



ATRIUM
HOMES

The Landlord of Choice

**ANNUAL PROCUREMENT REPORT
2019-21**

Introduction

The purpose of this report is to enable Atrium Homes (AH) to comply with its obligations under the Procurement Reform (Scotland) Act 2014, Section 18(1) to prepare and publish an Annual Procurement Report on its regulated procurement activities.

Atrium is deemed to be a 'public contracting authority' and is therefore bound by the requirements of the following legislation:

- Procurement Reform (Scotland) Act 2014
- Public Contracts (Scotland) Regulations 2015
- Procurement (Scotland) Regulations 2016

While Atrium undertakes various procurements during the year, the scope of this report relates only to those procurements that fall under the remit of the above legislation and are therefore 'regulated procurements'.

A regulated procurement is any procurement for public goods/supplies or services with a value \geq £50,000; or any procurement for public works with a value \geq £2 million.

For smaller non-regulated procurements, not governed by specific Government guidance, the general principles of openness, fairness, transparency, non-discrimination and proportionality still apply.

The guidance and template issued by the Scottish Government was used to enable the preparation of this report.

The report covers the period from approval of Atrium's first Procurement Strategy in 2019 to 31 March 2021 for completed procurements; and up to 31 March 2024 for anticipated procurements. Atrium had not previously exceeded the threshold of £5m per year and consequently was not required to prepare a Procurement Strategy. However, in light of the planned works for Homes Fit for 21 Century Living Standard (HFF21CLS) an indication of our regulated spend became available and a Procurement Strategy was prepared and approved by Board in November 2019.

Procurement Strategy

The Procurement Strategy covered the period 26 November 2019 to 31 March 2024.

This annual report shows how the objectives of the strategy have been met up to 31 March 2021 and includes the following:

1. A summary of the regulated procurements that have been completed during the timescale covered by the report,
2. A review of whether those procurements complied with the organisation's procurement strategy,
3. Where any regulated procurements did not comply, a statement of how the authority intends to ensure that future regulated procurements do comply,
4. A summary of any community benefit requirements imposed as part of a regulated procurement that were fulfilled during the year covered by the report,
5. A summary of any steps taken to facilitate the involvement of supported businesses in regulated procurements during the year covered by the report,
6. A summary of the regulated procurements the authority expects to commence in the next two financial years.

1. Summary of Regulated Procurements Completed during the period 26 November 2019 to 31 March 2021

During this period we completed the following procurements, defined as regulated procurements under Section 2 of the Act. It should be noted that there were several contracts included in the Strategy however, based on the projected costs to determine the procurement route, did not fall within the regulated thresholds and therefore are not included in this annual report.

Table 1

Activity	Date of Award (PCS)	Supplier	Start Date	End date (excl extensions)	Estimated value of contract
New build development at Sunnyside Square West (Services)	16.02.2018	Robert Potter & Partners (Architect)	16.02.2018	01.11.2021	£190,000
Planned Investment Works (Services)	16.02.2018	Armour Construction Consultants (QS)	16.02.2018	Contract will end after last phase of HFF21CLS anticipated 2023	£75,000
Landscape Maintenance Contract (Services)	06.04.2020	John O'Conner (Grounds Maintenance) Ltd	01.04.2020	31.03.2021	£200,000
Gas Central Heating Servicing and Repairs Contract (Services)	06.04.2020	James Frew Ltd (T/A GasSure)	01.04.2020	31.03.2021	£200,000
Insurance & Related Products (Services)	08.04.2020	Bruce Stevenson Insurance Brokers	01.04.2020	31.03.2021	£200,000
Demolition and New build at Sunnyside Sq. West (Works)	26.06.2019	McTaggart Construction Ltd	26.06.2019	01.11.2021	£3,700,000
Homes fit for 21 st Century Living Standard (HFF21CLS) (Works)	27.06.2019	Framework of Contractors CCG (Scotland) Ltd Everwarm Novus Property Solutions	18.06.2019	2023	£10,000,000
					£14,565,000.00

2. Review of whether those procurements complied with the organisation's procurement strategy

Procurement	Route for transparency proportionality, value for money and delivering procurement with equal treatment and non-discrimination	Sustainable Procurement	Community Benefit Requirements	Payment of the Living Wage	Health & Safety	Consultation and Engagement	
Services							
Consultants New build development at Sunnyside Square West	Awarded from Framework Agreement (Others) In line with our Procurement Policy	Factored into procurement process				Atrium consulted with its Board on the procurement process as well as the content and delivery of all our regulated contracts through the appropriate and decision-making procedures, and where appropriate, with our customers, by means of public events and meetings, focus groups, surveys and requests for feedback on our website and from our newsletters.	
Consultants Planned Investment	Awarded from Framework Agreement (Others) In line with our Procurement Policy	Factored into procurement process					
Landscape Maintenance Contract	Achieved via an open competitive tendering process and balancing Quality & Price evaluation. In line with our Procurement Policy	Factored into procurement process through Quality Assessment CB proposals requested proportionate to the value of the contract and in line with that offered in their tender submission. CB requirements fulfilled (see item 4 below)					
Gas Central Heating Servicing & Repairs Contract	Achieved via an open competitive tendering process and balancing Quality & Price evaluation. In line with our Procurement Policy	Factored into procurement process through Quality Assessment CB proposals proportionate to the value of the contract. No CB requirements fulfilled for this period					
Financial Services Insurance & Related Products	Achieved via an open competitive tendering process and balancing Quality & Price evaluation. In line with our Procurement Policy	Factored into procurement process through Quality Assessment					
Works							
New Build Development (Works) Demolition and New build at Sunnyside Sq. West	Awarded from Framework Agreement (Others) In line with our Procurement Policy	CB proposals proportionate to the value of the contract. CB requirements fulfilled (see item 4 below)					
Planned Investment HFF21CLS (Works)	Achieved via a restricted competitive tendering process for a Framework of Contractors for use by AH, and balancing Quality and Price evaluation In line with our Procurement Policy	Factored into procurement process through Quality Assessment CB proposals proportionate to the value of the contract CB requirements for Phase 1 fulfilled (see item 4 below)					

3. Where any regulated procurements did not comply with the Procurement Strategy, a statement of how the authority intends to ensure that future regulated procurements do comply

All regulated procurements complied with the Procurement Strategy.

4 Summary of any community benefit requirements imposed as part of a regulated procurement that were fulfilled during the year covered by the report

Delivering community benefits is an important part of the sustainable procurement duty and community benefits must be considered for all procurement processes at or above £4m in value. Notwithstanding this, the sustainable procurement duty can extend into lower thresholds as evidenced by the following regulated procurement delivered within the reporting timescales or currently ongoing.

New Build Development (Works) - Sunnyside Square – McTaggart Construction

In summary the benefits realised via this contract work were; 8 Work Placements, 2 Curricular Support events, 2 New Apprentices, Support to 4 existing Apprentices, 5 Construction Jobs Create and the use of local Sub-Contractors at approx. 17% of the contract value.

Landscape Maintenance Contract (Services) - John O’Conner (Grounds Maintenance Ltd.

One Apprentice Landscape Maintenance Operative who commenced their apprenticeship in September 2020. This is in line with the community benefits offered in their tender submission.

HFF21CLS Phases 1 & 2 – CCG (Scotland) Ltd

With the exception of the monetary contribution of £5k total, over the contract period for projects/ engagement/initiatives, CCG has realised the expected benefits for Phase 1 namely: 2 new starts; 3 work placements; support to one existing apprentice; as well as construction curriculum support. Although not yet formally started phase 2, they have made the same commitment for phase 2 benefits given the continued involvement on pilot voids.

5 Summary of any steps taken to facilitate the involvement of supported businesses in regulated procurements during the year covered by the report

Our regulated contract activity for the last financial year did not provide us with an opportunity to utilise the goods or services from supported businesses.

6. Summary of the regulated procurements the authority expects to commence in the next two financial years.

Procurement	Activity	Estimated Value	Route	Time
Services				
External Audit Consultants	External	£50,000	In line with our Procurement Policy	2021-22
Works				
Void Property & Reactive Repairs and Maintenance Contract including Out of Hours Services and Audit	Reactive Repairs & Maintenance	£1.6M	In line with our Procurement Policy	2021-22

Annual Procurement Report template

[NOTE: reference to contract is also to be construed as meaning a framework agreement]

1. Organisation and report details

a) Contracting Authority Name	Atrium Homes
b) Period of the annual procurement report	26.11.2019 – 31.03.2021
c) Required by s18 Procurement Reform (Scotland) Act 2014 to prepare an annual procurement report? (Yes / No)	Yes

2. Summary of Regulated Procurements Completed

a) Total number of regulated contracts awarded within the report period	7
b) Total value of regulated contracts awarded within the report period	£14,565,000.00
c) Total number of unique suppliers awarded a place on a regulated contract awarded during the period	9
i) how many of these unique suppliers are SMEs	3
ii) how many of these unique suppliers how many are Third sector bodies	0

3. Review of Regulated Procurements Compliance

a) Number of regulated contracts awarded within the period that complied with your Procurement Strategy	7
b) Number of regulated contracts awarded within the period that did not comply with your Procurement Strategy	0

4. Community Benefit Requirements Summary

Use of Community Benefit Requirements in Procurement:

a) Total Number of regulated contracts awarded with a value of £4 million or greater.	2
b) Total Number of regulated contracts awarded with a value of £4 million or greater that contain Community Benefit Requirements.	2
c) Total Number of regulated contracts awarded with a value of less than £4 million that contain a Community Benefit Requirements	2

Key Contract Information on community benefit requirements imposed as part of a regulated procurement that were fulfilled during the period:

d) Number of Jobs Filled by Priority Groups (Each contracting authority sets its own priority groups)	0
e) Number of Apprenticeships Filled by Priority Groups	0
f) Number of Work Placements for Priority Groups	0
g) Number of Qualifications Achieved Through Training by Priority Groups	0
h) Total Value of contracts sub-contracted to SMEs	£971,877.99
i) Total Value of contracts sub-contracted to Social Enterprises	0
j) Total Value of contracts sub-contracted to Supported Businesses	0
k) Other community benefit(s) fulfilled	0

5. Fair Work and the real Living Wage

a) Number of regulated contracts awarded during the period that have included a scored Fair Work criterion.	3
b) Number of unique suppliers who have committed to pay the real Living Wage in the delivery of a regulated contract awarded during the period.	4
c) Number of unique suppliers who are accredited Living Wage employers and were awarded a regulated contract awarded during the period.	2
d) Number of unique suppliers who have signed up to the Scottish Business Pledge and were awarded a regulated contract awarded during the period.	1

6. Payment performance

a) Number of valid invoices received during the reporting period.	241
b) Percentage of invoices paid on time during the period (“On time” means within the time period set out in the contract terms.)	81.7% Timeous correlation of receipt and payment of invoices impacted by Covid-19 restrictions
c) Number of regulated contracts awarded during the period containing a contract term requiring the prompt	7

payment of invoices in public contract supply chains.	
d) Number of concerns raised by sub-contractors about the timely payment of invoices within the supply chain of public contracts.	0
7. Supported Businesses Summary	
a) Total number of regulated contracts awarded to supported businesses during the period	0
b) Total spend with supported businesses during the period covered by the report, including:	0
i) spend within the reporting year on regulated contracts	0
ii) spend within the reporting year on non-regulated contracts	0
8. Spend and Savings Summary	
a) Total procurement spend for the period covered by the annual procurement report.	£4,101,758.46
b) Total procurement spend with SMEs during the period covered by the annual procurement report.	£108,466.82
c) Total procurement spend with Third sector bodies during the period covered by the report.	0
d) Percentage of total procurement spend through collaborative contracts.	0
e) Total targeted cash savings for the period covered by the annual procurement report	0
i) targeted cash savings for Cat A contracts	0
ii) targeted cash savings for Cat B contracts	0
iii) targeted cash savings for Cat C contracts	0
f) Total delivered cash savings for the period covered by the annual procurement report	0
i) delivered cash savings for Cat A contracts	0
ii) delivered cash savings for Cat B contracts	0
iii) delivered cash savings for Cat C contracts	0
g) Total non-cash savings value for the period covered by the annual procurement report	0
9. Future regulated procurements	
a) Total number of regulated procurements expected to commence in the next two financial years	2

b) Total estimated value of regulated procurements expected to commence in the next two financial years	£1.65m
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