

REPORT TO: NEIGHBOURHOOD, HOUSING AND COMMUNITIES COMMITTEE – 22 JUNE 2026

REPORT ON: PROCUREMENT SOURCING STRATEGY APPROVAL FOR SURVEY AND TREATMENT FOR TIMBER PRESERVATION FRAMEWORK

REPORT BY: EXECUTIVE DIRECTOR OF NEIGHBOURHOOD SERVICES

REPORT NO: 134-2026

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to present the procurement sourcing strategy that has been completed for the survey and treatment for timber preservation framework (dry and wet rot treatment for domestic properties). This is to ensure that the Housing Service can comply with statutory duties under housing legislation.

2. RECOMMENDATION

- 2.1 It is recommended that the Committee notes the information contained within this report, and approves the proposed route to market as outlined in this report (as set out in Section 6 of this report), in compliance with the Public Contracts (Scotland) Regulations 2015; and notes that Dundee City Council will retain the ability to make direct awards up to a specified financial threshold of £10,000, ensuring proportionality and flexibility when engaging suppliers for lower value or urgent works. Notes that any contract awards to be made under this framework, that are not covered by delegation provided to officers within Standing Orders and Financial Regulations, will be brought back to members for consideration.

3. FINANCIAL IMPLICATIONS

- 3.1 The Executive Director of Corporate Services has confirmed the agreement of these recommendations will result in additional recurring costs of approximately £1.3m per annum for the Housing Revenue Account. These costs are already assumed within the approved Revenue Budget 2026-2027 and assumed in future years.
- 3.2 Pricing will remain fixed for the initial contract period and may be adjusted annually based on changes to the Retail Price Index (RPI).

4. BACKGROUND

- 4.1 The Councils Standing Orders and Schemes of Administration for Financial Regulations, Tender Procedures and Delegation of Powers to Officers were previously approved by elected members (Article V of the minute of meeting of the City Governance Committee of 22 September 2025, Report 293-2025 refers). This document includes the arrangements for procurement, and within Schedule 1 of the Contract Standing Orders this includes a requirement that when proposing to commence a procurement exercise that will exceed £1m then elected members are required to agree the proposed route to market for that contract. The details of the proposed route are set out within this sourcing strategy.

5. DETAILS OF THE PROJECT BEING COMMISSIONED

- 5.1 The purpose of this procurement is to establish a Survey and Treatment for Timber Preservation Framework for the treatment of dry and wet rot within domestic properties. Forthcoming changes associated with Awaab's Law and the Scottish Government's amendments to the Housing (Scotland) Bill – expected in October 2026 – will require strengthened and more responsive access to the market for reporting and remediation measures. Establishing a multi-supplier framework will support quicker mobilisation of works, improve responsiveness for customers, and enable service areas to access suppliers more efficiently in order to meet demand.
- 5.2 All of the work will be awarded by the Housing Service. The Housing Service requires the establishment of a framework for the delivery of treatment for Dry/Wet rot within domestic properties across the Dundee housing stock. This will enable the procurement of surveys, surface treatments for damp and mould including fogging, as well as more invasive investigations and treatments.
- 5.3 As this is a framework, delivery of community benefits will be a requirement of the framework supplier(s) when call-offs have reached a value of £100,000 of spend per supplier.

6. SOURCING STRATEGY SUMMARY

- 6.1 Due to the volume and urgent nature of the work, Dundee City Council will establish a multi-supplier Framework for survey and treatment. The procurement exercise will involve an open tendering exercise which will be carried out in compliance with the Public Contracts (Scotland) Regulations 2015.
- 6.2 The establishment of a multi-supplier Framework facilitates the Council's aim to provide a faster response for treatment for properties.

7. RISK ANALYSIS

- 7.1 There are four standard risks in any procurement and for public sector regulated procurement, a fifth is added, that of the procurement exercise itself breaching the public contract regulations and leaving the Council open to a legal challenge.

Key Risks Table

Description of Risk	Actions to be taken to manage Risk
Commercial Risk – That either the price objectives are not achieved up front or there are other costs that arise during the contract and diminish the overall benefits.	Dundee City Council will retain the ability to make direct awards up to a specified financial threshold (£10,000), ensuring proportionality and flexibility when engaging suppliers for lower value or urgent works. For proposed call-offs which are greater than £10,000 that are not covered by delegation provided to officers within Standing Orders and Financial Regulations will be brought back to members for consideration. A detailed Specification and Pricing Schedule will be developed for the Framework to ensure transparency in pricing, consistency in evaluation, and fair and robust scoring of all bids received. Pre-tender market research has been undertaken to inform the proposed specification, pricing structure, and call-off

	arrangements for the Framework. This ensures that the commercial approach is aligned with current market capabilities and provides a realistic basis for supplier competition. More complex or specialised works required within a property, particularly those beyond standard dry/wet rot, infestation treatment, or mould remediation—will fall outside the scope of this Framework and will be procured separately as appropriate.
Technical Risk – This concerns the difficulty in being able to specify the desired outcome and on the market being unable to deliver to the specification	The specification and pricing schedule will be developed to encompass a range of works and particular processes. The requirement will be for a contractor to be thorough, to remove the issue and to prevent any recurrence within the property. Suppliers will be expected to have certain accreditations set out within the specification. Successful suppliers will need to be capable of carrying out the survey and work for this to be completed. Works will be defined within the specification of requirements document. Additionally, the requirements will be set out to comply with Awaabs Law.
Performance Risk – This concerns the ability of suppliers to perform consistently over the life of the contract to deliver the planned benefits	This will be a multi-supplier framework.
Contractual Risk – Being able to remedy the 's shortcomings in the contractor's performance without severely damaging the contract and avoiding reliance on the contracted supplier as the contract develops.	The specification will detail what is expected of the contractor through the lifetime of the contract. Furthermore, the work orders will include detailed information regarding what is expected by the contractor and will undergo appropriate monitoring.
Procurement Risk – where a procurement is found unsound in law, through the public procurement rules	The framework opportunity will be advertised and awarded in compliance with the Public Contracts (Scotland) Regulations 2015.

8. POLICY IMPLICATIONS

- 8.1 This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

9. CONSULTATION

- 9.1 The Council Leadership team have been consulted in the preparation of this report.

10. BACKGROUND PAPERS

- 10.1 None.

Tony Boyle
Executive Director of Neighbourhood Services

29 May 2026

APPENDIX 1

PROJECT	Framework for Survey and Treatment for Timber Preservation Works
PROJECT NUMBER	DCC/NS/55/25
PROJECT INFORMATION	To establish a framework for survey and treatment for dry and wet rot works. This is to ensure that the Housing Service can comply with statutory duties under housing legislation.
ESTIMATED START AND COMPLETION DATES	Initial term: October 2026 – September 2028 Optional extensions: +1 year, +1 year
TOTAL COST	Total: <u>£5,200,000</u>
FUNDING SOURCE	Housing Revenue Account – Planned Maintenance
BUDGET PROVISION & PHASING	Housing Revenue Account Year 1 – £1,300,000 Year 2 – £1,300,000 Year 3 – £1,300,000 Year 4 – £1,300,000
ADDITIONAL FUNDING	None.
REVENUE IMPLICATIONS	None.
POLICY IMPLICATIONS	There are no major issues.
PROCUREMENT ROUTE	Single Stage Open Tendering exercise which will be advertised on the Public Contracts Scotland (PCS) Portal
TENDERS	N/A
RECOMMENDATION	To agree the sourcing strategy for the establishment of a Dundee City Council Multi-Supplier Framework for Survey and Treatment for Timber Preservation. Note the governance arrangements for call-offs from the Framework.
SUB-CONTRACTORS	N/A
BACKGROUND PAPERS	None