

## ITEM No ...2.....

**REPORT TO:** NEIGHBOURHOOD REGENERATION, HOUSING AND ESTATE  
MANAGEMENT COMMITTEE – 23 JUNE 2025

**REPORT ON:** SOURCING STRATEGY FOR THE PROCUREMENT OF A 100% HOUSING  
STOCK CONDITION SURVEY

**REPORT BY:** EXECUTIVE DIRECTOR OF NEIGHBOURHOOD SERVICES

**REPORT NO:** 187-2025

### **1 PURPOSE OF REPORT**

- 1.1 The purpose of this report is to detail the development of a sourcing strategy for the appointment of a consultant to undertake a 100% Housing Stock Condition Survey.

### **2 RECOMMENDATION**

- 2.1 It is recommended that the Committee:
- a Approves the procurement exercise for the delivery of a 100% Housing stock condition survey utilising the Public Contracts Scotland framework detailed in this report in compliance with the Public Contracts (Scotland) Regulations 2015.
  - b Notes that the outcome of the procurement process will be brought back to committee in due course for the purpose of approving the contract award.

### **3 FINANCIAL IMPLICATIONS**

- 3.1 The Executive Director of Corporate Services has confirmed the agreement of these recommendations will result in additional one-off costs of £1.5m for the Housing Revenue Account. These costs are already assumed within the approved Revenue Budget 2025/26 and within the provisional budget for 2026/27.

### **4 SOURCING STRATEGY SUMMARY**

- 4.1 The proposed route to market is an open tender invitation to Public Contracts Scotland.
- 4.2 The expected benefits from this contract include: provision of a baseline assessment of the condition of 100% of the Housing stock; the ability to plan future workstreams to target investment in the housing stock where it will bring the greatest improvements to tenants; and to inform delivery of the net-zero strategy.
- 4.3 The services comprise the procurement of a Building Surveying Consultant with significant expertise in the field of domestic stock condition surveys. It is recommended that an open tender through Public Contracts Scotland is the route to procure those services.

Framework	Details
Public Contracts Scotland	Open tender

- 4.4 In addition to Community Benefits being an integral part of any accepted tender, the use of open tender through PCS creates opportunity for locally based, appropriately skilled consultants to bid to provide services in line with their area of expertise.

## 5 RISK ANALYSIS

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

### Sourcing Strategy Section 4 Key Risk Table

Description of Risk	Actions to be taken to manage Risk
<b>Commercial Risk</b> – 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.	There may be potential if difficulties accessing properties to carry out the surveys which would impact KPI and potential to incur some cost.
<b>Technical Risk</b> – this concerns the difficulty in being able to specify the desired outcome and on the market being unable to deliver to the specification.	There are limited companies which may be able to deliver the need and also deliver the volume of surveys required for this project. However, the specification will detail this and highlight the capacity required.
<b>Performance Risk</b> – this concerns the ability of suppliers to perform consistently over the life of the contract to deliver the planned benefits.	If the works are being subcontracted there may be some inconsistency when surveys are carried out. We will try and specify exactly what is required over the duration of the contract.
<b>Contractual Risk</b> – being able to remedy the shortcomings in the contractor's performance without severely damaging the contract and about avoiding reliance on the contracted supplier as the contract develops.	KPI's will be built into the contract to ensure that the project is delivered including regular review meetings.
<b>Procurement Risk</b> – where a procurement is found unsound in law, through the public procurement rules.	Procurement Regulations will be followed through the tendering process.

## 6 CONCLUSION

- 6.1 It is concluded the preferred route to market would be an open tender through Public Contracts Scotland.

## **7. POLICY IMPLICATIONS**

- 7.1 This report has been subject to the Pre-IIA Screening Tool and the procurement of a 100% stock condition survey is a change of strategy that would warrant completion of an Integrated Impact Assessment. However, it is also recognised that a report to Elected Members recommending acceptance of a successful tender would be the more appropriate report to include the Integrated Impact Assessment.

## **8. CONSULTATIONS**

- 8.1 The Council Leadership Team were consulted in the preparation of this report.

## **9. BACKGROUND PAPERS**

- 9.1 None

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28 May 2025

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