

Report on East Devon District Council's Membership of the Advantage South West Procurement Consortium 2022/23

Members of the Advantage South West procurement consortium saved a total of **£4,303,703** (inc unrecoverable vat) in 2022/23.

EDDC saved £120,554 (inc unrecoverable VAT). This figure does not include any RPI avoidance.

Advantage South West LLP

Advantage South West is a limited liability partnership owned by Abri, LiveWest, North Devon Homes and Ocean Housing Group. Created in 2004, Advantage South West exists to improve homes and lives through collaboration and innovation.

Advantage South West carries out activities in a range of areas that reflect our strategic priorities, including:

- New Build:
 - we have a range of standard house type designs;
 - we are a Board Member of the Building Better consortium that has created procurement solutions for off-site manufacturing
- Procurement consortium:
 - Active since 2008;
 - Puts in place frameworks and dynamic purchasing systems;
 - Improves value for money for its Members in the products used in new build, planned and responsive maintenance;
 - Has saved its members over **£60m** in savings and RPI avoidance;
 - Good practice groups for Members to share information and activity;
 - Arranges training sessions on technical and legal topics, usually free of charge;
 - Is implementing a collaborative Energy Efficiency & Decarbonisation strategy to support Members' own carbon reduction strategies.
- Financial inclusion
 - Credit Union Sustainability Partnership
 - Partnership with Westcountry Savings and Loans
 - To provide residents with an alternative to high cost loans
 - Provide support to developing SW Mutual Model

Advantage South West has two permanent full time employees, Neil Biddiscombe (Procurement Manager) and Mark Dobner (Contracts Manager).

Martyn Gimber, Chief Executive of North Devon Homes, is the chairman of Advantage South West.

New Build

Modular Construction

Advantage South West is a Board Member of Building Better. ASW worked closely with Building Better to put in place a framework for volumetric properties (completely built in a factory). The Cat 1 Volumetric framework has two companies on it to supply houses and low-rise flats, TopHat and Ilke Homes.



For Cat 2 panellised systems a Dynamic Purchasing System was put in place in 2022. Building Better can add companies to the DPS at any time. Currently the following companies are on the DPS:

- Full turnkey provision – Future Built, LoCal Homes, Osborne, Starship
- Supply & Installation – Donaldson, Etopia, Roe Timberframe, SigMat

EDDC can access Building Better's framework and DPS free of charge as part of its ASW membership.

New Designs

ASW has a range of house designs. In December 2022 ASW appointed Trewin Architects to design a new suite of housetypes that will prioritise space standards and future movements to net zero carbon emissions. Whereas previous designs have provided layouts with electrical and heating circuit layouts, these new designs are to go further in providing working drawings for the properties, including:

- | | |
|----------------------|--------------------|
| • Floor plans | • Elevations |
| • Substructure plans | • Sections |
| • Roof plan | • Bathroom layouts |
| • Joist layouts | • M&E layouts |

These new designs will be available for ASW members to use.

New Build Frameworks

ASW will be putting in place a range of new build frameworks. Work started in 2022/23 on the Lot for Employers' Agents, Clerk of Works and CDM advisor / Principal Designer. Further Lots including architects, ecological and sustainability consultants, valuers, party wall and civil / structural / M&E engineers will progress during 2023/24.

Good Practice groups

At the request of its Members, ASW has set up a number of groups to facilitate the sharing good practice on new build:

- | | |
|------------------------------------|----------------------------------|
| • Resident satisfaction | • Greenspaces |
| • BIM & data | • Fire safety |
| • Zero carbon | • Supply chain |
| • Design & Employers' Requirements | • Modern methods of construction |

Nine landlords are working together to improve the credit union sector's offering to residents. These are:

- Abri
- Alliance Homes
- Cornerstone
- LiveWest
- Magna Housing
- North Devon Homes
- Ocean Housing
- Teign Housing
- Westward Housing

The landlords have provided grant funding to WSL to enable them to improve and promote their offering to residents. This funding, together with the close relationship, has enabled Westcountry to develop its offering to its customer base and invest in IT to allow more web-based transactions.

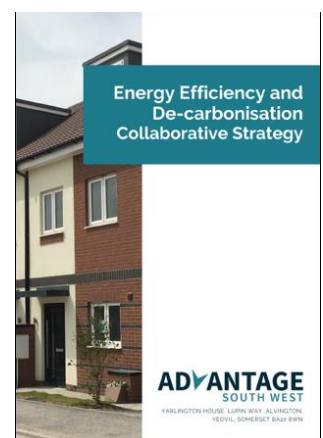
The grant funded element of the partnership with Westcountry will finish in 2023, but ASW will still work closely with them to help them deliver services that are to the benefit of social housing residents in the south west.

Other landlords not currently involved with the project are welcome to participate.

Collaborative Strategy for Energy Efficiency and Decarbonisation

Following extensive consultation with its Members ASW launched its collaborative strategy for energy efficiency and decarbonisation. The aim of the strategy is to support each Member's individual decarbonisation strategies. It looks to develop a co-ordinated strategic approach to addressing the challenges that Members will face in securing funding and successfully delivering works that will genuinely reduce carbon emissions.

The strategy is being implemented by four groups, which report into an oversight group. These groups are responsible for defining and delivering the specific requirements to enable the strategy to successfully support individual Members.



Group 1, chaired by Nathan Cronk (LiveWest's Director of Asset Management Operations), has initially analysed member stock information to identify where the properties needing work are so that opportunities for effective joint working on delivery could be identified. With the delivery of SHDF funding it will create accurate measure costing data and produce information on the effectiveness of measures.

Group 2, chaired by Jason Hawkes (Magna Housing's Energy Officer), is tasked with working with the further education sector to increase the number of operatives working in the sector. It is doing this through a training & qualification stakeholder group that is now part of the Green Construction Advisory Panel (chaired by JH), influencing the design of the necessary training and trying to provide sufficient visibility of the housing sector's longer term requirements to enable contractors to invest in training.

Group 3, chaired by Neil Biddiscombe (ASW's Procurement Manager), has put in place a Dynamic Purchasing System for decarbonisation works and is working to put in place additional frameworks for specific services, supplies and works. The first of these will be for PV products.

Group 4, chaired by Ben Earl (Abri's Head of Sustainability and Design), is concentrating on producing a range of resources for resident engagement to help members have as low a number of tenant refusals as possible. Good progress is being made and a small resident consultation event held online in March showed that we are progressing in the right direction.

Savings Summary for EDDC

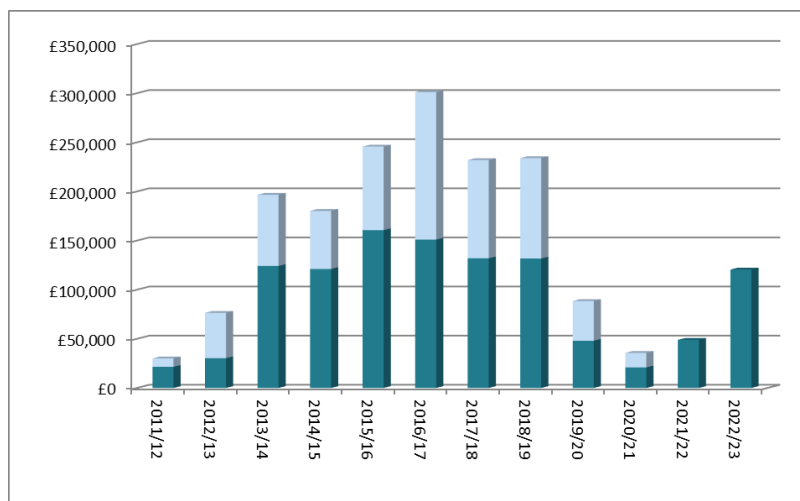
Whilst delivering savings through a range of frameworks is at the heart of our relationship with ASW, we must not underestimate the benefits that our membership has brought in terms of access to the formal network of Members that provides valuable advice and guidance, as well as the specific procurement expertise that ASW itself has.

In previous years ASW has reported on avoidance of price increases compared with published inflationary statistics through its managed price changes. It has not done this for 2022/23 due to the highly volatile nature of price increases. In March 2021 CPI was 0.7% - in March 2022 it was 7% and in March 2023 it was higher again at 8.9%. Whilst we continue to experience price increases, ASW members have benefitted from lower increases, delayed increases, and % increases being applied to a smaller £ price thereby keeping the £ increase lower than would otherwise be experienced.

The table below details the savings (inc unrecoverable VAT) that have been generated for EDDC:

| Company | East Devon District Council | |
|---------------------------------|-----------------------------|----------------------|
| | | |
| Row Labels | Sum of Spend | Sum of Total Savings |
| Aids & Adaptations | £ 19,644 | £19,074 |
| Air Source | £ 99,041 | £64,282 |
| Bathrooms | £ 17,894 | £2,737 |
| Boilers | £ 23,245 | £0 |
| Consumer Units | £ 3,459 | £610 |
| Controls | £ 446 | £253 |
| Electric Heating | £ 43,743 | £8,332 |
| Fans | £ 6,244 | £3,512 |
| Flooring | £ 18,648 | £4,396 |
| Radiators | £ 15,100 | £6,636 |
| Taps | £ 4,839 | £2,323 |
| Windows | £ - | £0 |
| Alarms | £ 9,013 | £0 |
| Legal Services | £ 12,199 | £4,066 |
| Electrical inspection & testing | £ 27,733 | £0 |
| Gas servicing and repair | £ 107,778 | £0 |
| Kitchens - Premiere | £ 22,338 | £4,333 |
| Grand Total | £ 431,365 | £ 120,554 |

The graph below shows EDDC's savings since 2010. In total EDDC has saved £1,111,248 (excluding RPI increase avoidance)



Procurement Consortium Activity

ASW continues to deliver collaborative procurement of frameworks and supply chain management to help members deliver VFM and ensure continuity of quality and availability. Other benefits include:

- Provide procurement advice and support for members
- Facilitate expertise development through CPD and Legal Services updates
- Facilitate expertise sharing through working groups, good practice groups and forum
- Continually develop website access and resources available to members
- Procurement of identified property compliance frameworks
- Decarbonisation strategy

Membership

Advantage South West's procurement consortium has 19 Members who own around 150,000 properties:

- | | |
|--|------------------------------|
| • Abbeyfield Sidmouth * | • Mid Devon District Council |
| • Abri | • North Devon Homes |
| • Coastline Housing | • Ocean Housing |
| • Cornwall Housing | • Plymouth Community Homes |
| • Cornwall Rural Housing Association * | • SHAL * |
| • East Devon District Council | • Somerset Council |
| • Exeter City Council | • TorVista Homes * |
| • Homes in Sedgemoor | • Teign Housing |
| • LiveWest | • Westward Housing |
| • Magna Housing Group | |

Abbeyfield Sidmouth, CRHA, SHAL and TorVista are members through the 'smaller members' subscription method. This is more cost effective for landlords with fewer than 2000 homes.

Subscription

Each Member of Advantage South West's procurement consortium pays an annual subscription that is calculated dependent on its size. EDDC's subscription for 2022/23 was £13,161 ex vat.

Frameworks

Frameworks are awarded on the recommendation of product groups. These product groups work on a participative basis. Product Groups are chaired by a senior manager from a Member organisation. Each Member has a representative who is responsible for bringing that Member's requirements to the project, contributing to key stages in the process such as creating the specification, deciding how tenders will be assessed and assessing the tenders. Where appropriate tenants also play an important part in the process. It is essential to emphasise that without the input of the Member representatives and tenants the projects could not have been a success.

The Procurement Consortium Group directs and oversees the work of the Procurement Consortium and reports to the Management Team. Graham Baker represents EDDC on the PCG

In 2022/23 Advantage South West awarded the following frameworks:

- Supply of kitchen units
- Supply of air source heat pumps
- Legal Services
- Electrical testing & inspections
- Radon monitoring and mitigation
- Passive fire protection (fire-stopping)
- Air source heat pump servicing and maintenance

Unfortunately due to a business decision by its parent company Nobia, Magnet Kitchens, who won the supply of kitchen units framework, are withdrawing from the social housing market. ASW coordinated alternative arrangements with Howdens and Premiere for Members to ensure continued product availability.

ASW's Dynamic Purchasing Systems were extended and refreshed. These allow companies to join the DPS at any point in their duration:

- Cleaning
- Grounds Maintenance
- Window and Guttering cleaning
- Scaffolding
- Roofing
- Energy efficiency and decarbonisation

A full list of frameworks and DPSs that EDDC can access is included in Appendix 1.

Other Activity

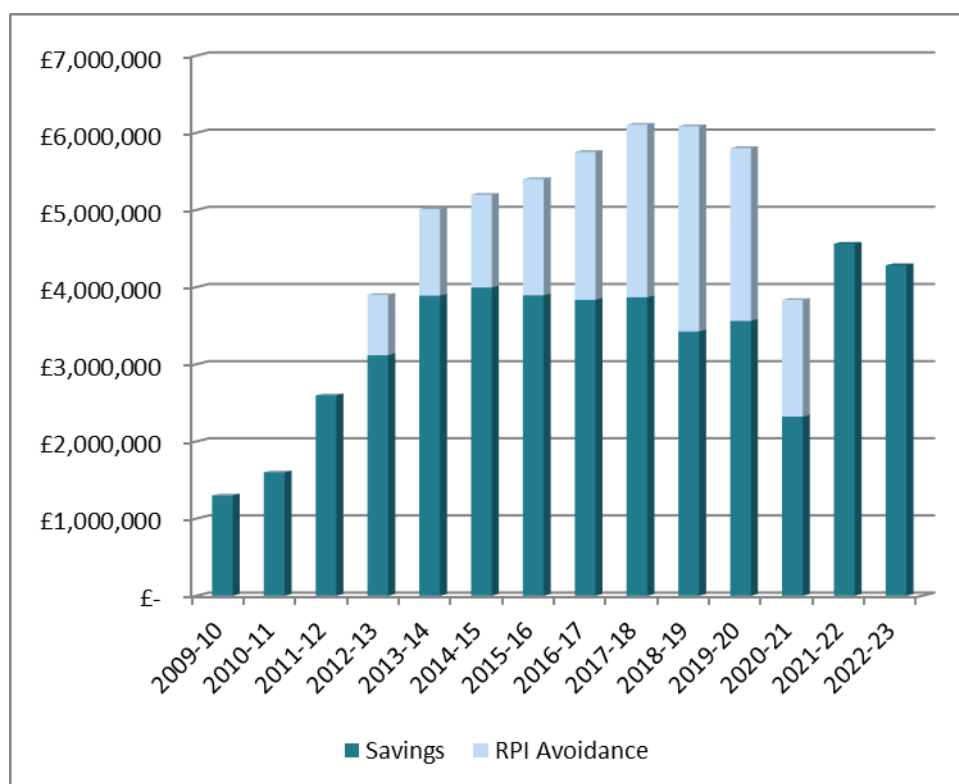
Property Compliance continued to be a big area of collaboration in 2022/23, with the increased sharing of good practice in fire, asbestos, legionella and radon. Other good practice groups looking at voids, fleet management, disrepair, DLO activities continued to be active.

ASW's efforts to identify the quantities of plastic used in products so that it can provide information to Members to help them with their sustainability actions have yielded the following information for EDDC:

| Supplier | Products | EDDC | | | |
|-----------------|-----------------------|------------|-----------|---------|----------|
| | | Plastic kg | | | |
| | | Units | Packaging | Product | Recycled |
| Ideal Standard | Bathroom Products | 710 | 415.52 | 515.943 | 0 |
| Vado | Taps | 91 | 0 | 3.056 | 0 |
| Stelrad | Radiators | 275 | 38.5 | 0 | 0 |
| Airtech | Domestic ventilation | 122 | 0 | 74.542 | 0 |
| Daikin | Air source heat pumps | 0 | 0 | 0 | 0 |
| Vaillant | Boilers | 44 | 35.64 | 209 | 29.04 |
| Baxi/Potterton | Boilers | 0 | 0 | 0 | 0 |
| Worcester Bosch | Boilers | 0 | 0 | 0 | 0 |
| Wrekin | Windows | 0 | 0 | 0 | 0 |
| Permadoor | Doors | 0 | 0 | 0 | 0 |
| Gerflor | Flooring | 0 | 0 | 0 | 0 |
| AKW | Aids & Adaptations | 0 | 0 | 0 | 0 |
| Magnet | Kitchen units | 0 | 0 | 0 | 0 |
| Premiere | Kitchen units | 29 | 10.15 | 37.12 | 0 |
| Myson | Heating valves | 44 | 5.28 | 9.24 | 0 |
| | | 0 | 0 | 0 | 0 |
| | | | 505.09 | 848.90 | 29.04 |

Consortium savings

In 2022/23 Advantage South West delivered savings of **£4,303,703** inc unrecoverable vat (£4,561,315 previous year). Due to the current inflationary position in we are not separately identifying or providing any savings for RPI avoidance.



Since April 2010 the members of the procurement consortium have saved **over £60m**. As one would expect, those landlords who are larger and have been Members for longer have saved larger amounts:

| April 2010 to March 2023 | Savings | RPI Avoidance | Total |
|----------------------------|--------------------|--------------------|--------------------|
| Coastline Housing | £2,267,670 | £777,802 | £3,045,473 |
| Cornwall Housing | £1,348,897 | £409,025 | £1,757,922 |
| CRHA | £8,183 | £407 | £8,590 |
| East Devon DC | £1,111,248 | £678,785 | £1,790,033 |
| Exeter City Council | £437,912 | £123,644 | £561,556 |
| Homes in Sedgemoor | £549,113 | £634 | £549,747 |
| LiveWest | £16,849,330 | £5,578,988 | £22,428,319 |
| Magna Housing Group | £2,664,656 | £480,630 | £3,145,286 |
| Mid Devon District Council | £21,227 | £0 | £21,227 |
| North Devon Homes | £1,622,996 | £482,793 | £2,105,789 |
| Ocean Housing | £2,760,179 | £1,071,343 | £3,831,522 |
| PCH | £29,678 | £693 | £30,371 |
| Synergy Housing | £598,003 | £222,169 | £820,172 |
| Somerset Council | £3,228,212 | £1,327,122 | £4,555,334 |
| Teign Housing | £2,018,998 | £679,890 | £2,698,888 |
| United Communities | £780,419 | £103,484 | £883,903 |
| Westward Housing | £3,519,148 | £1,364,890 | £4,884,038 |
| Abri | £5,407,004 | £2,148,734 | £7,555,738 |
| | £45,222,874 | £15,451,034 | £60,673,908 |

2023/24 projects

In 2023/24 Advantage South West will be tendering the following frameworks, work on some of which has already commenced:

- Photovoltaic products
- External doors
- Ventilation products
- Fire risk assessments
- Passenger lift service and repair
- New build services
 - Employers' Agents, Clerk of Works and CDM advisor / Principal Designer.
 - Architects
 - Ecological and sustainability consultants
 - Valuers & party wall
 - Civil / structural / M&E engineers.

Summary of budget information

Advantage South West made a surplus in 2022/23 on its procurement consortium activities:

| | | | |
|--------------------|---|---------|---------|
| Income | Subscriptions & other income | | £276000 |
| | | | |
| Expenditure | Cost of employment inc expenses, IT etc | £180000 | |
| | E-procurement tools | £27000 | |
| | Room hire etc | £1500 | |
| | Grants online | £1000 | |
| | Projects & legal fees | £15000 | |
| | Financial, Secretarial & Audit Fees | £15000 | £239500 |
| | | | |
| | Surplus / deficit | | £36500 |

Overall ASW made a small surplus of £9,000 in 2022/23. Surpluses are also used to fund future project activity, the four Partners have not (ever) taken money out of Advantage South West surpluses.

Summary

Membership of Advantage South West continues to be beneficial for EDDC. Through the efforts of all involved, Advantage South West delivers

- sharing of information and good practice
- access to procurement knowledge and technology
- value for money
- good products
- an increasing range of multi-supplier frameworks
- opportunities for resident involvement
- access to the wider strategic priorities of Advantage South West

Appendix 1 – Frameworks and DPSs

Supply Frameworks

| Framework | Supplier |
|-----------------------|----------------|
| Aids & Adaptations | AKW |
| Air Source Heat Pumps | Daikin |
| Consumer Units | Hamilton |
| Extract Fans | AirTech |
| Bathroom Suites | Ideal Standard |
| PVCu Windows | Wrekin Windows |
| Heating valves | Myson |

| Framework | Supplier |
|----------------------------------|-----------|
| Positive Input Ventilation | AirTech |
| Radiators | Stelrad |
| Slip Resistant & Safety Flooring | Gerflor |
| Taps & showers (non-electric) | Vado |
| GRP Doors Supply & Install | Permadoor |
| GRP Doors Supply Only | Permadoor |
| | |

Multi-supplier frameworks for services and works

| Framework | Suppliers | |
|--|-----------------------------|--------------------------------------|
| Asbestos Surveys | Casa Environmental Services | Kovia Ltd |
| | Environtec Limited | SGS DMW Environmental Safety |
| | G&L Consultancy | Tersus Consultancy Ltd |
| | Gully Howard Technical | The Testing Lab Ltd |
| Asbestos Removal | AA Woods | European Asbestos Services |
| | Asbestech Ltd | Nichol Associates |
| | Envirocall Limited | |
| Fire Risk Assessments | Ardvernish Ltd | JNC Safety Services Limited |
| | Ensure Safety & Compliance | Ridge & Partners |
| | FCS-Live Ltd | Veteran Fire Safety |
| | Fire Safety First | |
| Internal fire door supply and installation | CLC Contractors | MD Building Services |
| | DR Jones Yeovil Ltd | RG Kellow Ltd |
| | Harmony Fire | Schooling Building Contractors Ltd |
| | Ian Williams Limited | Westcountry Maintenance Services Ltd |
| | Logic Contract Services | |
| Fire door inspection and maintenance | Bell Decorating Group | Trail Services (UK) Ltd |
| | DR Jones Yeovil | Ventro Ltd |

| | | |
|--|------------------------------------|-------------------------------|
| | Logic Contract Services | |
| Passive Firestopping | Bell Decorating Group | MD Group |
| | CLC Contractors | Passive Fire Safety Solutions |
| | DR Jones Yeovil | Ventro |
| | Harmony Fire | |
| Fire Prevention & Protection | Ash & Williams Ltd | A&E Fire |
| | Briggs Fire & Security Ltd | Chubb Fire & Security Ltd |
| | Churches Fire Security Ltd | Coomber Fire & Security |
| | Domestic Sprinklers Ltd | Dorset Electrical & Fire |
| | Firewatch South West Ltd | Firemark Ltd |
| | Harmony Fire | Lightning Fire Safety |
| | Openview | Sevenside Security |
| | Ventro Ltd | |
| Legionella Risk Assessments | Churchill Contract Services | Integrated Water Services |
| | Rock Complaine (Eplus Global) | Urban Environments Limited |
| | Healthy Buildings International | |
| Legionella Services | Churchill Contract Services | SMS Environmental |
| | Rock Complaine (Eplus Global) | Urban Environments Limited |
| | HSL Complaine Ltd | |
| Legal Services | Ashfords | Foot Anstey |
| | Bevan Brittan | Pennington Manches Cooper |
| | Capsticks | Stephens Scown |
| | Clarke Willmott | Tozers |
| | Devonshires | Trowers & Hamlins |
| Electrical Testing & Inspection | BPM Contracting Services | Liberty Group |
| | Dodd Group (South) Limited | MD Building Services Ltd |
| | Jeff Way Electrical Services Ltd | Moreheat Limited |
| | Lantei Ltd | NRT Group |
| Cavity Wall Insulation -Extraction | Cavitech | J&J Crump |
| Cavity Wall & Loft Insulation - Installation | J&J Crump | Low Carbon Exchange |
| Gas Heating Service & Repair | British Gas t/a PH Jones | Liberty Group |
| | Dodd Group (South) Ltd | Robert Heath Heating |
| | Gas Call Services Ltd | |
| Heat Pump Servicing & Repair | AS Plumbing Heating Renewables Ltd | Liberty Group |

| | | |
|---------------------------------|---|------------------------------|
| | Cosgrove & Drew Engineering | Low Carbon Exchange |
| | Daikin Ltd | |
| ASHP Installation | AS Plumbing, Heating & Renewables Ltd | Otter South West Ltd |
| | Engie Regeneration Limited | South West M&E Services |
| | Gas Call Services Ltd | TSG Building Services |
| | L&D Group | |
| Gas Heating Installation | British Gas Social Housing Ltd t/a PH Jones | Liberty Group |
| | Dodd Group (Midlands) Limited | Robert Heath Heating Limited |
| | Engie Regeneration Limited | |
| Drainage Clearance | Metro Rod | Exjet Services |
| | Drainology | Clear-Flow |
| | Drainwizards 24/7 | |
| Passenger lift service & repair | Triangle Lifts | Liftec Lifts |
| | Orona | Kone Plc |
| Tree surveys | ADAS UK | Tim Moya Associates |
| | Dartmoor Tree Surgeons | Treework Environmental |
| | Hi-Line Contractors | |
| Lift & Hoist Maintenance | Caretech UK Ltd | Prism UK Medical Ltd |
| | Dolphin Lifts South West | Southern Care Systems Ltd |
| | Dolphin Lifts (Western) | Stannah Lift Services Ltd |
| | KS Stairlifts Ltd | |

Dynamic Purchasing Systems

Note that, unlike frameworks, companies can be added at any time to the DPS.

- Decarbonisation measures & services
- Windows Cleaning and Guttering 59 companies
- Cleaning 60 companies
- Grounds Maintenance 47 companies
- Scaffolding 9 companies
- Roofing replacement and repair 13 companies
- Insurance 5 companies