



## Procurement Policy

Management Committee submission:	24 September 2019
Last Approved:	13 September 2016
Date Approved:	24 September 2019
Next Review date:	September 2022

### CHA Objectives:

- To provide quality, affordable housing that meets the changing needs of our customers and to ensure fair access to housing within our area.
- To manage the houses provided, in a professional and cost effective manner, for the benefit of our local community and the environment.
- To provide a first class maintenance service which offers value for money and ensures the comfort and safety of our residents while achieving high levels of satisfaction
- To ensure that our resources are adequate to deliver our objectives by investing in our people, demonstrating value for money and through robust procurement practices.
- To promote social inclusion by applying principles of equality and diversity to everything we do.

### Regulatory Standards:

- The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.
- The RSL is open about and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. And its primary focus is the sustainable achievement of these objectives.
- The RSL manages its resources to ensure its financial well-being while maintaining rents at a level that tenants can afford to pay.
- The governing body bases its decision on good quality information and advice and identifies and mitigates risks to the organisation's purpose.
- The RSL conducts its affairs with honesty and integrity.
- The governing body and senior officers have the skills and knowledge they need to be effective.

**Any breach or non-compliance with legislation/regulatory requirements in relation to this Policy constitutes a Notifiable Event and the Regulator will be informed via the SHR Portal.**

***This policy can be made available on request in a variety of different formats, such as on CD, in large print and translated into other languages.***

## 1. Introduction

Clydebank Housing Association (CHA) intends to deliver its objectives and meet its Regulatory requirements through cost effective procurement practices. We will work creatively and collaboratively to support the local economy in our communities.

This policy describes how CHA will purchase, or procure works, goods and services. The term procurement as used in this policy covers the process of purchasing the full range of works, goods and services we require, ranging from small items purchased from the petty cash float to large development and planned maintenance contracts awarded following a full tendering process.

## 2. Policy Aims & Objectives

The keys aims and objectives of the policy are:

- To set clear guidelines and methods by which the Association will procure works, services or supplies
- To award contracts that achieve value for money
- To promote and encourage partnership working
- To promote involvement in community benefits e.g., apprenticeships, sponsorship
- Contribute to the aims and objectives of CHA as detailed in the business plan
- To ensure that the business needs are met through procurement of works, services or supplies

## 3. Value for Money

Value for money is defined as the optimum combination of the whole-life cost and quality (or fitness for purpose) to meet the users requirement. This may also include implementation costs, ongoing operating costs and end of life disposal and due regard should also be taken of other policies relating to social responsibility and sustainability.

In all our procurement activities we will aim to achieve the best 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 provide the best value in the longer term.

We aim to demonstrate that we are procuring in a manner that improves the economic, social and environmental well-being (this includes reduction of inequality) of the communities in which we operate.

#### 4. Sustainability

To help achieve a sustainable procurement approach, we will;

- Consider how to facilitate and involve Small to Medium sized Enterprises (SMEs) in our procurement activities. To encourage SMEs to bid for contracts the Association will, for example, give consideration to splitting contracts into smaller lots. We will also develop a framework for our smaller reactive repairs contractors.
- Actively encourage contractors and suppliers to pay the Living Wage
- Promote compliance with the Health & Safety at Work Act 1974 and relevant updates
- Consider and maximise the community benefits that we secure through all of our procurement activities
- Pay contractors in a timeous manner and ensure prompt payment of invoices (within 30 days)
- Ensure that our contractors and suppliers operate in an ethical manner and sign up to our Code of Conduct and our Association values.

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.

#### 5. Legislation

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.

Public procurement in the UK and the rest of the European Union is governed by a number of Directives and Regulations which are then implemented in national legislation.

Public procurement law is a devolved responsibility of the Scottish Parliament and is enforced through the following legislation:

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

The Scottish Government has developed comprehensive procurement guidance for public bodies to improve the quality of and value delivered through procurement of public contracts in Scotland. This guidance can be found at: [Guidance under the Procurement Reform \(Scotland\) Act 2014](#)

The specific procurement approach adopted will be based on the nature, scale and value of the contract being awarded. Where tenders are being considered on the basis of price, quality and sustainability, a scoring matrix will be developed. For services, particularly consultant services the

price/quality balance should be 30/70 as a minimum. For works, the price/quality balance should be 40/60 as a minimum.

The factors scored will vary depending on the nature of the goods or service being procured, with the weighting of the different factors considered and determined in advance. The scoring criteria will be included with tender packs

## **6. Procurement Routes**

The public procurement rules vary depending on the type and value of the contract.

When contracts are above a certain value (EU Regulated Contract Thresholds) more detailed rules apply. These contracts must be advertised in the Official Journal of the European Union (OJEU) although they are also advertised through Public Contracts Scotland and the full formal procedures are followed. The threshold values are listed in Appendix A.

Contracts which are worth less than these amounts (Lower Value Regulated Contract Thresholds) are subject to fewer rules but must still be appropriately advertised. The threshold values are listed in Appendix A.

EU thresholds are reviewed and published annually.

If the estimated value of a contract is equal to or greater than the relevant threshold, then that contract will be publicly procured in accordance with the terms of the Regulations.

### **Procuring Through Framework Agreements**

In certain circumstances, it may be beneficial for the Association to establish and /or join existing external framework agreements. The Association will seek to identify, in the first instance, a suitable framework which can provide the works, goods, services it requires. E.g. Scotland Excel, SPA, Link Group, Wheatley Group, etc.

## **7. Procurement Strategy**

Section 15 of the Procurement Reform (Scotland) Act 2014 requires any public organisation, which has an estimated total value of regulated procurement spend of £5 million or more (excluding VAT) in a financial year, to prepare and publish a procurement strategy. The period the procurement strategy covers can be defined by the organisation e.g., 3 years, 5 years etc.

If the Association is required to provide a procurement strategy this will be in accordance with the published guidance - [Guidance under the Procurement Reform \(Scotland\) Act 2014](#)

## **8. Roles and Responsibilities**

The Management Committee has ultimate responsibility for procurement of works, services and supplies and for policy review. As a result, the Management Committee and its delegated Sub-Committees will oversee the

particular works, services or supplies and will receive regular reports on the basis of procurement and the awarding of contracts.

The specification for the works, services or supplies, with performance indicators and associated methods of measuring and monitoring performance, will be the responsibility of the senior officer managing the contract.

### **8.1 Chief Executive**

- Ensure effective implementation of this policy and supporting procedures;
- Ensure staff are aware of the policy and supporting procedures
- Ensure value for money from procurement activity is achieved
- Ensure community benefit arrangements are in place and are being monitored

### **8.2 Head of Finance and Corporate Services (Non-Maintenance Contracts)**

- Oversee implementation of this policy and procedure document
- Monitor implementation of this policy and procedure document
- Co-ordination of Association wide procurement as per policies and procedure
- Development and review of procurement processes and procedures
- Work in partnership with relevant Section Managers to procure works and services
- Record and log all procurement activities
- Ensure relevant training is in place for staff
- Development and implementation of the Association's Procurement Strategy when required
- Obtain VFM

### **8.3 Head of Housing Services Manager**

- Oversee implementation of this policy and procedure document for his/her areas of responsibility
- Ensure community benefit arrangements are in place and being monitored

### **8.4 Housing Services Manager (Maintenance Contracts)**

- Co-ordination of Association wide procurement as per policies and procedure
- Development and review of procurement processes and procedures
- Work in partnership with relevant Section Managers to procure works and services
- Record and log all procurement activities
- Report to the Corporate Management Team, Senior Management Team and Management Committee the outcome of its procurement activity
- Implementation of the Association's tender programme
- Co-ordinate and publish the Association's Procurement Strategy
- Obtain and evidence VFM

### **8.5 Finance & Corporate Services Manager**

- Comply with this policy and procedure document
- Monitor purchase order system
- Monitor authorisation levels
- Carry out finance checks and assist with due diligence

### **8.6 All Staff**

- Comply with this policy and procedure document
- Obtain and evidence VFM

## **9. Delegation of Authority to Incur Expenditure**

Where the proposed expenditure is already included in the approved annual budget, the Committee will delegate the authority to incur expenditure to the appropriate member of staff, as detailed in the Association's Financial Regulations and per the Association's scheme of delegation summarised in Appendix 1.

Where the proposed expenditure is not included in the approved annual budget because; it was not considered when the budget was drawn up, could not reasonably have been foreseen, or because the expenditure will result in an approved budget becoming overspent, the Committee may delegate authority to approve expenditure up to specified limits.

The Management Committee will review the levels of delegated authority at least every 3 years and ensure that there are adequate financial controls for procurement at all levels. In so doing the Committee will ensure that levels of delegation remain relevant to current expenditure patterns, budgets and cost inflation and appropriate for effective governance.

## **10. Contracts < £5,000- Obtaining Prices, Quotations and Tenders**

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

- **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.

- **Quotations**

Quotations should be requested in writing. 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. Quotes received must be recorded and filed in the central quote file (Procurement/Quotation Register less than £5k)

## 11. EU Regulated Contracts

If the contract is equal to or greater than the relevant threshold (see Appendix 2) then that contract will be publicly procure in accordance with the terms of the Regulations.

In terms of guidance, where a proposed contract contains elements of both supplies and services, the classification should be determined by the respective values of the two elements. Where it covers works/supplies or works/services it should be classified according to the predominant purpose.

The European Single Procurement Document (ESPD) replaced the Pre-Qualifying Questionnaire (PQQ) in April 2016 for EU regulated contracts.

The questions contained in the ESPD are set and cannot be added to although you can delete questions that are not relevant to a particular contract.

The questions ask bidders either to confirm that they meet the minimum standards for selection set out in the contract notice or to describe how they meet the criteria set out in the contract notice. More detail about selection criteria must therefore be included in the contract notice. Bidders self-declaration that their responses are true must be accepted and they can only be asked to provide supporting documentation before a contract is awarded or at any other point when that would be necessary to ensure the proper conduct of the procedure e.g., before issuing an invitation to tender.

If a bidder proposes to sub-contract part of a contract, and relies on the capacity of that sub-contractor in order to fulfil the selection criteria, a separate ESPD must be submitted on behalf of the sub-contractor.

### Lower Value Regulated Contracts

All supplies and services contracts with an anticipated contract value of £50,000 to EU thresholds and works contracts with an anticipated contract value of £2,000,000 to EU thresholds will be advertised on the Scottish procurement portal %Public Contracts Scotland+website [www.publiccontractscotland.gov.uk](http://www.publiccontractscotland.gov.uk). However, CHA conforms to good practice guidelines and will aim to advertise all contracts with an estimated value of over £20,000. The only exception to this is where CHA can call upon a suitable Framework (internal or external) already in place.

As this will be the route followed in the majority of cases by the Association in relation to developments and major repairs, the following details the process will apply:

## 12. Procurement Process via Public Contracts Scotland (PCS)

Contracts that require to be advertised will involve a two stage tender process for selecting contractors i.e. a Pre-Qualifying Questionnaire (PQQ) and invitation to tender. The PQQ is the point in the procurement process where the Association assesses a bidder's capacity and capability to carry out a

contract. Where an organisation is deemed to meet the criteria in the PQQ, those bidders will be invited to tender.

### **12.1 Obtaining information**

In obtaining information to evaluate whether a contractor can undertake works to a standard required by the Association, the following are considerations that would need to be evidenced in PQQ responses:

- Financial resources
- Experience and capacity
- Health and safety policy
- Quality management procedures
- Staff resources and employment policy
- Sub-contracting policy
- Equal opportunities policy and practices
- Public liability insurance certificate
- Indemnity insurance up to a certain limited . for consultants
- Two years published accounts
- Valid registration card or certificate for a trade body or standard
- Proof of membership of federation or trade associations
- Details of labour force

### **Tendering procedures**

Contract documentation will be according to the scope and size of the contract and should include, but not limited to:

- Invite to Tender
- Instruction to tenderers including tender return date
- A full description of the works or scope of the project
- Contractor's brief and proposed KPIs
- Principles of assessment
- Questionnaire (if applicable)
- The conditions of contract which will apply
- The period in which works are to be completed
- Insurance requirements
- Conditions of payment
- Details of the appropriate procedure to follow for submission of tenders

### **Tendering opening procedure and record keeping:**

- Tenders will not be opened before the submission date (this will not be possible through PCS in any event as the electronic mail box is locked until after the closing date)
- The date and time received will be marked clearly on the envelope and signed by the member of staff accepting delivery
- Tenders will be stored in a lock fast area until the opening

- Tender opening will take place as soon as possible after the submission date but not more than 7 days after
- All tender openings should be in the presence of at least two staff members (one staff member to be Officer grade or above) The witnessed tenders are then recorded in the contracts register
- Award notification will be issued within 21 days
- Following award, links to tender reports will be inserted into contracts register
- Pen drives will be labelled and stored in CHA secure IT safe for recommended retention period

### **Selection process**

This will involve applying the scoring and weighting process indicated to tenderers in the tender documentation and also identifying price, schedule of rates or other cost and remuneration parameters that are being offered as part of the tender proposal.

Tender evaluations will be based on a split between weighting and marks for quality and price. The Association will use the 70% or 60% price and 30% or 40% quality criteria dependent on the type of contract. This will ensure that a tenderer cannot win a contract by submitting the lowest price but must also address the quality elements of the tender invitation. The criteria to be applied will be agreed by the Management Committee or delegated Sub-Committee prior to contracts being advertised.

A tender report with recommendation for contract award will be submitted to the Management Committee or delegated Sub-Committee for approval and ratification.

### **13. Contracts Register**

The Association has a contract register in place which holds the following details:

- Contract subject
- Contractor/supplier/consultant
- Contract Type
- Contract value
- Date the contract was awarded
- Start date of contract
- Duration of contract
- End date of contract
- Duration of any contract extension

### **14. Partnering**

It should be noted that partnering is not a procurement route, rather it is a term used to describe a non-confrontational way of working through which all parties, including clients and suppliers act as a single team to achieve common goals. It is about developing systems and methods to enable people

and organisations to operate more effectively and efficiently together irrespective of the nature of the project or the method of procurement used and it is intended to overcome old confrontational ways of working.

Partnering agreements will be considered by the Association where added value can be clearly demonstrated. All legislation will be complied with prior to entering into any contract through this route.

#### **15. Framework of Small Works Contractors**

The Association is currently procuring all small works contractors, lots advertised for the Framework are as follows: -

<b>Lot on PCS</b>	<b>Workstream</b>
<b>1</b>	Void Works (to include any combination of electrician, joiner, plumber, painter, plasterer, builder, roofer, EPC assessor/surveyor, cleaner etc)
<b>2</b>	Multi-Trade (General) (to include any combination of electrician, joiner, plumber, gas engineer, painter, plasterer, builder, roofer etc)
<b>3</b>	Out Of Hours (to include any combination of electrician, joiner, plumber, gas engineer, painter, plasterer, builder, roofer, EPC assessor/surveyor, cleaner etc)
<b>4</b>	Medical Adaptations
<b>5</b>	Joinery / Glazier / Ironmongery
<b>6</b>	Electrician / Door Entry
<b>7</b>	Plumber / Gas Engineer
<b>8</b>	Painter / Tape & Fill
<b>9</b>	Builder / Plasterer
<b>10</b>	Roofer / Slater
<b>11</b>	Close/window cleaning / cleaning (general)/ pest control / bulk uplifts
<b>12</b>	TV Aerial
<b>13</b>	Blacksmith
<b>14</b>	CHP Engineer (district heating)
<b>15</b>	Ventilation Engineer

#### **16. Monitoring and review of the Framework of Contractors for maintenance works**

The Framework of maintenance contractors will be monitored and maintained by the Housing Services Manager on an ongoing basis and reviewed by the Housing Services Sub-Committee on an annual basis, or before if the need arises.

Performance measures under the Charter depend on good performance by contractors in completing repairs timeously, being courteous and polite to

tenants, adhering to arranged appointments and completing work on a right first time basis.

The following additional criteria may be taken into account when reviewing a contractor's performance:

- Delivery of KPIs outlined in contract
- Results of tenants'satisfaction surveys and staff feedback
- Complaints and compliments
- Value for money / cost effectiveness
- Percentage of works carried out right first time
- Opportunities for apprentices, work placements and benefits to local community

#### **17. Joint Procurement**

It is recognised that where joint procurement is undertaken the control of particular appointments etc. will be shared with partner organisations and although some of the administration may be the responsibility of another organisation ultimate decision making in terms of final approval of proposals will remain with the Association.

#### **18. Community Benefits**

Community Benefit Clauses can be used to build a range of economic, social or environmental conditions into the delivery of contracts. Community Benefits can provide added value and contribute to the achievement of outcomes which benefit local communities and deliver wider social benefit.

One of our stated Policy objectives is to promote community benefits through apprenticeships and sponsorship. Clydebank HA believes that it should lead by example by employing trainees, offering apprenticeships and providing work placements and we therefore expect our contractors will also provide this kind of community benefit. Projects and initiatives that stimulate the local economy will assist in the strengthening of our communities and long term sustainability.

The Association will comply with the legal duty for explicit Community Benefits clauses required on all contracts above £4m that commence on or after 1 June 2016.

Additionally, CHA will always consider Community Benefits for all procurement when purchases are over £50k for goods and services, and over £500k for works. The Association recognises that Community Benefits must be proportionate to the value of the contracts being procured and that a one size fits all approach is not possible.

The Association will develop a specific policy statement on Community Benefits and develop in house guidance and training to support staff on securing maximum Community Benefits from procurement activity. Guidance will provide examples of Community Benefits (Community Benefits which can

potentially be included as contractual clauses include, but are not limited to; targeted recruitment and training, small business and social enterprise development, support for community initiatives and community engagement), sample Community Benefits clauses for consideration during the design and development of tendering documentation and methods of monitoring and evaluation to ensure a consistent approach is embedded across the organisation.

**19. Equal Opportunities**

Clydebank Housing Association will ensure equality of opportunity across the full range of our activities, including both employment and service provision.

We will not discriminate on the grounds of Age, Disability, Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race, Religion or Belief, Sex, and Sexual Orientation.

**For Office Use Only – Actions**

Customer Consultation Required/Arranged	No
Intranet Update	Yes
F Drive Update	Yes
Website Update	Yes
Leaflet change required?	No
Newsletter Promotion?	No
Other information updated, e.g. posters, automatic email responses, post cards, answering machine messages, etc.	No
Equality Impact Assessment completed	Yes

## Appendix 1 – Scheme of Financial Delegation

To order and authorise: -

### 1. Capital Expenditure (Properties)

	Details(Estimated expenditure)	Authorisation	Procurement/ Minimum Quotes Required
a	Purchase of a Property within Budget allocation	<ul style="list-style-type: none"> <li>• Chief Executive</li> <li>• Head of Finance and Corporate Services</li> <li>• Head of Housing Services</li> </ul>	N/A
b	Purchase of a Property outwith Budget allocation	<ul style="list-style-type: none"> <li>• Finance and Corporate Services Sub-Committee</li> <li>• Management Committee</li> </ul>	N/A
c	Consultants Fees/Works Costs . payments within approved contract sums	<ul style="list-style-type: none"> <li>• Chief Executive</li> <li>• Head of Finance and Corporate Services</li> </ul>	N/A
d	Contract Variation under £10,000 plus VAT	<ul style="list-style-type: none"> <li>• Chief Executive</li> <li>• Head of Finance and Corporate Services</li> </ul>	N/A
e	Contract variation £10,000 and above	<ul style="list-style-type: none"> <li>• Finance and Corporate Services Sub-Committee</li> <li>• Management Committee</li> <li>• Emergency arrangements . at least 4 MC members to be contacted</li> </ul>	N/A
f	New Build Development - Design and Build	<ul style="list-style-type: none"> <li>• Development &amp; Wider Role SC</li> <li>• Management Committee</li> </ul>	Per Contract
g	New Building Development - Traditional	<ul style="list-style-type: none"> <li>• Solicitors</li> <li>• Consultancy</li> <li>• Contractor</li> </ul>	PCS or through existing Frameworks (e.g. Scotland Excel, SPA, etc.)

## 2. Property Management, Maintenance, Estate Management and sundry (within Budget parameters)

	Details (Estimated Expenditure)	Authorisation	Procurement/ Minimum Quotes Required
a	Up to £500 plus VAT (Grade 5/6)	<ul style="list-style-type: none"> <li>Housing Assistants</li> <li>Maintenance Assistants</li> <li>Finance Assistants</li> </ul>	N/A
b	Up to £1,000 plus VAT (Grade 7)	<ul style="list-style-type: none"> <li>Housing Officer</li> <li>Maintenance Officer</li> </ul>	Direct Award through relevant supplier
c	Up to £5,000 plus VAT (Grade 8)	<ul style="list-style-type: none"> <li>Housing Services Manager</li> <li>Finance and Corporate Services Manager</li> </ul>	2 Quotes
d	Up to £10,000 plus VAT	<ul style="list-style-type: none"> <li>Chief Executive</li> <li>Head of Finance and Corporate Services</li> <li>Head of Housing Services</li> </ul>	2 Quotes/ Or Quick Quote through PCS
e	> £10,000 plus VAT	<ul style="list-style-type: none"> <li>Finance and Corporate Services Sub-Committee</li> <li>Housing Services Sub-Committee</li> <li>Management Committee</li> <li>In line with Procurement Policy</li> <li>Emergency arrangements . at least 4 MC members to be contacted</li> </ul>	PCS or through existing Framework (e.g. Scotland Excel, SPA, etc.)

## 3. Capital Expenditure Items (Within overall Budget parameters)

	Details (Estimated Expenditure)	Authorisation	Procurement/ Minimum Quotes Required
a	Under £5,000 plus VAT	<ul style="list-style-type: none"> <li>Chief Executive</li> <li>Head of Finance and Corporate Services</li> <li>Head of Housing Services</li> </ul>	2 Quotes
b	Over £5,000 plus VAT	<ul style="list-style-type: none"> <li>Finance and Corporate Services Sub-Committee</li> <li>Management Committee</li> <li>In line with Procurement Policy</li> </ul>	2 Quotes

#### 4. Staffing Costs

	Details (Estimated Expenditure)	Authorisation	Procurement/ Minimum Quotes Required
a	Staff Structure and appointments	<ul style="list-style-type: none"> <li>• Finance and Corporate Services Sub-Committee; or</li> <li>• Management Committee</li> </ul>	N/A
b	Temporary Staff	<ul style="list-style-type: none"> <li>• Chief Executive (within Budget parameters)</li> <li>• Report to Finance and Corporate Services Sub-Committee; or</li> <li>• Report to Management Committee</li> </ul>	N/A
c	Salary Reviews	<ul style="list-style-type: none"> <li>• Finance and Corporate Services Sub-Committee; or</li> <li>• Management Committee</li> </ul>	N/A
d	Staff Expenses	<ul style="list-style-type: none"> <li>• Finance and Corporate Services Sub-Committee; or</li> <li>• Management Committee</li> </ul>	N/A
e	Chief Executive Expenses	<ul style="list-style-type: none"> <li>• Finance and Corporate Services Sub-Committee; or</li> <li>• Management Committee</li> </ul>	N/A
f	Overtime	<ul style="list-style-type: none"> <li>• Chief Executive</li> <li>• Report to Finance and Corporate Services Sub-Committee; or</li> <li>• Report to Management Committee</li> </ul>	N/A
g	Temporary responsibility allowances	<ul style="list-style-type: none"> <li>• Chief Executive (per EVH Conditions of Service)</li> <li>• Report to Management Committee or Finance and Corporate Services Sub-Committee</li> </ul>	N/A

## 5. Supplies/Goods

	Details (Estimated Expenditure)	Authorisation	Procurement/ Minimum Quotes Required
a	Up to £500 plus VAT	<ul style="list-style-type: none"> <li>• Finance Assistant</li> <li>• Finance Officer</li> </ul>	N/A
b	Up to £1,000 plus VAT	<ul style="list-style-type: none"> <li>• Finance and Corporate Services Manager</li> </ul>	Direct award through relevant supplier
c	Up to £5,000 plus VAT	<ul style="list-style-type: none"> <li>• Head of Finance and Corporate Services</li> </ul>	2 Quotes/ Or Quick Quote through PCS
d	Over £5,000 plus VAT	<ul style="list-style-type: none"> <li>• Finance and Corporate Services Sub-Committee; or</li> <li>• Management Committee</li> </ul>	2 Quotes/ Or Quick Quote through PCS or through existing Framework (e.g. Scotland Excel, SPA, etc.)

## 6. Services/Consultancy

	Details	Authorisation	Procurement/ Minimum Quotes Required
a	Up to £5,000 + VAT	<ul style="list-style-type: none"> <li>• Chief Executive</li> <li>• Head of Finance and Corporate Services</li> </ul>	Management Committee/Sub-Committee Approval 2 Quotes (except where specialist service or time limited)
B	>£5,000 + VAT	<ul style="list-style-type: none"> <li>• Finance and Corporate Services Sub-Committee; or</li> <li>• Management Committee</li> </ul>	Management Committee/Sub-Committee Approval 2 Quotes (except where specialist service or time limited) Or Quick Quote through PCS or through existing Framework (e.g. CHA, Scotland Excel, SPA, etc.)

## 7. New project Expenditure in year – no allocated Budget

	Details	Authorisation	Procurement/ Minimum Quotes Required
a	Under £5,000 + VAT	<ul style="list-style-type: none"> <li>• Chief Executive</li> <li>• Head of Finance and Corporate Services</li> </ul>	2 Quotes Full report to Committee
B	>£5,000 + VAT	<ul style="list-style-type: none"> <li>• Finance and Corporate Services Sub-Committee; or</li> <li>• Management Committee</li> </ul>	2 Quotes Full report to Committee

## 8. Revenue Overspends

	Details	Authorisation	Procurement/ Minimum Quotes Required
a	Up to £5,000 + VAT	<ul style="list-style-type: none"> <li>• Chief Executive</li> <li>• Head of Finance and Corporate Services</li> </ul>	N/A
B	>£5,000 + VAT	<ul style="list-style-type: none"> <li>• Finance and Corporate Services Sub-Committee; or</li> <li>• Management Committee</li> </ul>	N/A

## Appendix 2 – Procurement Thresholds

### EU Regulated Contract Thresholds

Public Contracts (Scotland) Regulations 2015

In order to achieve compliance with the regulations, the Association requires to: Advertise, (via the European Journal) all goods and services which are above the thresholds set by the EU and follow EU commissioning procedures;

These thresholds are reviewed annually and publicized on the Scottish Government website. EU thresholds for public contracts from 1 <sup>st</sup> January 2018 are as follows; Works	£4,551,143
Supplies or Services	£181,302
Light regime services . e.g. social services, legal services	£615,278
Small lots/Supplies or Services	£65,630
Small lots/Works	£820,370