

# ANNUAL PROCUREMENT REPORT

## 2024/25

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## 1: Introduction

Under the terms of the Procurement Reform (Scotland) Act 2014 public bodies with an annual regulated procurement value of more than £5million are required to produce an Annual Procurement Report, reviewing their procurement activity against the aims and objectives set down in their Procurement Strategy.

The purpose of the report is to record and summarise the actions taken by Cairn Housing Association to deliver the objectives of our Procurement Strategy and by so doing, complying with our key values of:

- Putting the customer first
- Aiming to achieve high quality outcomes for our customers
- Striving for excellence

This report covers the period between 1 April 2024 and 31 March 2025 and is presented as a record of Cairn's procurement activities during this period, showing not only how we have met our regulatory procurement requirements, but also how our procurement activity has facilitated delivery of Cairn's broader aims and objectives.

## 2: Summary of Procurement Projects Completed in 24-25

Regulated procurement is defined by the Procurement Reform (Scotland) Act 2014 as public contracts for goods, services or works with a value exceeding specific thresholds, specifically £50,000 for goods and services and £2 million for works. The value of the procurement is measured over the total contract period, therefore a three-year contract worth £25k per annum is valued at £75k when awarded.

Even if no regulated procurements are made but total procurements for the year are worth £5m or more, public bodies in Scotland are still required to publish both their procurement strategy and a procurement report, with notification of publication (or copies of each document) to be sent to the Scottish Ministers.

While only six (out of thirty-six) procurements awarded by Cairn in 24-25 were regulated, the total net value of tenders awarded was £8,364,616.07, as per the table below:

	Procured via Public Contracts Scotland Open Tender	Procured via Public Contracts Scotland Quick Quote	Procured via Procurement Framework	Procured by obtaining three quotations
Regulated Procurements (x6)	6: value = £2,231,331.00	0	0	0
Unregulated Procurements (x30)	20: value = £5,068,746.62	4: value = £57,901.63	6: value = £997,732.82	1: value = £8904.00
<b>Total values by Procurement Route</b>	<b>£7,300,077.62</b>	<b>£57,901.63</b>	<b>£997,732.82</b>	<b>£8,904.00</b>

It should be noted that the value of contracts awarded to small-to-medium enterprises was £5,847,024.80, or 70% of the annual total.

The full list of these procurements, awarded between 1<sup>st</sup> April 2024 and 30<sup>th</sup> May 2025, is as follows:

Project	Description	Net Value	Award Date	Duration	Optional Extension	How Procured	Regulated
Caithness Bathrooms	Replacement of 50 x bathrooms in Thurso	£326,955.50	May-24	40 weeks	n/a	Public Contracts Scotland Open Tender	N
Lochbrae Phase 2	Second phase of bathroom replacement works and asbestos removal	£491,657.00	Aug-24	44 weeks	n/a	Public Contracts Scotland Open Tender	N
Clerk of Works	CoW services for Lochbrae Phase 2	£16,280.00	Jul-24	44 weeks	n/a	Public Contracts Scotland Quick Quote	N
Lorne Campbell Fencing	Replacement of 100m of metal fencing at Lorne Campbell Court	£22,326.78	Apr-24	2 weeks	n/a	Public Contracts Scotland Quick Quote	N
13 Burnside Pl, Irvine	Structural Repairs	£23,650.00	Oct-24	12 weeks	n/a	Public Contracts Scotland Open Tender	N
15 Rannoch Ave, Coatbridge	Roof and attic space repairs	£28,332.70	Aug-24	6 weeks	n/a	Public Contracts Scotland Open Tender	N
Aviemore Air Source Heating	Installation of 29 x air source heating systems at Munro Place, Aviemore	£260,782.50	Feb-25	16 weeks	n/a	Public Contracts Scotland Open Tender	N
Cluny Court PV	Installation of PV system at Cluny Court, Blairgowrie	£354,237.05	May-24	12 weeks	n/a	Mini competition via Framework	N
Condor Court Bathrooms	Replacement of 30 x bathrooms @ Condor Court, Carnoustie	£194,176.50	Mar-25	12 weeks	n/a	Public Contracts Scotland Open Tender	N
Decoration North	Redecoration of external and communal areas at 360 Houses and Flats at Aviemore, Boat of Garten, Culbokie, Dingwall, Forbes, Fort Augustus, Inverness, North Kessock and Ullapool	£222,433.05	Mar-25	20 weeks	n/a	Public Contracts Scotland Open Tender	N
Decoration South	Redecoration of external and communal areas at Falkirk, Cambeltown, Cambuslang, High Blantyre, Glenrothes, Paisley, Perth, Keltie and Edinburgh	£141,047.39	Dec-24	16 weeks	n/a	Public Contracts Scotland Open Tender	N
Decoration the Moorings	Exterior decoration at the Moorings, Inverness	£9,764.85	Mar-25	4 weeks	n/a	Public Contracts Scotland Quick Quote	N
Dewar Court Lighting	Replacement common area and emergency lighting at Dear Court, Perth	£115,000.00	Jan-25	16 weeks	n/a	Public Contracts Scotland Open Tender	N
East Kilbride Fences	Replacement of 1020m of fencing at Lindsayfield	£59,400.00	Jan-24	10 weeks	n/a	Public Contracts Scotland Open Tender	N
Fire Alarms	Replacement fire alarms at Adam Grossert, Aitkin, Dewar and Stafford Court	£177,593.00	Dec-24	26 weeks	n/a	Public Contracts Scotland Open Tender	N
Fire Stopping Phase 3	Reinstatement of fire stopping @ Falconer, Frank Jack, MacEwen, Scotsburn and Stafford Courts	£150,000.00	May-24	26 Weeks	n/a	Public Contracts Scotland Open Tender	N
Kitchens North	Replacement of 74 x kitchens at Inverness and Ardersier	£692,867.86	Nov-24	24 weeks	n/a	Public Contracts Scotland Open Tender	N
Kitchens North Rural	Replacement of 82 kitchens at Boat of Garten, Dingwall, Munloch, Muir of Ord and Ullapool	£800,303.12	Mar-25	24 weeks	n/a	Public Contracts Scotland Open Tender	N
Kitchens South	Replacement of 16 x kitchens in Airdrie, Cambuslang and Coatbridge	£171,114.79	Dec-24	6 weeks	n/a	Mini competition via Framework	N
Lochbrae Court Doors	Replacement of 2 x entrance doors and screens @ Lochbrae Court, Rutherglen	£27,816.22	Jan-25	6 weeks	n/a	Mini competition via Framework	N
Pollock Builderworks	Common area refurbishment @ Dormanside Road and Ladymuir Crescent	£299,597.50	Feb-25	12 weeks	n/a	Public Contracts Scotland Open Tender	N
Roof Surveys	Roof surveys @ Gilmour, Glentanar and Nigel Henderson Courts	£9,620.00	Jun-24	16 weeks	n/a	Public Contracts Scotland Quick Quote	N
Windows & Doors Dumbarton	Replacement Windows @ School Lane, Westbridgend and Comelybank Road	£153,824.61	Jun-24	8 weeks	n/a	Mini competition via Framework	N
Windows & Doors Kirkintilloch	Replacement windows @ Newdyke Road	£159,751.19	Aug-24	6 weeks	n/a	Mini competition via Framework	N
Windows & Doors Pollock	Replacement windows @ Dormanside Road and Ladymuir Crescent	£130,988.96	Jun-24	8 weeks	n/a	Mini competition via Framework	N
Windows & Doors Stafford Ct	Replacement windows @ Stafford Court, Dornoch	£240,676.64	Aug-24	16 weeks	n/a	Public Contracts Scotland Open Tender	N
Asset Condition Surveys	Asset condition surveys and reports for 100% of housing stock	£691,500	Jul-24	5 years	n/a	Public Contracts Scotland Open Tender	Y
Cleaning South	Cleaning of common landings, stairwells and Bellshill office	£143,060	Aug-24	3 years	12 months	Public Contracts Scotland Open Tender	Y
IT Backup Solution	Data backup and recovery services	£61,500	Jul-24	3 years	24 months	Public Contracts Scotland Open Tender	Y
Lift Maintenance South	Lift Maintenance	£74,950	Jun-24	3 years	24 months	Public Contracts Scotland Open Tender	Y

Maintenance Services, Caithness	Responsive maintenance services in Caithness	£885,000	Jul-24	3 years	24 months	Public Contracts Scotland Open Tender	Y
Sanitary Bins	Supply and uplift of sanitary bins to retirement courts	£8,904	May-24	3 years	n/a	Three quotations	N
Tenant Engagement	Consultancy services for tenant engagement strategy	£21,150	Dec-24	6 months	n/a	Public Contracts Scotland Open Tender	N
Van Leases	Lease of vans for Homeworks	£375,321	Aug-24	3 years	n/a	Public Contracts Scotland Open Tender	Y
Void Framework (North)	Refurbishment of void properties prior to re-let	£480,000	Dec-24	2 years	12 months	Public Contracts Scotland Open Tender	N
Aitkin Court Refurbishment	Refurbishment of common areas and facilities	£343,033.86	Dec-24	11 months	n/a	Public Contracts Scotland Open Tender	N

### 3: Review of Procurement Compliance

Cairn are committed to ensuring that all its procurement activities, whether regulated or unregulated, are transparent, fair, inclusive and conducted in full compliance with both the Act and our own internal governance, including:

- Our Procurement Strategy
- Our Procurement Policy
- Our financial regulations
- Our Corporate Social Responsibility Policy

The routes to market specified in our Procurement Policy are based on the value of the required procurement, as per the table below:

Up to £5,000	A purchase order or works order must be completed and then authorised by the appropriate budget holder.
Above £5,000 and up to £15,000	Minimum 3 quotations, unless of a specialised and limited supply – where a business case justification is required to the Senior Management Team.
Above £15,000 and up to £50,000	Minimum 3 invitations to quote, submitted through Public Contract Scotland as a 'Quick Quote' selecting only from suppliers who have completed a profile. The order will be awarded to the organisation whose proposal is most advantageous to the Group with value, price and other relevant factors taken into consideration.
Above £50,000, up to GPA thresholds	Competitive single-stage tender via Public Contract Scotland using the Single Procurement Document (SPD) Scotland.
Above GPA thresholds	Two stage tender process using the Single Procurement Document (SPD) Scotland.
Note: the above limits are the minimum required and, subject to the nature of the supply the Procurement Officer may determine that a higher process is the best option for a lower value supply e.g. two-stage process for a £75,000 contract.	

As can be seen from the routes to market listed on the page 2 and the requirements of the table above, all procurements in 2024-25 complied fully with our statutory obligations and our procurement policy.

It should be noted that the routes to market in the table above are defined by the *value* of the procurement and represent the minimum requirement for compliance with our policy.

However, procurement via a higher value route to market may be appropriate if, for example, a particular procurement involves a high level of risk. This scenario is ideally demonstrated by our procurement of a consultancy to assist in the development and implementation of our tenant engagement offering; while the value of this procurement was well within the range

for inviting three quotations via Quick Quotes, an open tender process was employed due to the strategic importance of this project and the desire to invite innovative ideas and solutions from as many bidders as possible.

It should also be noted that while there is currently no specific guidance on the use of procurement frameworks in our procurement policy, the mini competitions conducted in 2024-25 via the Scottish Procurement Alliance and Scotland Excel complied fully with Scottish public sector procurement regulations. A revised procurement policy, which includes a guide to the use of procurement frameworks and a proposal for an increased threshold for the procurement of works via Quick Quotes, has been drafted ahead of the Board meeting scheduled for May 2025.

As can be seen from the table on the previous page, the bulk of procurements in 2024-25 were for works on behalf of our Property Services department. While these works have significantly improved the quality of our housing stock, furthering our strategic aims of providing great homes and achieving high quality outcomes for our customers, few of our expired service contracts were renewed in the last financial year, meaning there has been only a small reduction in spend outwith contract – or Maverick Spend – compared to 2023-24. However, with the recent formation of a dedicated Compliance section within the Property Services department, tendering for new service contracts will increase in 2025-26 and the outcomes of these procurements will be included in future reports.

#### **4: Sustainability and Community Benefits**

Sustainability, social responsibility and social value continue to feature prominently in our procurement process, with the sustainability credentials, added value, environmental initiatives and community benefits of bids received included in their evaluation. This has led to the appointment of suppliers and contractors who have demonstrated a strong commitment to apprenticeships and training, support for charities and community groups, fair work practises across their supply chains, ethical sourcing and commitment to initiatives including Net Zero. Cairn's membership of the Scottish Procurement Alliance again gave us access to match funding for our 2024-25 tenant hardship fund, allowing us to double our support for tenants experiencing fuel poverty or similar hardships associated with the high cost of living.

All added value and community benefit is proportionate to the scale and context of the procurement and takes account of the nature of the works, goods or services required and the size / resources of the winning bidder.

#### **5: Payment Performance and Support for Local Businesses**

Cairn paid 82.1% of the 13,118 invoices it received in 2024-25 within 30 days. Cairn is committed to the principles of Fair Work First and promotes the payment of the living wage in all regulated procurements.

Cairn are committed to supporting and improving access to procurement opportunities for local SMEs and Supported Businesses. This commitment, together with the posting of all but one of the procurements listed on page two of this report on the Public Contracts Scotland website, resulted in the award of tenders to thirty-two SMEs in 2024-25. Particular attention is drawn to our Caithness Maintenance and North Voids Framework tenders, which between them resulted in six locally based SMEs being awarded contracts.

Cairn does not currently have any direct contracts in place with supported businesses. However, we are committed to inviting bids from supported businesses and request that bidders identify themselves as such on their Single Procurement Document (SPD) when submitting their tender.

## 6: Continuous Improvement

Cairn are committed to continuous improvement in our procurement activity. Therefore, as well as ongoing regular reviews of both our Procurement Strategy and Procurement Policy, Cairn is currently undertaking a Continuous Improvement Programme for Procurement (CIPP) review with Scotland Excel, with the first assessment scheduled for May 2025. The outcome of the CIPP will inform an action plan for improvement and updates on the progress of this action plan will be provided to our Board of Management and included in subsequent procurement reports.

## 7: Future Procurements

Cairn anticipates its procurement programme will result in the following contracts being procured and awarded during 2025-26:

Procurement	Type	New or Re-Let	Proposed Route to Market	Anticipated Publication Date	Anticipated Award Date	Estimated Net Value
Fire Door Replacements @ Gilmour Court	Works	New	SPA mini-comp	Jun-25	Aug-25	£208,000.00
Estate Investments (3 x separate projects)	Works	New	PCS Quick Quotes	May-25	Jul-25	£62,500.00
North Kitchens x 33	Works	New	PCS Open Tender	Jun-25	Aug-25	£208,000.00
South Kitchens x 20	Works	New	PCS Open Tender	Jul-25	Sep-25	£33,500.00
North Bathrooms x 38	Works	New	PCS Open Tender	Sep-25	Nov-25	£208,000.00
South Bathrooms	Works	New	PCS Open Tender	Sep-25	Nov-25	£55,000.00
Lochbrae Court Bathrooms Phase 3	Works	New	PCS Open Tender	May-25	Jul-25	£458,000.00
Window Replacements, Caithness	Works	New	PCS Open Tender	Jun-25	Aug-25	£167,000.00
Window Replacements, Coatbridge	Works	New	SPA mini-comp	Jul-25	Sep-25	£167,000.00
Domestic Boiler Replacements (All Areas)	Works	New	PCS Open Tender	Sep-25	Nov-25	£167,000.00
Heating Upgrades	Works	New	PCS Open Tender	Sep-25	Nov-25	£125,000.00
Boiler Plant Room Refurbishments and Improvements	Works	New	PCS Open Tender	Oct-25	Dec-25	£192,500.00
Radiator & Heat Distribution @ Dewar Court	Works	New	PCS Open Tender	Oct-25	Dec-25	£42,000.00
Roof Replacements and Refurbishments	Works	New	PCS Open Tender	Jun-25	Aug-25	£137,500.00
Fire Door Upgrades and Replacements	Works	New	SPA mini-comp	Oct-25	Dec-25	£208,000.00
Dewar Court Works (EWI, Windows)	Works	New	PCS Open Tender	Jun-25	Aug-25	£192,500.00
Stuart Court Heating	Works	New	PCS Open Tender	Aug-25	Oct-25	£83,500.00
Achray Place External Works	Works	New	PCS Quick Quotes	Jul-25	Aug-25	£42,000.00
Warden Call Upgrades	Maintenance	New	PCS Quick Quotes	Nov-25	Jan-26	£42,000.00
Gutters, Clearances and Improvements.	Maintenance	New	PCS Quick Quotes	Dec-25	Feb-26	£42,000.00
Health & Safety Items	Maintenance	New	PCS Quick Quotes	Dec-25	Feb-26	£42,000.00
Brownhill/Sweyn Feasibility & Consultancy	Services	New	PCS Quick Quotes	Jan-26	Mar-26	£33,500.00
Decoration South (2+1 years)	Maintenance	New	PCS Open Tender	Dec-25	Mar-26	£450,000.00

Decoration Caithness	Maintenance	New	PCS Open Tender	Jul-25	Sep-25	£75,000.00
Grounds Maintenance (3+1+1 years)	Services	Re-Let	PCS Open Tender	Dec-25	Feb-26	£1,200,000.00
Cleaning Contracts (3 years)	Services	Re-Let	PCS Open Tender	Dec-25	Feb-26	£600,000.00
Winter Gritting and Snow Clearance.	Services	New	PCS Open Tender	Aug-25	Oct-26	£100,000.00
Contact Centre Solution	Services	Re-Let	PCS Open Tender	Nov-25	Jan-26	£150,000.00
Fire Alarm Maintenance (South)	Maintenance	Re-Let	PCS Open Tender	Jan-26	Mar-26	£365,000.00
EICR / Portable Appliance Testing	Maintenance	Re-Let	PCS Open Tender	Jan-26	Mar-26	£300,000.00
Water Hygiene Management	Services	Re-Let	PCS Open Tender	Dec-25	Feb-26	£300,000.00
					Estimated total net value of 2025-26 procurement	£6,456,500.00

## 8: Publishing

This Annual Procurement Report for the period 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025, together with Cairn's Procurement Strategy, will be published on our website and presented to the Scottish Ministers.

## 9: Contact Details:

For further information on this report, please contact:

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## Appendix: Annual Procurement Report Summary

<b>1. Organisation and report details</b>	
a) Contracting Authority Name	Cairn Housing Association
b) Period of the annual procurement report	01/04/2024 – 31/03/2025
c) Required by s18 Procurement Reform (Scotland) Act 2014 to prepare an annual procurement report? (Yes / No)	Yes
<b>2. Summary of Regulated Procurements Completed</b>	
a) Total number of regulated contracts awarded within the report period	6
b) Total value of regulated contracts awarded within the report period	£2,231,331
c) Total number of unique suppliers awarded a place on a regulated contract awarded during the period	9
i) how many of these unique suppliers are SMEs	7
ii) how many of these unique suppliers are Third sector bodies	0
<b>3. Review of Regulated Procurements Compliance</b>	
a) Number of regulated contracts awarded within the period that complied with your Procurement Strategy	6
b) Number of regulated contracts awarded within the period that did not comply with your Procurement Strategy	0
<b>4. Community Benefit Requirements Summary</b>	
<b>Use of Community Benefit Requirements in Procurement:</b>	
a) Total Number of regulated contracts awarded with a value of £4 million or greater.	0
b) Total Number of regulated contracts awarded with a value of £4 million or greater that contain Community Benefit Requirements.	0
c) Total Number of regulated contracts awarded with a value of less than £4 million that contain Community Benefit Requirements	0
<hr/>	
<b>Key Contract Information on community benefit requirements imposed as part of a regulated procurement that were fulfilled during the period:</b>	
d) Number of Jobs Filled by Priority Groups (Each contracting authority sets its own priority groups)	0
e) Number of Apprenticeships Filled by Priority Groups	0
f) Number of Work Placements for Priority Groups	0
g) Number of Qualifications Achieved Through Training by Priority Groups	0
h) Total Value of contracts sub-contracted to SMEs	0
i) Total Value of contracts sub-contracted to Social Enterprises	0
j) Total Value of contracts sub-contracted to Supported Businesses	0
k) Other community benefit(s) fulfilled	0
<b>5. Fair Work and the real Living Wage</b>	
a) Number of regulated contracts awarded during the period that included a Fair Work First criterion.	0
b) Number of unique suppliers who have committed to pay the real Living Wage in the delivery of a regulated contract awarded during the period.	8



c) Number of unique suppliers who are accredited Living Wage employers and were awarded a regulated contract during the period.	2
<b>6. Payment performance</b>	
a) Number of valid invoices received during the reporting period.	13,118
b) Percentage of invoices paid on time during the period ("On time" means within the time period set out in the contract terms.)	82.1%
c) Number of regulated contracts awarded during the period containing a contract term requiring the prompt payment of invoices in public contract supply chains.	6
d) Number of concerns raised by sub-contractors about the timely payment of invoices within the supply chain of public contracts.	0
<b>7. Supported Businesses Summary</b>	
a) Total number of regulated contracts awarded to supported businesses during the period	0
b) Total spend with supported businesses during the period covered by the report, including:	0
i) spend within the reporting year on regulated contracts	0
ii) spend within the reporting year on non-regulated contracts	0
<b>8. Spend and Savings Summary</b>	
a) Total procurement spend for the period covered by the annual procurement report.	£8,364,616.07
b) Total procurement spend with SMEs during the period covered by the annual procurement report.	£5,847,024.80
c) Total procurement spend with third sector bodies during the period covered by the report.	0%
d) Percentage of total procurement spend through collaborative contracts.	0%
e) Total delivered cash savings for the period covered by the annual procurement report	n/a
f) Total non-cash savings value for the period covered by the annual procurement report	n/a
<b>9. Future regulated procurements</b>	
a) Total number of regulated procurements expected to commence in the next two financial years	12
b) Total estimated value of regulated procurements expected to commence in the next two financial years	£3,000,000