



Annual Procurement Report

Report Period: 01/04/26–31/03/27

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1.0 INTRODUCTION

1.1 Queens Cross Housing Association issued its Procurement Strategy, (required under Section 15 of the Procurement Reform (Scotland) Act 2014) in April 2025, for the period to 31 March 2026. The Strategy outlines all planned procurement activity, that would qualify as regulated procurement. In 2025 financial year the Association participated in the Scotland Excel Procurement Audit and several improvements and recommendations are being taken forward.

1.2 A regulated procurement is any procurement for public supplies or services with an estimated value equal to or greater than £50,000, and for public works with an estimated value equal to or greater than £2 million (exclusive of VAT).

1.3 This report details our compliance with the Strategy 2026-27 which set out the Association's four strategic aims for procurement activity and how we would achieve these:

Delivering savings and benefits	Maximising efficiency and collaboration
Improving supplier access to public contracts	Embedding sustainability in all we do

1.4 Section 18 of the Act requires the Association to publish an Annual report at the end of each year where Regulated procurements have taken place to review how these have complied with the Strategy.

2.0 SUMMARY OF REGULATED PROCUREMENTS COMPLETED

2.1 For the period from 1st April 2025 to 31 March 2026, the Association's programme of Regulated Procurements, as set out in the Strategy was as follows:

Procurement (Type)	Estimated Spend £000's	Route	Duration
Development – Works Burnbank	10.538m	Framework (External)	25-27
Development – Goods & Services Project Consultant	127	Single Stage Tender	25-28
Capital Investment – Works Making Places Phase 2 Westercommon MSF	4,100 2,000	Single Stage Tender	25-26
Capital Investment – Goods & Services 1. Project Consultants	200	Framework (External)	25-26

Corporate – Goods & Services	160	Single Stage Tender	25/26
Technical			
1. Cyclical Common Area Cleaning	2,000	Single Stage Tender	25/28
2. Fire Safety Maintenance (Dry risers, smoke vents, sprinklers etc)	200	Single Stage Tender	25/28
3. Alarm Maintenance (Fire/Intruder)	200	Single Stage Tender	25-28
4. Fire Risk Assessor	180	Single Stage Tender	25-28
5. Water Pump Maintenance	100	Single Stage Tender	25-28
6. Extract Ventilation Maintenance	140	Single Stage Tender	25-28
7. Legionella Control	150	Single Stage Tender	25-28
8. Environmental Maintenance	550	Single Stage Tender	25-28
9. CCTV Maintenance	120	Single Stage Tender	25-28

2.2 In the period from 1 April 2025 to 31 March 2026, the Association completed the following Regulated Procurements:

Contract (Name or description)	Date of Award	Supplier	Contract value	Start Date	End Date (excl. any extension)
Office/Facilities Cleaning and Window Cleaning Services	Oct 25	Allander Cleaning Services	£360,000	Nov 25	Oct 28
Development – Works Burnbank	Jun 25	McTaggart Construction	£10.4m	July 25	
Close Cleaning	Feb 25	CAS	£1.033m	June 25	May 29
Fire Safety Maintenance (Dry risers, smoke vents, sprinklers, etc.)	Jan 26	Secure Shield	£262,419	Feb 26	Jan 29
Alarm Maintenance (Fire/Intruder)	Jan 26	Secure Shield	£7,800	Feb 26	Jan 29
Communal Heating (Servicing & Maint.)	Jul 25	Solis	£615,600	Aug 25	Jul 28
Gutter Cleaning / Fall Arrest Systems	Jan 26	Latto	£302,370	Mar 26	Feb 29

3.0 REVIEW OF REGULATED PROCUREMENT COMPLIANCE

- 3.1 The Association is committed to ensuring that all regulated procurements comply with the Association’s Procurement Strategy, following a process which is in line with our detailed Procedures and all relevant legislation. Of the 7 regulated procurements completed during the reporting period, all were undertaken in line with the Association’s approved Procurement Procedures.
- 3.2 However, our procurement activity in the last year has varied significantly from the activity planned in the Strategy in terms of value and timescale with the continued impact of cost inflation and disruption to markets continue to impact competition and pricing in the marketplace. Tender price inflation was particularly significant in the construction market where labour and material shortages were combined with high demand, fuelled by a backlog of building projects. Additionally changes to grant funding support meant a significant Making Places project was stopped.
- 3.3 In Investment, we progressed a number of Works procurements below the regulated limit ,but were only able to secure one contract at an affordable cost, so did not complete the others. In Development, the planned procurement of construction works for new housing at Burnbank Gardens was eventually confirmed with a Tender acceptance. A number of cyclical maintenance service contracts were procured as shown.

3.4 All awarded contracts are recorded within our Contracts Register, which is available to the public on our website.

3.5 The Table below details information on how the Association’s procurement activity achieved the strategic aims set out within its Procurement Strategy.

Delivering savings and benefits:	As set out in the Strategy, the Association assesses where possible, its regulated procurements (listed in section 2 above) by means of a balance between Quality and Price, in order to deliver the most economically advantageous tender. Where utilising existing external Framework Agreements, these were selected on the basis of a close fit with the Association’s objectives and delivering cost and time savings in the procurement process. In all cases the Association has considered the potential for the contract to deliver wider benefits, in line with our Community Benefits model.
Improving supplier access to public contracts:	For all regulated procurement activities undertaken where possible, the Association advertises contracts at each relevant stage on the Public Contracts Scotland Portal. Where utilising existing external Framework Agreements, these are checked to ensure that a fully accessible and inclusive process has been followed, with appropriate provision made for SME suppliers to compete on a fair footing.
Maximising efficiency and collaboration:	<p>For all regulated procurements the Association uses:</p> <ul style="list-style-type: none"> • Electronic communication when communicating with suppliers • Clear and precise language to detail the requirements • The European Single Procurement Document when seeking potential suppliers. <p>The Association is committed to ensuring that all suppliers who are awarded business are paid within 30 days and we monitor our performance on this. We will review annually the percentage of invoices within regulated contracts paid within timescale, to ensure processing is efficient.</p> <p>The Association has and will collaborate with other RSLs with similar requirements to procure goods and services where there is potential for efficiency and cost reduction.</p>
Embedding sustainability in all we do:	<p>The Association ensures that in all regulated procurements it will frame the contract requirements to contribute to the following:</p> <ul style="list-style-type: none"> • Improving the economic, social and environmental wellbeing in particular reducing inequality within our main areas of operation • Facilitating the involvement of small and medium enterprises and supported businesses in the process

	<ul style="list-style-type: none"> • Promoting innovation <p>The Association recognises that where relevant and proportionate to a regulated contract, we will encourage fair and ethical trading principles in our procurement requirements e.g. as a Living Wage employer, we require suppliers to undertake to pay their employees working within our premises the Living Wage.</p>
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4.0 COMMUNITY BENEFIT SUMMARY

4.1 The Association aims to maximise Community Benefits from its procurement activities. In 2018, we developed a new model to generate Community Benefits from our procurements and are now applying this consistently to our procurements.

4.2 There is no formal requirement for the consideration of Community Benefits in contracts with an estimated value of less than £4 million, however the Association’s approach is to consider a proportionate level of Community Benefits for each contract that is subject to regulated procurement.

4.3 At the outset of a regulated procurement process, the Lead Officer considers whether Community Benefits can be included in the contract requirements. This is not possible however when the supplier is being procured via an external Framework Agreement which did not state within its terms that Community Benefits were to be provided. In these circumstances, the Association aims to negotiate with the supplier to establish a voluntary agreement on a fair and achievable level of benefits to be delivered alongside the contractual requirements.

4.4 The table below provides information on the Association’s Community Benefit activity during the reporting period on both regulated and unregulated contracts.

Use of Community Benefit Requirements: 1 April 2025 to 31 March 2026	
Total number of contracts awarded	17
Total number of contracts awarded over £4 million	1
Total number of contracts awarded with community benefit requirements	5
Total number of contracts awarded over £4 million with community benefit requirements	1

4.5 This outcome suggests our ability to deliver additional benefits from regular procurement activity has continued to be limited, in comparison with previous years. This reflects the nature of the contracts the Association procured, which were predominantly lower value, service and supply contracts, at a time when

procurement of works and multi-year services contracts was reduced, due to the difficulties outlined in Section 3 above. The Lead Officers for each procurement continue to ensure the inclusion of community benefits is normal practice, whether within the contractual terms or via negotiation.

5.0 SUPPORTED BUSINESSES SUMMARY

- 5.1 The Association acknowledges that before we start a regulated procurement, we need to consider how we might design the procurement process to facilitate the involvement of small and medium enterprises, third sector bodies and supported businesses.
- 5.2 The procurements undertaken in this reporting period did not provide suitable opportunities to deliver on this, due to the service type and use of existing external Framework Agreements. However, by negotiation, we were able to continue a sub-contract for a supported business (Total Homes) within our current Repairs & Maintenance contract. It is still our intention for future regulated procurements to include the use of charitable/supported businesses as suppliers and sub-contractors, as an option for achieving Community Benefits.

6.0 FUTURE REGULATED PROCUREMENTS SUMMARY

6.1 **Appendix 1** Over the next two financial years, the Association anticipates progressing the following procurements:

Project Name	2026-27 Value £,000s	2027/28 £000's
Development – Works		
1. Hamiltonhill Phase 2	16,000	
2. Hamiltonhill Phase 1 (add)		8,000
Development – Goods & Services		
1. Design Consultants	250	250
Capital Investment – Works		
1. Westercommon Multi-storey	2,000	4,000
2. Single Building Assessments	800	
Capital Investment – Goods & Services		
1. Project Consultants	300	300
Corporate – Goods & Services		
1. Electronic Payment System		300
2. Internal Audit Services		90
3. External Audit Services		90
4. Mobile Phones	180	
5. Legal Services		300
Technical		
1. Fire Risk Assessor	120	
2. Water Pump Maintenance	64	
3. Extract Ventilation Maintenance	900	
4. Legionella Control	240	
5. Environmental Maintenance	750	
6. CCTV Maintenance	150	
7. Lift Maintenance		250
8. Bulk Uplift	230	450
9. Reactive and Void Repairs		25,000

7.0 CONCLUSION

- 7.1 The Association has produced this annual procurement report to record our regulated procurement activity for the period 01.04.25 – 31.03.26. We are continuing to work to improve our reporting against the agreed strategic aims going forward and will monitor progress in generating Community Benefits (against a backdrop of this year's difficult procurement climate).
- 7.2 Our approach to procurement continues to evolve, based on the growth in the number of regulated procurements, our capacity and appetite for risk, and the challenges and opportunities arising in our environment. There is a significant list of planned procurements in the next two financial years, reflecting delays in contract placement due to the difficult tender climate in the last year. The Association has updated its **Value for Money Procurement Strategy for the period 1 April 2026 to 31 March 2027 (Appendix 2)** to reflect our current projections for procurement activity and will report on the outcomes from that updated strategy next year.