



Annual Procurement Report 2024/25

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Foreword

Angus Housing Association (AHA) reviewed and updated its Procurement Strategy in March 2025 as required by the Procurement Reform (Scotland) Act 2014 (the Act). This Strategy covers the period from March 2025 to March 2029, and is reviewed annually and amended as applicable. To comply with this Strategy and the Act, this report marks the publication of the fourth Annual Procurement Report for AHA. The purpose of this report is to publish AHA's procurement performance and achievements in delivering its Procurement Strategy.

This Annual Procurement Report covers the period from 1st April 2024 to 31st March 2025. During that period, two (2) regulated procurement(s) were carried out. These were an Invitation to Tender for General Legal Services and an Invitation to Tender for a Framework Agreement concerning Painting Works. During the same period, Community Benefits were included in all Regulated Procurement exercises. The Association annually reviews spend analysis to identify areas of high-risk expenditure for all of its contracts concerning Goods, Works & Services, which will in turn identify the number of regulated procurements over the next two financial years which may require to be carried out and may also be subject to change.

Introduction

This report has been prepared as the Annual Procurement Report for the period 1st April 2024 – 31st March 2025 to meet the requirements of the Procurement Reform (Scotland) Act 2014 which requires any public organisation which has an estimated annual regulated spend of £5m or more (excluding VAT) to prepare an annual report on their regulated procurements completed during that period.

Procurement Strategy

AHA published a Procurement Strategy in April 2021 for the period from March 2021 to March 2024. A review of the strategy was carried out in March 2025, with a number of amendments applied to the strategy. This strategy is now live and covers the period from March 2025 to March 2029.

The purpose of the strategy is to:

- Deliver value for money through good procurement practice, including involvement in collaborative procurement initiatives and purchasing consortia as required. Our procurement process will also enable staff who procure goods and services to achieve value for money in purchases. It will enable staff to have the tools and guidance on achieving and evaluating value for money.
- Support internal departments and colleagues to enhance tenant engagement and experience through good Procurement practices. Ensure that sustainable procurement is a key aspect of all procurement activities within AHA, with a key focus on quality, value for money and, where possible, community benefits. We will ensure that staff have training that is appropriate and relevant, to enable them to undertake procurement activity associated with their role.
- Develop a suite of key performance indicators (KPIs) as well as other management information to measure and improve procurement-related activities and supplier performance, assisting key stakeholders across the organisation to meet their requirements.

- Sustain and further develop partnerships within the sector, with other publicly funded and professional bodies, and appropriately with supply markets that will produce intelligence, innovation and deliver value to users of procurement.
- We will maintain a comprehensive policy and procedure (and other associated documents) to ensure that our procurement processes are fully compliant with legislation and best practice.
- We will continue to analyse the way we procure goods and services, to ensure that we are embracing innovation and new ways of working. We will look to establish our processes in the most advanced methods and systems and ensure that we procure goods and services as per AHA's Procurement Policy.
- We will establish a framework for monitoring and reporting performance including community benefits, stakeholder outcomes and key performance indicators.

Summary of Procurement Activity 2024/25

We are committed to making public procurement open and accessible to businesses, especially Small and Medium-sized Enterprises (SMEs). All tender opportunities greater than £50K for Goods / Services and greater than £2M for Works are advertised on the Public Contracts Scotland (PCS) advertising portal and on Tenders Electronic Daily (TED) where required. We also publish contract opportunities below these thresholds following our Procurement Policy guidelines. Our contract register is published on our website as required by the regulations.

The PCS portal has a 'Quick Quote' functionality, which is a proportionate process to request and receive quotes for lower-value contracts for Goods / Services and Works or advertising mini competitions using Collaborative Framework Agreements regardless of contract value.

Period 1st April 2024 to 31st March 2025	
Number of completed Regulated Procurements	2
Estimated value of completed Regulated Procurements	£3,152,000.00
Number of completed non-regulated Procurements	10
Estimated value of non-regulated Procurements	£2,723,109.10
Total	£5,875,109,10

Summary of AHA's Regulated / Non-Regulated Procurements

Appendix one (1) shows a total of 12 contract awards between the periods of 1st April 2024 to 31st March 2025, which covers a mix of Works and Service contracts. Two (2) contracts were above the Procurement Reform (Scotland) Act Thresholds of £50K for Services and £2M for Works, with the others below the regulated thresholds.

Procurement exercises outlined above equate to a total procurement value for Financial Year 2024/25 of: **£5,875,109,10**

A regulated procurement is any procurement for Goods/Services with a value of over £50,000 and for Works with a value of over £2 million. For this section, a regulated procurement is completed when the award notice is published or when the procurement process otherwise comes to an end.

Summary of the Use of Supported Businesses

Supported Businesses make an important contribution to the Scottish economy, through the Goods and Services they deliver, but also by providing meaningful employment, training and social support for those who may otherwise be excluded from the workplace. This is an important element of the sustainable procurement duty, and the steps taken by the Organisation to facilitate the involvement of Supported Businesses in regulated and non-regulated procurements will therefore be helpful to the organisation in demonstrating compliance with that duty.

During the reporting period, AHA had no opportunities to support the use of Supported Businesses, which is unfortunate. In previous years, we have had significant use of Supported Businesses by way of the Capture All Document Scanning Contract and the use of Only the Brave Signage Contract. AHA are keen to support and encourage the use of Supported Businesses where the opportunity allows and where it is appropriate and proportionate to do so. We also need to ensure the requirements to utilise Supported Businesses meet the needs of the organisation, and these opportunities will be assessed regularly.

Summary on AHA's Expenditure & Supply Chain

Performance metrics and spend analysis are used to continuously monitor performance and identify areas for further improvement:

Purchases	2024/25
Total Spend	£18,072,239.13
Total Number of Suppliers	487
SME's (Small Medium Enterprises)	364
SME Spend %	85%
Local Suppliers (Angus / Dundee)	197
Local Spend % (Angus / Dundee)	41%
Supported Business Spend	£0
Payments	
Total number of invoices paid	8,262
Invoices paid by electronic means	8,262
Value of invoices paid by electronic means	£18,072,239.13
Invoices paid within 30 days %	96%
*Angus / Dundee supplier invoices paid within 30 days %	78%

*** Our local supply chain figures for invoices paid within 30 days are currently lower than expected. After reviewing the situation, we identified that this is primarily due to delays by local contractors in submitting their invoices. These delays affect our ability to process payments within the standard 30-day period. We are actively working with our contractors to ensure that invoices are submitted promptly, allowing us to improve our payment timelines moving forward.**

Review of Regulated Procurement Compliance

Mandatory Requirements of the Procurement Reform (Scotland) Act 2014 and Statutory Guidance Obligations lay out some mandatory requirements which AHA's Procurement Strategy (March 2025 to March 2029) includes.

<u>Community Benefits Requirements</u>	<p>Fully Complied</p> <p>For every procurement over £4m, AHA will consider how it can improve the economic, social or environmental wellbeing of its area potentially through the inclusion of community benefit clauses, to assist with its strategic objective of being accountable to the Communities we serve and performing policies which offer a high level of tenant and wider public participation in our decision making process.</p> <p>Such improvements could be implemented through the delivery of targeted recruitment and training or subcontracting opportunities within AHA's geographical location.</p> <p>Where possible and proportionate AHA will also look to include such clauses in procurements below the £4m threshold.</p>
<u>Payment of a Living Wage</u>	<p>Fully Complied</p> <p>A contracting authority can contribute towards improving the social wellbeing element of its sustainable procurement duty under section 9 of the Procurement Reform (Scotland) Act</p>

	<p>2014 ("the Act") by adopting policies to promote fair work practices in relevant public contracts.</p> <p>Where it is appropriate and proportionate to do so AHA will strive to implement Living Wage and Fair Work Practice principles within our procurements by considering a bidder's overall approach to Fair Work Practices as outlined within the Scottish Government's statutory guidance on Fair Work Practices.</p> <p>Where relevant and proportionate sustainability requirements, including support for Fair Working Practices and the Living Wage were included in contract documents.</p>
<p><u>Value for Money</u></p>	<p>Fully Complied</p> <p>AHA will analyse expenditure to identify 'TED regulated Procurements' (<i>Public Contracts Scotland Regulation Thresholds previously OJEU for Goods and Services worth more than £214,904 inc VAT and Works worth more than £5,372,609 inc VAT</i>) and the Procurement Reform Scotland Act Thresholds lower value regulated procurements' (<i>Goods and Services worth more than £50,000 and Works worth more than £2 million</i>).</p> <p>Goods, Services and Works are bought through multiple methods including joint purchasing, use of local, regional, and national framework agreements.</p> <p>All regulated contracts are tendered via the PCS portal. Collaboration on contracts used where appropriate.</p>

<u>Payment of Contractors</u>	<p>Fully Complied</p> <p>96% of invoices were paid within 30 days during the reporting period. All regulated procurement contained the standard clause in relation to payment.</p>
<u>Developing Staff in Procurement</u>	<p>Fully Complied</p> <p>Internal training provided to staff with procurement responsibilities and is ongoing.</p>

AHA is committed to ensuring all regulated procurements comply with both the Association's Procurement Strategy and all relevant Legislation. All contracts are included in our Contract Register which is published on our website. This includes compliance with Sustainable Compliance Duties.

Community Benefit Summary

AHA are now building in processes that will allow us to capture Community Benefits that are being delivered as part of the contracts awarded, where appropriate and proportionate to do so, dependent upon contract value. The relatively low costs of our procurement contracts for Goods and Services compared to the cost of Development and New Build projects have made this a difficult area to tackle locally, but we are committed to realising Community Benefits in all forms. The Association is committed to maximising Community Benefits from its procurement activities. The use of Community Benefit clauses contributes to AHA's Procurement Strategy.

Community Benefit clauses will be incorporated into all contracts where appropriate and proportionate to do so, and are mandatory in contracts with a contract value over £4m.

Summary of Community Benefits 2024/25	
Total Number of Contracts	12
Total Number of Regulated Procurements (>£4M)	0
Number of Contracts (> £4M) with Community Benefit Requirements	0
Number of Contracts (< £4M) with Community Benefit Requirements	4
Total number of Contracts with Community Benefit Requirements	4
% of Community Benefit Requirements from the Total Number of Contracts	33%
% of Community Benefits from the Total Number of Regulated Procurements (>£4M)	0%

Future Procurement Summary

The Association is currently reviewing its spend analysis to identify expenditure areas across all contracts related to Goods, Works & Services. This will determine the number of procurements needed over the next two financial years, which may also be subject to change. An indicative list of contract opportunities is provided below:

Item	Year	Indicative Contract Value (£)	Notes
Barnhill Kitchen & Bathroom Replacements	2026	£600,000.00	Kitchen and Bathroom Replacement Programme
Kirkbank Kitchens & Bathroom Replacements	2026	£575,000.00	Kitchen and Bathroom Replacement Programme
Old School Way Kitchens & Bathroom Replacements	2026	£90,000.00	Kitchen and Bathroom Replacement Programme
Leonard Street Kitchens & Bathroom Replacements	2026	£625,000.00	Kitchen and Bathroom Replacement Programme
Market Street Kitchens, Bathrooms & Electric Heating	2026	£230,000.00	Kitchen and Bathroom Replacement Programme

Sidney Street Bathrooms & Electric Heating Replacements	2026	£190,000.00	Kitchen and Bathroom Replacement Programme
Main Rd & Station Rd Kitchens & Bathroom Replacements	2026	£100,000.00	Kitchen and Bathroom Replacement Programme
Hight St Window Replacements	2026	£150,000.00	Windows & Doors Replacements
2026 Gas Boiler Replacements	2026	£150,000.00	Gas Boiler Replacements
2026 Annual Stock Condition Surveys	2026	£21,000.00	Stock Condition Surveys
2026 EPC Renewals	2026	£10,000.00	EPC Surveys
Professional Services Framework Agreement	2026	Unknown	Professional Services Framework Agreement for:

(Collaborative Framework led by Procurement Consultant for Castlehill HA)			<ol style="list-style-type: none"> 1. Architects 2. Quantity Surveyors/Employers Agents 3. Engineers
Salton Crescent Kitchen Replacements	2027	£325,000.00	Kitchen Replacements
Tulloch Wynd Kitchen Replacements	2027	£100,000.00	Kitchen Replacements
Westgate Kitchens, Bathrooms and Electric Heating Replacements	2027	£200,000.00	Kitchens, Bathrooms and Heating Replacements
Palmer St & Russell Sq Electric Heating Replacements	2027	£190,000.00	Heating Replacements
Kaims Cottages Electric Heating Replacements	2027	£35,000.00	Heating Replacements
	2027	£85,000.00	

Westnewgate Bathroom & Electric Heating Replacements			Bathroom and Heating Replacements
John St Bathroom Replacements	2027	£110,000.00	Bathroom Replacements
Barnhill Roof Renewals	2027	£350,000.00	Roof Renewals
Sir James Duncan Gardens ASHP Heating Replacements	2027	£65,000.00	ASHP Renewals
Thistle St Kitchens and Heating Replacements	2027	£450,000.00	Kitchens and Heating Replacements
Sir James Duncan Gardens Kitchen Replacements	2027	£150,000.00	Kitchen Replacements
James St Kitchens, Bathrooms and	2027	£300,000.00	Bathrooms and Electric Heating Replacements

Electric Heating Replacements			
Dundee St Kitchen Replacements	2027	£75,000.00	Kitchen Replacements
Great Michael Rd Kitchen Replacements	2027	£85,000.00	Kitchen Replacements
2027 Gas Boiler Replacements	2027	£150,000.00	Boiler Replacement Programme
2027 Annual Stock Condition Surveys	2027	£22,000.00	Stock Condition Surveys
2027 EPC Renewals	2027	£10,000.00	EPC Renewals
External Audit	2027	£50,800.00	External Audit Services

Procurement Complaints Received

The Association received no formal challenges or complaints during the reporting period.

Annual Procurement Report Ownership

Scott Traynor, Development Officer & Procurement Lead

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