

Member Insight Report 2026

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A snapshot of Scottish social housing procurement

Welcome to the inaugural Member Insight Report from PfH Scotland.

Earlier this year we canvassed the opinions of procurement professionals working in social housing throughout Scotland.

Delving into a range of themes – from resourcing to community benefit – this report captures an up-to-date picture of the sector, identifies emerging trends and offers tips for driving greater efficiency and value.

Crucially, the insight gained will help us tailor and strengthen our support for housing organisations across Scotland.

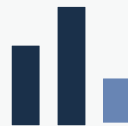


Guy Stapleford, Head of Consultancy Services, Procurement for Housing

Key findings



Half of procurement teams have expanded in the **last year**



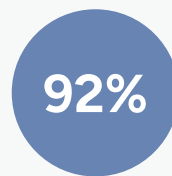
A third expect their **team to grow** over the next **12 months**

But half still don't believe **procurement** is **sufficiently resourced**

"Important" is the number one term associated with **procurement**

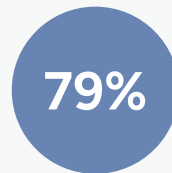


100% of respondents think procurement's importance has **risen**



92% believe procurement is aligned with **organisational objectives**

Over two-fifths say **75%-100%** of projects secured **community benefits**



79% of teams have a current **procurement strategy** in place

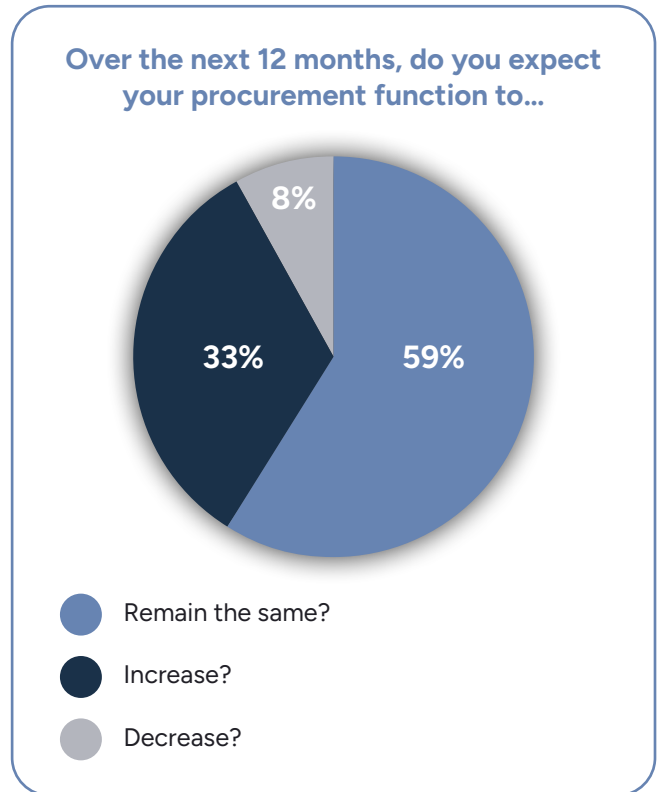
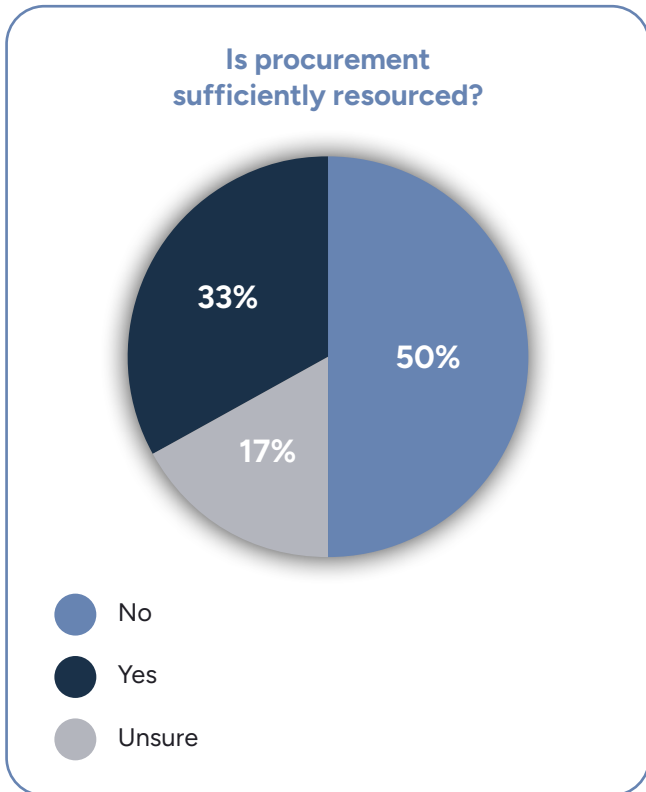
Two-fifths have visibility over **80%-100%** of **spend**

ICT and financial services are the **weakest areas** for visibility

Procurement resourcing

There are signs of workforce investment, but many believe procurement is under-resourced

Something of a mixed picture emerged when we surveyed people about the ever-critical topic of resources. Half of respondents said their procurement team had grown in size over the last year while 42% reported no change. However, half of those surveyed don't believe procurement has the resources it requires and just a third expect their function to grow over the coming 12 months.



KEY TAKEAWAYS

The data suggests organisations across the social housing sector in Scotland are beginning to respond to the demands of policy change, social value requirements and market pressures. Resourcing is key to their ability to adapt and innovate and there are signs that have been taken on board by senior leaders.

Scottish housing associations have a greater requirement in respect to strategy, procurement planning and reporting than their neighbours in England, Wales and Northern Ireland in the form of annual requirements to publish reports. In some ways, this pushes procurement up the agenda in order to ensure compliance. However, the value is in the delivery and that is where the resource appears to be required.

While there are some very large national providers, the sector is characterised by many small-to-medium-sized organisations, with more than eight in ten (83%) housing associations owning 2,500 homes or less.

Due to their often comparatively smaller size, the justification for a dedicated procurement resource is potentially harder to create, thus creating a greater reliance on the existing budget holders and contract managers or external consultants and framework providers to support project delivery. This fragmentation creates a risk around managing compliance and consistency within the procurement processes.

Perceptions of procurement

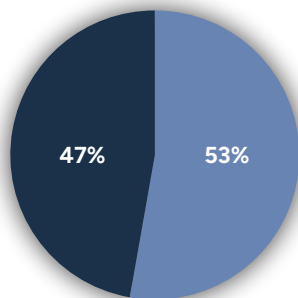
One message comes through loud and clear: organisations view the role of procurement as increasingly important

'Important' is the word most associated with procurement, according to respondents. Understandably, 'compliant' remains prominent – reflecting one procurement's key responsibilities for organisations – but it's closely followed by 'strategic' and 'professional'.

That positive picture is also reinforced by the fact that every respondent said they believed procurement's importance within the sector had increased.

Top 5 words associated with procurement

COMPLIANT IMPORTANT
STRATEGIC **VALUE ADDING**
PROFESSIONAL



How do you think procurement's importance has changed in the social housing sector?

- Increased significantly
- Increased slightly

KEY TAKEAWAYS

We know that procurement teams can play a more strategic role in their organisations if they are given the resources and the opportunity. It's often a hearts and minds issue and data from our Member Insight Report suggests senior leaders are clear that procurement's value extends way beyond compliance. Teams need to push home this advantage by:

- **Being proactive in procurement planning** – through involvement in budget setting, which is an ideal opportunity for procurement to get on the front foot, build a prioritised procurement pipeline but also show their team's value through tactical, small wins like supporting the management of annual price increases or demand management.
- **Getting visibility of spend, contracts and compliance** – to help prioritise procurement planning and resources.
- **Taking community benefits beyond a 'tick box'** – by understanding the needs of stakeholders and businesses, delivering useful benefits back to the organisation through the procurement process, and then ensuring their delivery through the life of the contract.

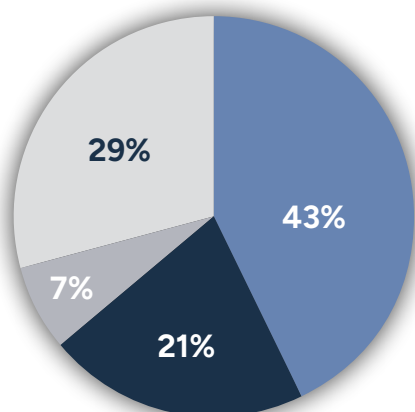
Delivering social value and meeting wider organisational aims

Feedback shows regulatory changes are helping to put social housing organisations in Scotland at the forefront of linking procurement with community benefits

The social housing sector in Scotland has a strong emphasis on delivering social value and that's reflected in our findings. Some 43% of respondents said up to 100% of procurement projects had secured community benefits over the last year. Almost two-thirds reported that at least half of projects had delivered benefits to the community.

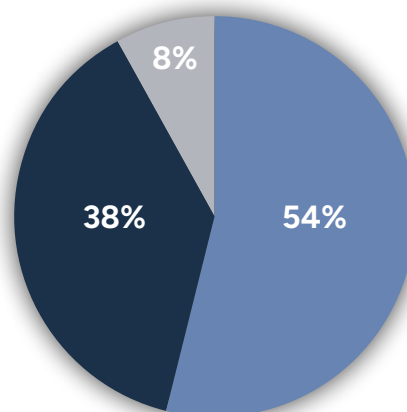
Some 29% expect social value to rise in the next 12 months while the remainder believe it will stay the same. That positivity continued when we asked about the part procurement teams are playing in the wider strategies and objectives of their organisation – nine out of 10 respondents said their role was clear.

Proportion of procurement projects that secured community benefits in the last 12 months



- 75%-100%
- 50%-75%
- 25%-50%
- Less than 25%

How clear is procurement's role in supporting delivery of your organisational objectives?



- Very clear
- Somewhat clear
- Somewhat unclear

KEY TAKEAWAYS

It's no surprise that there's a strong link between procurement and community benefits – Scottish regulations require it for any spending of over £5m through regulated contracts. But that can only be seen as a positive – the new regulatory and policy environment in Scotland is helping to drive additional value. Crucially, it's enabling organisations in Scotland to lead the way on integrating procurement with community impact.

Savings are harder to come by and they require early market engagement, understanding and time. It's equally the same for community benefits and the skill for procurement teams is making these beyond a tick box – getting outcomes and benefits that matter and make a difference to their communities.

Procurement performance

Spend visibility is strong but there are gaps in vital areas. Harnessing opportunities for efficiencies is vital in an environment where savings are proving harder to come by

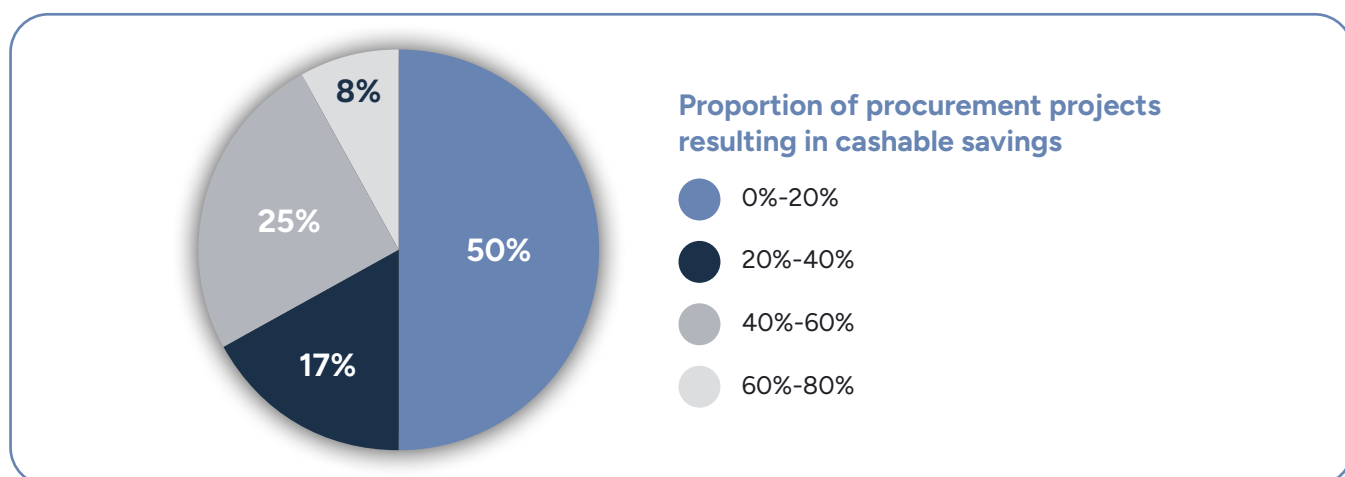
Procurement delivery is predominantly decentralised, with more than half of respondents operating without a central procurement function. This reflects the nature of housing associations in Scotland and the high number of smaller and medium-sized organisations.

Despite this fragmentation, spend visibility is strong, with 40% reporting 80%–100% visibility and a further 20% reporting 65%–80% visibility.

Most organisations reported low to modest cashable savings, with half stating that only 0%–20% of their projects delivered direct financial savings last year. Across Scotland, the categories with the least spend visibility are concentrated in specialist areas including ICT, financial services and legal services.

Two-fifths of respondents said they used frameworks for up to half of their purchasing while a third utilise them for up to three-quarters of spend. They look set to become even more important to organisations with 40% saying they expect to increase their use of frameworks over the next year.

Top 5 spend visibility blind spots



KEY TAKEAWAYS

Our findings around performance reveal something of a paradox. On the one hand, procurement teams are strong on visibility over their expenditure – a good indicator of procurement maturity. But on the other, traditional ways of working persist and we can see that in the widespread use of frameworks for a significant amount of business.

It's positive to see such strong transparency. This may be down to organisations compensating for decentralised structures through tighter financial controls, known compliant routes to market or smaller, more manageable supplier ecosystems.

This links to regulatory requirements to provide annual procurement reports that clearly set out contracts, procurement pipelines and benefits delivered. Finance functions are therefore likely to be heavily involved in procurement from a spend and data perspective.

However, our findings show weaker visibility in categories that are likely to be critical to the organisation, such as ICT. This may be an area where spend is lower and it highlights the need to develop a deeper understanding of who your strategically important suppliers are.

The relatively low cashable savings likely reflects the market reality of significant price inflation and limited competition, associated with the geographical supply issues in rural areas of Scotland.

One area of concern is that more than one in five respondents (21%) said they do not have an up-to-date procurement strategy. This is more than just a compliance requirement, it is integral to enabling procurement teams to play a proactive and strategic role in the organisation's approach to value for money, sustainability and community impact.



Procurement priorities

Procurement teams are grappling with supplier challenges but see opportunities to have an even greater impact on their localities

One theme dominated feedback from respondents – the supplier market is the biggest challenge facing procurement teams. A number of issues within that theme emerged. There is a shortage of specialist contractors, especially in traditional trades and net zero-related works. Scotland's geography – particularly in rural, remote areas – makes it more difficult to attract bidders.

The prevalence of smaller housing organisations in Scotland means bid volumes tend to be lower and this in turn creates challenges in generating competition and value for money against a backdrop of rising costs.

Also, a number of people highlighted the need for more consistent procurement training. In terms of opportunities, we found a real appetite among respondents to use the power of procurement to support local and regional economies. This was seen as a major opportunity for Scotland to build on its efforts to connect public sector procurement with growth and prosperity, for example through strengthening local supply chains and striving to deliver even greater community benefits.

Equally, there was recognition of the increasing role of frameworks to open up access to wider markets while driving value for money.

"[It's] hard to get experienced contractors for stonework/roof repairs." – Survey respondent

"Our biggest challenge is the local construction market and getting people to the area." – Survey respondent

"Please continue to support housing associations with collaborative, compliant frameworks that deliver savings and community benefits." – Survey respondent

KEY TAKEAWAYS

Delivering services across large rural, remote areas is particularly challenging and sourcing suppliers that match your needs even more so. What we're seeing in Scotland are issues like this combined with the desire and obligation to use procurement to support local supply chains.

Ultimately, it's about clarifying what your priorities are as an organisation. There are ways to drive local expenditure with SMEs, such as by splitting up contracts, but that means less aggregated spend to drive value. Establish the outcomes you are seeking and adjust your procurement strategy accordingly. This, again, demonstrates the importance of the pre-market engagement to support strategy development – how are suppliers delivering services, what are the barriers and how can you overcome them?



How we can help

PfH Scotland is a technology-enabled procurement partner for the social housing sector. We help Scottish organisations to manage their spend effectively, drive sustainable value, and improve operational efficiency.

We offer procurement consultancy, compliant solutions such as frameworks and Dynamic Purchasing Systems (DPS), Dynamic Markets (DM), and our spend and contract management platform, Quantum.

Get in touch!



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