &amp; servicing contract (3 Star) (cont)</b>		All additional jobs out with the scope of the contract will be costed as labour/materials separately.	To be continually monitored to ensure budgets not exceeded and service delivery is acceptable				
<b>Reactive Day to Day/ Void Maintenance contract</b>	All Properties	<p>Estimated annual cost excluding Vat <b>£REDACTED</b> for all <b>AOV</b> costs. Annual costs are subject to a % increase agreed within the contract documents</p> <p>Non AOV &amp; Void costs are not included within this contract sum and will be billed on labour/materials costs separately</p> <p>Change of name to MPS</p>	<p>Quality/Price selection process was carried out which resulted in Mitie Property Services being appointed for 3 years (with option of 2 further one year extensions).</p> <p>To be continually monitored to ensure budgets not exceeded and service delivery is acceptable</p>	Ongoing - Mitie were appointed 01/04/2015	<p>31<sup>st</sup> March 2020</p> <p>Potential finish date inclusive of extensions 31<sup>st</sup> March 2020</p>	Maintenance Manager, Property Officer, Maintenance Assistant	<p>Day to Day/reactive maintenance</p> <p>Extension granted by EHP committee for 2019/20</p> <p>To be procured again for 1<sup>st</sup> April 2020 start</p> <p>Mitie Property Services taken over by MPS November 2018</p>

Activity	Phase	Estimated/Approx Cost	Proposed Action	Timescale & Award	Contract Conclusion Date	Responsibility	Comments
<b>Vinyl Close Floor Renewals</b>	Phase 1 & 2 2019/20	£ <b>Redacted</b> for both phases budgeted	Quality/Price selection process carried out through PCS quick quotes.	Contract was awarded on a 1 year contract with potential of 4 further 1 year extensions	31 <sup>st</sup> March 2024 will be the maximum length	Maintenance Manager & Property Officer, Maintenance Assistant	Turner property services were awarded the contract  Contract estimated value £ <b>REDACTED</b>
	Phase 4 2020/21	£ <b>Redacted</b> budgeted					
	Phase 5 2020/21	£ <b>Redacted</b> budgeted					
	Phase 6 2027/28	£ <b>Redacted</b> budgeted					
	Pensioners block Area 5 2027/28	£ <b>Redacted</b> budgeted					
		The costs above are budgets set within EHP long term projections, however some closes may be brought forward to utilise the current tender conditions	Turner Property Services were successful in the process				
			Atkinson Partnership assisted with tender process				
			To be continually monitored to ensure budgets not exceeded and service delivery is acceptable				

Activity	Phase	Estimated/Approx Cost	Proposed Action	Timescale & Award	Contract Conclusion Date	Responsibility	Comments
<b>External Auditor &amp; Payroll Services</b>	Office	Circa £ <b>REDACTED</b> per annum for audit.  Circa £ <b>REDACTED</b> per annum for Payroll Services	Quality/Price selection process.  Appointment for up to 7 years with annual approval by membership	Review undertaken via Public Contract Scotland in 2019/20	End March 2023.	Director	Alexander Sloan Appointed
<b>Insurance</b>	Office & All Properties	Broker costs £ <b>REDACTED</b>  Insurance Costs circa £ <b>REDACTED</b> after tender exercise (various providers)	Broker negotiates best deal on annual basis with option for a 3 year contract with insurance provider(s)	1 <sup>st</sup> April 2019  3 year option on insurance	Broker – no deadline for contract  Insurance cover 31 <sup>st</sup> March 2022	Director	Approval of actual Insurance Cover by Management Committee  Broker reviewed in 2018/19 AJ Gallagher Appointed
<b>Legal Services for housing management related matters</b>	Office & All Properties	Two firms used  Firm 1 original £2,000 per annum  Firm 2 £7,000 per annum	Quality/Price selection process. Appointment for one year (with option of four one year extensions).	Complete process and have solicitors appointed by 1/4/18.		Housing Manager	Still outstanding, review options

Activity	Phase	Estimated/Approx Cost	Proposed Action	Timescale & Award	Contract Conclusion Date	Responsibility	Comments
<b>Photocopier Printing Charges – (Apogee)</b>	Office	£6,100 per annum	Price Comparison for purchase of photocopier and price per page undertaken in Dec 2008  No additional action until new copier required (original bought outright)	December 2008, next review when photocopier no longer functions effectively	No deadline for contract	Director/Finance Manager	Photocopier bought outright in 2008
Gutter Cleaning & Roof Anchor Inspections	All	Contract overall cost £REDACTED	Awarded to MCS safety systems 2017/18 The contract was advertised using the public contracts quick quotes portal. Quality/Price selection process will be carried out to determine VFM Atkinson Partnerships assisted with the procurement process	The contract was awarded 2017/18  The Contract period is for 1 year with extensions of 3 further 1 year extensions inserted into the contract	31 <sup>st</sup> March 2021	Maintenance Manager & Property Officer & Maintenance Assistant	Cyclical  Instructions for 2019/20 will be to undertake cleaning in areas where there is growth.  No review required, of contract monitor contract during the period for performance.

Activity	Phase	Estimated/Approx Cost	Proposed Action	Timescale & Award	Contract Conclusion Date	Responsibility	Comments
Veranda Curtain Walling upgrade	Stock Transfer Area 2 & 4	Total project cost is £ <b>REDACTED</b> ex vat	<p>The contract was advertised using the Public Contracts website and did breach the Scottish Government/EU thresholds for works contracts</p> <p>Quality/Price selection process was carried out to determine VFM</p> <p>Contract to be advertised again</p>	The Project will be for the duration of the works which is anticipated to last 6 months from the project award date	The estimated completion date of the project is 20120	<p>Maintenance Manager, Property Officer, &amp; Finance Manager</p> <p>Atkinson Partnerships assisted with the procurement process and ongoing negotiations</p>	New procurement exercise to be undertaken



**TABLE 2**

Activity	Phase	Estimated/Approx Cost	Proposed Action	Timescale & Award	Contract Conclusion Date	Responsibility	Comments
<b>Group Life Assurance Income Protection Cover</b>		No direct broker costs  Insurance Costs circa £REDACTED	Broker negotiates best deal on annual basis.	Complete process and have insurance placed via broker by end 1 <sup>st</sup> April 2020	Broker – no deadline for contract  Insurance cover 31 <sup>st</sup> March 2020	Director	
<b>Internal Auditor</b>			Quality/Price selection process.  Appointment for three years Open Invite with price quality return and option to interview if required	TIAA Appointed November 2019	Advertised and internal audit on IT awarded to CGPM  Internal audit all other functions awarded to TIAA	Director	

Activity	Action	Reason	Comments
Time Management Computer Software Package	Procure on an 'as needs' basis	These types of packages are generally so specialised and bespoke that 'like for like' comparison is difficult, if not impossible. For this reason we will continue to procure such packages on a 'fit for purpose' basis, however we will complete a 'cost benefit' evaluation prior to deciding to proceed with any future purchases.	Kelio time/attendance software is used to monitor sickness, attendance and annual leave. Annual costs for this are <b>£REDACTED</b>
Asset Management Computer Software Package (Real Asset Management)	Procure on an 'as needs' basis	These types of packages are generally so specialised and bespoke that 'like for like' comparison is difficult, if not impossible. For this reason we will continue to procure such packages on a 'fit for purpose' basis, however we will complete a 'cost benefit' evaluation prior to deciding to proceed with any future purchases.	Real Asset Management (RAM) is used to monitor component expenditure and component replacement. Annual costs for this are <b>£REDACTED</b>
Stock Valuation & Condition	<p>EHP Invited a minimum of 3 quotations in line with EHP Procurement Policy.</p> <p>The contract was advertised through SFHA website for expressions of interest and thereafter placed on Quick Quotes Public Contract Scotland to determine the approved contractor.</p>	<p>The cost of the surveys will depend on how many are carried out in each period. Year1 will be most expensive as this includes all setup and administration costs. Any further surveys are at the behest of EHP.</p> <p>We awarded on what was the most beneficial to the organisation with regards to analysing data and providing a system that can be easily administered by EHP finance/maintenance to produce 30 year and component accounting data.</p>	<p>Brown &amp; Wallace were awarded the contract to conduct stock condition surveys for EHP in 2017.</p> <p>The cost of contract year 2 was <b>£REDACTED</b> ex vat. The contract was procured for a total of 5 years to undertake surveys as and when EHP requires these.</p> <p>The contract period will conclude 31<sup>st</sup> March 2022</p>

Activity	Action	Reason	Comments
Stock Valuation & Condition (cont)			<p>Next tranche of surveys planned for late 2019 will cover 100 properties and based on comments from Brown &amp; Wallace may not require additions in the near future as limited value for money is going over the same property types.</p> <p>B&amp;W to provide report as evidence to this in 2020.</p>
IT Support Services (Clearview Networks)	Continue to work with Clearview	<p>The expenditure is approximately <b>£REDACTED</b> per annum for IT support. We have a good working relationship with Clearview and they are familiar with our computer systems, so as our expenditure per year isn't significant, we propose to retain current arrangements.</p> <p>Expenditure will not breach the £50,000 threshold over a five year period and should be within the £25,000 sum that requires additional procurement approval.</p>	<p>Specialised Contractor</p> <p>Market to be tested as per IT audit, timetable for review to be agreed.</p>

Activity	Action	Reason	Comments
<p>Housing, Maintenance &amp; Finance software packages (SDM)</p>	<p>Continue to work with SDM</p>	<p>SDM provide software for our housing management and maintenance computer packages. The annual cost of SDM services is approximately £<b>REDACTED</b></p> <p>We will not tender this function as we have spent years developing the system to suit our needs, and there is a risk of substantial business interruption should we change supplier.</p> <p>Our viewpoint is that we will not procure this service at present because it is so specialised and bespoke to our requirements and operation.</p> <p>If at any point in the future we decide to consider an alternative software package this will be subject to full tender on price quality.</p>	
<p>Computer Equipment (Clearview Networks)</p>	<p>This usually involves the replacement of one or two computers at a time rather than the renewal of all at one go.</p>	<p>We would tender the package should we upgrade all our computers at the same time, but as we replace 'as required' through Clearview there is no need to do that.</p>	<p>Market to be tested as per IT audit, timetable for review to be agreed. (as per IT support)</p>

<b>Activity</b>	<b>Action</b>	<b>Reason</b>	<b>Comments</b>
Stationery Acquisition – Two Firms used	Continue with current arrangements	<p>We spend approximately £REDACTED per annum on stationery. The cost of establishing alternative procurement arrangements would be more expensive than the cost of the stationery itself. It is not cost effective to set up alternative procurement arrangements.</p> <p>Expenditure will not breach the £50,000 threshold over a five year period and should be within the £25,000 sum that requires additional procurement approval.</p>	
<b>Activity</b>	<b>Action</b>	<b>Reason</b>	<b>Comments</b>
Postal Services	Continue with current arrangements	<p>We spend approximately £REDACTED per annum on postage costs supplied via Royal Mail and £REDACTED per annum on franking rental lease.</p> <p>Lease reviewed in 2016 with 6 year lease approved, reviewed in 2019</p> <p>Expenditure will not breach the £50,000 threshold over a five year period and should be within the £25,000 sum that requires additional procurement approval.</p>	Committee to approve no changes as this could be over £25,000 but under £50,000 over a 5 year period.
Printing – letterheads, newsletters and annual reports (Europrint) Newsletter - £REDACTED for 850 depending on page size content Annual report £REDACTED	Continue with current arrangements	<p>We spend approximately £REDACTED per annum on printing letterheads.</p> <p>Expenditure could exceed the £50,000 threshold over a five year period and as it is not within the £25,000 sum that requires additional procurement approval we will review contract.</p>	<p>Review contract and tender..</p> <p>Review still outstanding.</p>

<b>Activity</b>	<b>Action</b>	<b>Reason</b>	<b>Comments</b>
Office Window Cleaning	Continue with current arrangements.	£REDACTED per annum – limited costs	
Fuel Card for Van (Fuel Genie)	Continue with current arrangements	£6,500 per annum of fuel costs  It is not cost effective to set up alternative procurement arrangements.	
Consultants (one off)	Continue to appoint consultants and specialist consultations on a 'one off' basis.	This covers the ad-hoc appointment of consultants to do specific bits of work, or specialist work.  Expenditure will not breach the £50,000 threshold over a five year period and should be within the £25,000 sum that requires additional procurement approval.	
Furniture and Office Equipment	As we replace furniture and equipment on an 'as need' basis, we will continue with current arrangements.	The cost is relatively low. We would tender the package should we upgrade all our furniture and equipment at the same time.  Expenditure will not breach the £50,000 threshold over a five year period and should be within the £25,000 sum that requires additional procurement approval.	
Office Security & Fire Alarm (Alarm Monitoring)	Appointed new Contractor April 2018 on rolling contract, Chubb	We spend approximately £REDACTED per annum on this.  It is not cost effective to set up alternative procurement arrangements.	
Estate CCTV Maintenance	Continue with current arrangements. ADT	We spend approximately £REDACTED per annum on this. It is not cost effective to set up alternative procurement arrangements.	

<b>Activity</b>	<b>Action</b>	<b>Reason</b>	<b>Comments</b>
Office Water cooler/shower legionella checks (Cleartech)	Continue with current arrangements with Cleartech	We spend approximately £REDACTED per annum on this.  It is not cost effective to set up alternative procurement arrangements.	
Playpark equipment quarterly inspections and maintenance (Active Playground Management)	Continue with current arrangements	We spend approximately £REDACTED per annum on this.  It is not cost effective to set up alternative procurement arrangements.	
Wind Turbine equipment and maintenance inspections (Solar & Wind)	Continue with current arrangements	We spend approximately £ REDACTED per annum on this.  It is not cost effective to set up alternative procurement arrangements.	Specialised Contractor
Glenburn & Office Fire Extinguishers Maintenance (Chubb Fire & Security)	Continue with current arrangements	We spend approximately £ REDACTED per annum on this.  It is not cost effective to set up alternative procurement arrangements.	
VOIP (telephones)	Continue with current arrangements.	We spend approximately £ REDACTED per annum on this.  We get a good service and it is not cost effective to set up alternative procurement arrangements.  Expenditure will not breach the £50,000 threshold over a five year	Committee to approve no changes as this is over £25,000 but under £50,000 over a 5 year period.

Activity	Action	Reason	Comments
Mobile Phones	<p>Continue with current broker arrangements.</p> <p>Current cost £<b>REDACTED</b> per annum</p>	<p>We currently have a deal in place with a broker who negotiates a relevant supplier. They obtain quotations upon renewal to check that we are getting a competitive deal.</p> <p>Expenditure will not breach the £50,000 threshold over a five year period and should be within the £25,000 sum that requires additional procurement approval.</p>	
(Secure) disposal of (paper) documents	Continue with current arrangements.	<p>We spend approximately £500 per annum on getting a contractor to shred our confidential waste. It is not cost effective to set up alternative procurement arrangements.</p> <p>Expenditure will not breach the £50,000 threshold over a five year period and should be within the £25,000 sum that requires additional procurement approval.</p>	
Energy Provider (for the office)	Continue to periodically obtain comparison quotations from energy providers for the supply of gas and/or electricity to the Office.	Expenditure will not breach the £50,000 threshold over a five year period and should be within the £25,000 sum that requires additional procurement approval.	Last reviewed October 2017 SSE for Office



Activity	Action	Reason	Comments
External Tenant Satisfaction Survey's (Research Resource)	Test the market at next survey	<p>Cost per survey (normally every two years) circa £REDACTED.</p> <p>Expenditure will not breach the £50,000 threshold over a five year period and should be within the £25,000 sum that requires additional procurement approval.</p>	Procured new appointment with Research Resource in 2019 after tender exercise
Website Host/Design (Kiswebs)	Continue with current arrangements.	We spend approximately £REDACTED per annum on this. It is not cost effective to set up alternative procurement arrangements.	Possible review in line with FOI and IT audit
Lift Maintenance (Stannah Lift Services Ltd)	Continue with current arrangements.	<p>We spend approximately £REDACTED per annum on this.</p> <p>Expenditure will not breach the £50,000 threshold over a five year period and should be within the £25,000 sum that requires additional procurement approval.</p>	
Estate Caretaking Machinery Service & Repair (Webster Power Products)	Continue with current arrangements.	<p>We spend approximately £ REDACTED per annum on this.</p> <p>Continue with current arrangements, specialised company</p> <p>Expenditure will not breach the £50,000 threshold over a five year period and should be within the £25,000 sum that requires additional procurement approval.</p>	

<b>Activity</b>	<b>Action</b>	<b>Reason</b>	<b>Comments</b>
Landlord Electrical Supply (Scottish Power)	Continue with current arrangements in the meantime.  Monitor market for possible alternative options.	We spend approximately £ <b>REDACTED</b> per annum on this.  Continue to periodically obtain comparison quotations from energy providers for the supply of electricity for Landlord Supplies.  Expenditure will not breach the £50,000 threshold over a five year period and should be within £25,000	Last reviewed October 2017 Opus for Landlord Supplies
<b>Activity</b>	<b>Action</b>	<b>Reason</b>	<b>Comments</b>
Environmental Specialist (Pestguard Services)	Continue with current arrangements in the meantime.	Spend varies depending on ad hoc requirements – 2016/17 was just over £ <b>REDACTED</b> (includes 3 specialised jobs over £1,000)  Expenditure will not breach the £50,000 threshold over a five year period and should be around £25,000	Monitor expenditure and if increasing test market for possible alternatives

**Table 3****2019/20**

Activity	Phase	Estimated/Approx Cost	Proposed Action	Timescale & Award	Contract Conclusion Date	Responsibility	Comments
Alternative Approved Contractors list		Can vary and will be monitored to ensure thresholds not exceeded	Set up Framework Agreement with contractors with a brief that includes costs per items and hourly rates for labour.	In place by 2019	Ongoing and updated every 3 years or if the need for change becomes necessary	Maintenance Manager, Maintenance, Assistant, Property Officer	Respondents to be added as consequence of Medical Adaptation framework returns:  MCN, Everwarm, Lochlie, MPS (formerly Mitie) and Turner.  For full list see Maintenance policy
Stage 3 Adaptations		Varies. To be monitored and ensure thresholds not exceeded	Set up Framework Agreement with contractors with a brief that includes costs per item and hourly rates for labour.	In place by April 2019	31st March 2020  Will be included within new reactive maintenance contract	Maintenance Manager, Maintenance Property Officer	Information as above

Activity	Phase	Estimated/Approx Cost	Proposed Action	Timescale & Award	Contract Conclusion Date	Responsibility	Comments
<b>External Painting of all timbers and metal fencing</b>	All phases	Estimated costs £ <b>REDACTED</b> ex vat	Contract is due to be awarded in June 2019  Quality/Price selection process will be carried out through PCS To be continually monitored to ensure budgets do not exceeded and service delivery is acceptable	Contract will be awarded on 5 year contract  Contract Awarded to Mitie Painting & Engineering	31 <sup>st</sup> March 2024	Maintenance Manager & Property Officer, Maintenance Assistant	Report attached