

# Osprey Housing Procurement Strategy

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## 1. Introduction

### Purpose of this strategy

- 1.1 This Strategy aims to equip The Osprey Housing with the direction required to continue achieving the overarching goals of attaining value for money and being able to demonstrate adequate governance and accountability in relation to the expenditure of Osprey Housing funds. This Strategy covers the period April 2022 to March 2025.
- 1.2 Osprey Housing is a 'contracting authority' for the purposes of the Public Contracts (Scotland) Regulations 2015 ("the 2015 Regulations") and the Procurement Reform (Scotland) Act 2014. [Scottish Procurement Policy Note \(SPPN 8/2021\)](#) specify legal procedures which Osprey Housing must follow when buying:
- supplies - above the value of £213,477
  - services – above the value of £213,477
  - works – above the value of £5,336,937

The above figures include VAT where applicable

- 1.3 In broad terms, the 2014 Act introduces a degree of regulation for certain procurements which are below the financial thresholds of the 2015 Regulations. As a result, all Osprey Housing procurement requirements for services and supplies above £50,000 (excl. VAT) in value,<sup>1</sup> and all Osprey Housing procurement requirements for works above £2,000,000 shall now be 'regulated contracts' for the purposes of the Act.
- 1.4 Where a Contracting Authority has a likely annual spend of more than £5m on regulated contracts, the Act obliges it to prepare and publish an annual procurement strategy. Osprey Housing anticipates that it will not have such an annual spend, but this Strategy aims to fulfil that obligation should our spend increase above that amount.
- 1.5 The purposes of this Strategy are to achieve:
- Better efficiency, savings and value for money
  - Added value for our customers, their communities and the wider local economy
  - Compliance with legislation and regulatory requirements

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<sup>1</sup> This value is for the whole life of the contract, not simply an annual expenditure and is net of VAT.

## Impact of the Strategy

- 1.6 Implementation of the various actions required by this Strategy shall evidence that Osprey Housing is actively compliant both with legislative requirements and with best practice in respect of its procurement activities. Once implemented, the actions required under this Strategy shall demonstrate Osprey Housing commitment to ensuring transparency, equal treatment, non-discrimination, and proportionality in all its regulated procurement activities.
- 1.7 The adoption of this Strategy shall also serve to build upon and enhance Osprey Housing's existing procurement capacity and capabilities.
- 1.8 The policies and procedures deriving from this strategy shall highlight the concept of 'Value for Money' in procurement being an informed choice for Osprey Housing between cost, quality, and sustainability by delivering on the key priorities of:
  - a) Maximising efficiency ~~and collaboration~~
  - b) Delivering and demonstrating real cash savings across the organisation
  - c) Improving access to Osprey Housing contractors – particularly for SMEs.
  - d) Embedding sustainable procurement within Osprey Housing procurement strategy. This means that before carrying out any regulated procurement, Osprey Housing shall consider how in the procurement process it can:
    - i. Improve the economic, social and environmental wellbeing of the locality in which we operate,
    - ii. Facilitate the involvement of SMEs, other third sector bodies and supported businesses in the process; and
    - iii. Promote innovation.

## Interaction with policy/manual

- 1.9 Osprey Housing has a Procurement Policy/Manual which is aimed primarily at operational staff who require day to day guidance on how Osprey Housing can comply with procurement rules. This Strategy aims to provide a higher-level overview of Osprey Housing's approach to procurement and to satisfy its obligations under the Act to publish a procurement strategy.

## 2. Policy

### 2.1 **Osprey Housing will ensure that its regulated procurements will contribute to the carrying out of its functions and achievement of its purposes by:**

- 2.1.1 Procuring officers always considering Osprey Housing's functions, this Strategy, and the Procurement Policy/Manual at the outset of, and during, any procurement activity.
- 2.1.2 Effective and relevant consultation prior to, and throughout the life of, this Strategy.
- 2.1.3 Effective contract management to monitor the effectiveness of regulated procurements.
- 2.1.4 Considering **framework** and joint procurement routes.
- 2.1.5 Stakeholder consultation during procurement exercises.
- 2.1.6 Use of clear outcomes in contract notices.

### 2.2 **Osprey Housing intends to ensure that its regulated procurements will deliver 'Value for Money' by:**

- 2.2.1 Procuring Officers always considering Osprey Housing functions, this Strategy, and the Procurement Policy/Manual at the outset of, and during, any procurement activity.
- 2.2.2 Considering the balance of 'Value for Money' on a case-by-case basis, while ensuring consistency and transparency in procurement exercises.
- 2.2.3 Considering the whole-life cost of each procurement, in a clear, transparent and proportionate manner.

### 2.3 **Osprey Housing will ensure that its regulated procurements will be carried out in compliance with its duty to treat relevant economic operators (Contractor's) equally and without discrimination by:**

- 2.3.1 Procuring officers always considering Osprey Housing's functions, this Strategy and the Procurement Policy/Manual at the outset of, and during, any procurement activity.
- 2.3.2 Ensuring that these principles are followed in all procurements, regardless of value.

- 2.3.3 Where appropriate, ensuring early market engagement prior to the publication of a contract notice.
- 2.3.4 Use of clear and precise language in all procurement documentation to allow all reasonably well-informed and normally diligent tenderers to interpret it in the same way.
- 2.3.5 Always considering contract size, including the opportunity to break requirements into smaller lots.

**2.4 Osprey Housing will ensure that its regulated procurements will be carried out in compliance with its duty to act in a transparent and proportionate manner by:**

- 2.4.1 The use of electronic communication for all procurement activity.
- 2.4.2 Wherever appropriate, open public and market engagement.
- 2.4.3 The use of clear and precise language preventing broad interpretation.
- 2.4.4 Clearly defined, inclusive, not overly burdensome award criteria.

**2.5 Osprey Housing will ensure that its regulated procurements will be carried out in compliance with the sustainable procurement duty by:**

- 2.5.1 Procuring officers always considering Osprey Housing functions, this Strategy and the Procurement Policy/Manual at the outset of, and during, any procurement activity.
- 2.5.2 Always having regard of the Sustainable Procurement Duty Statutory Guidance in respect of regulated procurements.
- 2.5.3 Considering and where appropriate use of the tools provided by the Scottish Government in relation to the sustainable procurement duty, e.g. the Scottish prioritisation tool, life-cycle mapping, sustainability test and the Scottish flexible framework.

**2.6 Osprey Housing's general policy on the use of Community Benefit requirements:**

- 2.6.1 Procuring officers will consider Osprey Housing functions, this Strategy and the Procurement Policy/Manual at the outset of, and during, any procurement activity.
- 2.6.2 Wherever appropriate, Osprey Housing will include contractual requirements in relation to Community Benefit requirements where these are in line with our objectives.
- 2.6.3 Osprey Housing will comply with Scottish Government guidance [Community Benefits Statutory Guidance \(updated June 2021\)](#) in respect of contracts with an anticipated value of more than £4m.
- 2.6.4 In respect of contracts with an anticipated value of less than £4m Osprey Housing will consider whether it would be appropriate to include community benefit clauses.

## **2.7 Osprey Housing's general policy on the payment of a living wage to persons involved in producing, providing or constructing the subject matter of regulated procurements**

- 2.7.1 Procuring officers always to consider Osprey Housing functions, this Strategy and the Procurement Policy/Manual at the outset of, and during, any procurement activity.

### **2.7.2 Being a Living Wage Accredited Employer.**

- 2.7.3 Always consider how Osprey Housing can contribute towards improving the social wellbeing element of its [sustainable procurement duty under section 9 of the Act](#) by promoting the Living Wage and fair work practices.
- 2.7.4 Promotion of payment of the Living Wage by suppliers and contractors.
- 2.7.5 Always have regard to the [Statutory Guidance on the Selection of Tenderers and Award of Contracts Addressing Fair Work Practices, including the Living Wage, in Procurement](#).
- 2.7.6 Always ensure a proportionate approach, based on the nature, scope, size and place of the performance of the contract.

2.7.7

## **2.8 Osprey Housing's general policy on the procurement of fairly and ethically traded goods and services.**

- 2.8.1 Procuring officers always to consider Osprey Housing functions, this Strategy and the Procurement Policy/Manual at the outset of, and during, any procurement activity.
- 2.8.2 In regulated procurements, where relevant, Osprey Housing will consider how, by including fair and ethical requirements, it can promote fairness, dignity and the rights of workers.
- 2.8.3 Osprey Housing intends to include fair and ethical trading requirements in contract award criteria, where relevant and proportionate, subject always to the requirements of the Regulations and EU law.
- 2.8.4 So as not to discriminate against any economic operators, to maintain transparency and to promote competition and innovation Osprey Housing will accept all labels which have equivalent standards and bids from economic operators that meet the specified criteria without certification.

**2.9 How Osprey Housing intends to ensure that, so far as reasonably practicable, the payments for supplies and services are made no later than 30 days after the invoice (or similar claim) relating to the payment is presented:**

- a) payments due by Osprey Housing to a contractor;**
- b) payments due by a contractor to a sub-contractor;**
- c) payments due by a sub-contractor to a sub-contractor.**

- 2.9.1 Procuring officers always to consider Osprey Housing functions, this Strategy and the Procurement Policy/Manual at the outset of, and during, any procurement activity.
- 2.9.2 Osprey Housing will comply with late payment legislation.
- 2.9.3 Osprey Housing will comply with SPPN 5/2020 which sets out the Scottish Government's policy and approach to ensuring prompt payment in its procurements and Osprey Housing will ensure that its contracts include appropriate clauses in relation to prompt payment.
- 2.9.4 Osprey Housing shall ensure effective contract management and monitoring throughout the term of its contracts to ensure that prompt payment continues to be applied throughout the duration of the contract.
- 2.9.5 Osprey Housing may, if relevant, consider monitoring the prompt payment of sub-contractors by carrying out spot checks and/or using project bank



accounts or trusts, when relevant and appropriate. Osprey Housing may also, if relevant, consider obliging contractors and sub-contractors to declare any claims for late payment.