

Scotland Excel

To: Executive Sub Committee

On: 18th September 2020

**Report by:
Chief Executive of Scotland Excel**

Update on the Contract Delivery Plan

1. Introduction

This report provides a progress update on the 2020/ 2021 contract delivery plan.

2. Progress to Date

As detailed in Appendices 1 – 3, the 2020/ 2021 contract delivery plan details framework renewals, new developments, framework extensions and frameworks with ongoing contract management only.

There are 73 current frameworks in the Scotland Excel contract portfolio, with a further 12 of these frameworks to be renewed before 31 March 2021 (Appendix 1).

Scotland Excel plans to add a further six new frameworks to its contract portfolio by 31 March 2021 (Appendix 2).

A further 19 of the frameworks on the current portfolio have extension options that are likely to be exercised in 2020/ 2021 with seven of these extensions already approved (Appendix 3).

The estimated forecast value of the Scotland Excel framework portfolio by 31 March 2021 will be approximately £2Billion.

Overall, efficiencies delivered to date in 2020/ 2021 are 1.3%, which is slightly below the forecast range. This figure only takes into account the two frameworks delivered in 2020/2021, one of which was demolition services. This was reported at 0% due of the challenges of benchmarking against the bespoke nature of the projects likely to be undertaken.

A summary of spend and forecast savings per council for 2019 can be found in appendix 5, with an average forecast efficiency of c.2.5%. The running average efficiency since 2018 remains in line with forecast at c.3.1%.

In addition to the activity detailed in Appendices 1 -4, Scotland Excel is exploring the benefits of further collaborative procurement across high spend, critical service areas in the construction, corporate and social care teams.

A prior information notice (PIN) was published on 28 August 2020 informing potential service providers of the upcoming opportunity to join the national flexible framework for care and support services (1318). The flexible framework allows for new entrants to be admitted, as providers, after it has been established. Following award, successful providers will also be able to add new services and locations to their service offering in accordance with the terms of the flexible framework. Services awarded from this exercise will be offered a Joining Date of 1 April 2021. A contract notice will be published prior to the publication of the tender. This notice serves to inform potential tenderers that, following the publication of SPPN 8, Scotland Excel will be progressing with this exercise, currently anticipated to be during (and no earlier than) October 2020.

The second generation framework for Care Home for Adults with Learning Disabilities including Autism went live on 11 October 2019 with 24 Providers offering 57 care homes and 60 services. The framework is designed to re-open periodically throughout its four-year duration to allow new providers to join. The Adult Social Care team will issue a survey to Local Authorities in September 2020 to ascertain if there is a demand for reopening the framework in December 2020.

The flexible framework agreement for Children's Residential Care and Education including Short Breaks, was re-opened to new providers in December 2019. Following a full tender process, new contracts were awarded in July 2020, increasing the number of providers from 43 to 56. This extends the range of services available to children and their families. Furthermore, several the original 43 providers have offered an expanded list of services. These applications to provide additional services will be processed in August/September 2020.

The Fostering and Continuing Care framework has been in operation since 25 March 2017 and has to date performed well against expectations. The current framework was due to expire in March 2021. In view of the severe impact on normal business practices resulting from the current COVID 19 outbreak, Scotland Excel extended the current framework in accordance with Regulation 72 of the Public Contracts Regulations (Scotland) 2015. The agreed 3-month extension allows time for market recovery and stakeholder engagement in advance of any tender. The Contract Strategy phase of the framework renewal commenced in August 2020 with the intention to move to contract award in July 2021.

As part of a market scoping exercise for Artificial Intelligence (AI)/ Robotics Process Automation, Scotland Excel published a Prior Information Notice (PIN) on Public Contracts Scotland in mid-January 2020. This PIN notice was to inform the market of a potential procurement opportunity for robotics process automation solutions. The AI solutions sought would require to be resilient, scalable and reliable and could facilitate intelligent automation of business processes across a range of Council services. The response to this market notice with noted interest was healthy, however due to COVID 19, a review of all projects was conducted by the Digital Office and it was agreed that the AI/Robotics Process Automation would be put on-hold to enable partners to focus on their response to the pandemic. It is anticipated that further market engagement with supplier respondents will take place during quarter three 2020 as we enter a more stable environment for suppliers and councils alike. In addition, the workshop previously

scheduled for May will be rearranged in accordance with the demand from previously interested services within Councils.

An understanding of current system and applications in use across councils was collected through Scotland's Technical Asset Management Platform (STAMP). This tool was initially developed and launched in 2019, under the working title of Common Platforms, Supply Chain and Procurement.

An essential part of the Digital Foundations agenda, STAMP has quickly demonstrated the power of having a centralised, collated and curated picture of the supplier and system landscape utilised across the Digital Partnership. Since launch, 14 councils have uploaded data which shows 853 systems, from 367 suppliers being used.

A number of significant enhancements have been made to the software and a communications infographic is being prepared to support a relaunch of this project across all Councils during September.

In relation to the Social Care Case Management System development, a local authority consultation to review full scope, structure and ITT documentation took place in late August. All 32 Councils were invited, and sixteen councils took part. Following this engagement, revised ITT documentation is with legal services colleagues for review. It is anticipated that the Invitation to Tender (ITT) will be issued by the end of September, and go live is expected to be in January 2021.

The project to develop contract agreements to support the delivery of digital telecare is underway. Key requirements include that the new contracts allow entry to new suppliers on a regular basis, and that products and services comply with standards agreed by the Digital Office and other stakeholders.

It is intended that a User Intelligence Group (UIG) will be held in early September and it is intended this development will be operational by April 2021.

Regarding the development of Online School Payments, the scope will be further enhanced, incorporating new elements of the Catering Management System, which supports adoption of the School Nutrition Act. Councils have already extended or called off from the previous framework, with the majority contracted through to mid-2021. With catering staff and education representatives now back at work, UIG's are set for this month, and go live planned for Spring 2021.

3. Conclusion

Members are invited to note the progress made to date.

Appendix 1 – List of contracts to be renewed in 2020/21

Service	Estimated Annual Collaborative Contract Opportunity	Activity	Original Forecast Date	Previous Forecast Date	Delivered Date	Latest Forecast Date if Different	Forecast Savings Range	Delivered Savings Forecast	Comments
Fire and Security Equipment	7,500,000	Renew	Oct-19	Mar-21			2% - 4%		Plan delayed to conduct a viability study
Waste Disposal Equipment	1,250,000	Renew	Apr-20		Feb-20		2% - 4%	1.0%	Framework is live
Groceries and Provisions	30,000,000	Renew	May-20		Mar-20		2% - 4%	1.4%	Framework is live
Demolition	18,000,000	Renew	Aug-20		Jun-20		2% - 4%	0.0%	Framework is live
Catering Sundries	4,000,000	Renew	Aug-20		Jun-20		2% - 4%	4.9%	Framework is live
Online School Payments	2,000,000	Renew	Apr-20	Feb-21		Apr-21	2% - 4%		Plan delayed due to COVID-19
Domestic Furniture and Furnishings	20,000,000	Renew	Nov-20	Feb-21			2% - 4%		Strategy in development
Vehicle Parts	12,000,000	Renew	Jan-21	Apr-21			2% - 4%		Plan delayed due to COVID-19
Bitumen Products	12,000,000	Renew	Mar-21				2% - 4%		Tender released
Personal Protective Equipment	10,000,000	Renew	Mar-21	Aug-21			2% - 4%		Strategy in development
Education and Office Furniture	5,000,000	Renew	Mar-21	May-21			2% - 4%		Strategy in development
Outdoor Play and Sports	17,500,000	Renew	Mar-21				2% - 4%		Strategy in development
Engineering and Technical Consultancy	17,600,000	Renew	Mar-21				2% - 4%		Strategy in development
Fostering and Continuing Care	25,000,000	Renew	Mar-21			Jul-21	N/A		Plan delayed due to COVID-19
Organic Waste	12,000,000	Renew	Apr-21			Jul-21	2% - 4%		Plan delayed due to COVID-19
Energy Efficiency Contractors	200,000,000	Renew	May-21				2% - 4%		Strategy in development

Appendix 2 – List of new contracts to be developed and delivered in 2020/2021

Service	Estimated Annual Collaborative Contract Opportunity	Activity	Original Forecast Date	Previous Forecast Date	Delivered Date	Latest Forecast Date if Different	Forecast Savings Range	Delivered Savings Forecast	Comments
Engineering and Construction Services	40,000,000	New Contract	Jun-20	N/A			2% - 4%		Project cancelled
Electric Vehicle Charging Points	10,000,000	New Contract	Aug-20	Mar-21		May-21	5.5%		Plan delayed due to COVID-19
Social Care Case Management Solutions	7,000,000	New Contract	Aug-20	Nov-20		Jan-21	5.5%		Tender to be published late September
Swimming Pool Contractors (OSS)	2,000,000	New Contract	Oct-19	Mar-21			5.5%		Delay due to contractors not in a position to respond within current timescales
Legionella and Water Control Services (OSS)	N/A	New Contract	Dec-19	N/A			5.5%		Project cancelled
Lift Maintenance (OSS)	1,250,000	New Contract	Mar-20	Mar-21			5.5%		Delay due to contractors not in a position to respond within current timescales
Construction and Building Consultancy	10,000,000	New Contract	May-21				2% - 4%		Strategy in development
Digital Telecare	4,000,000	New Contract	Apr-21				5.5%		Strategy in development

Appendix 3 – Flexible Contracts in 2020/2021

Service	Estimated Annual Collaborative Contract Opportunity	Activity	Anticipated Re-Opening Date	Comments
Care and Support	£140,000,000	Flexible Framework Agreement	Oct-20	A prior information notice (PIN) was published on 28 August 2020 informing potential service providers of the upcoming opportunity to join the national flexible framework for care and support services (1318). A contract notice will be published in October prior to the publication of the tender.
Care Homes For Adults With Learning Disabilities Including Autism	£26,500,000	Flexible Framework Agreement	Dec-20	The Adult Social Care team to issue a survey in September 2020 to ascertain if there is a demand for reopening the framework.
Social Care Agency Workers	£20,000,000	Flexible Framework Agreement	N/A	Determined by the requirements of Purchasing Authorities
Bikeability Scotland Training Providers	£300,000	Dynamic Purchasing System (DPS)	N/A	New entrants may be approved at any point during the lifetime of the DPS
Children's Residential	£105,400,000	Flexible Framework Agreement	Oct-20	
Recyclable and Residual Waste	£40,000,000	Dynamic Purchasing System (DPS)	N/A	New entrants may be approved at any point during the lifetime of the DPS

Appendix 4 – Contracts with extension options and contract management activity ongoing in 2020/2021

Contracts with extension options in 2020/21

Contract Description	Est Annual Value
Asbestos	£12,000,000
Boiler Maintenance	£10,000,000
Bottled Gas	£2,000,000
Digital Publications and Services	£1,000,000
Fire Safety Products (OSS)	£2,500,000
First Aid Materials (OSS)	£2,000,000
Laundry Equipment (OSS)	£1,100,000
Library Books & Textbooks	£14,000,000
Milk	£9,000,000
New Build Residential	£375,000,000
Pest Control (OSS)	£1,500,000
Power Tools	£681,818
Recycle and Refuse Containers	£8,000,000
Steeplejacks Services (OSS)	£1,750,000
Street Lighting Materials	£35,000,000
Swimming Pool Chemicals (OSS)	£1,250,000
Technology Enabled Care	£6,300,000
Trade Materials	£10,000,000
Water Coolers (OSS)	£1,500,000

Contracts which are shaded have been approved for extension

Contracts with no renewal or extension activity and contract management activity ongoing in 2020/21

Contract Description	Est Annual Value	Contract Description	Est Annual Value
Audio Visual	£7,500,000	Hot Beverages (OSS)	£1,000,000
Alcoholic Beverages	£1,250,000	Janitorial Products	£12,000,000
Building and Timber	£15,000,000	Light and Heavy Plant	£10,000,000
Buildings Related Engineering Consultancy	£10,000,000	Plumbing and Heating Materials	£22,500,000
Catering Sundries	£6,000,000	Road Maintenance Materials	£2,500,000
Cleaning Equipment (OSS)	£2,250,000	Road Signage Materials	£1,250,000
Commercial Catering Equipment (OSS)	£4,000,000	Roadstone	£5,000,000
Community Meals	£4,000,000	Salt for Winter Maintenance	£16,250,000
Education Materials	£17,500,000	Secure Care	£17,500,000
Electrical Materials	£20,000,000	Security Services and Cash Collection	£12,500,000
Energy Advice (OSS)	£1,000,000	Sheriff Officers (OSS)	£1,100,000
Fresh Bread, Rolls and Bakery Products	£1,500,000	Tyres for Vehicles and Plant	£6,500,000
Fresh Fruit and Veg	£6,000,000	Vehicle and Plant Hire	£15,000,000
Fresh Meat, Cooked Meats and Fresh Fish	£10,000,000	Vehicle Purchase RM6060	£15,000,000
Groceries and Provisions	£30,000,000	Vending Machines (OSS)	£1,250,000
Grounds Maintenance Equipment	£6,000,000	Washroom Solutions and Sanitary Products	£3,500,000
Heavy Vehicles	£40,000,000	Waste Disposal Equipment	£1,250,000

Appendix 5 – Expenditure summary per Council: Jan – Dec 2019

Member Organisation	Actual Spend	Forecast Spend	Variance	% of Total Actual Spend	Estimated Saving	% Saving
Fife Council	£50,273,872	£75,249,090	66.80%	8.08%	£870,533	1.73%
Edinburgh City Council	£44,930,723	£35,205,888	127.60%	7.23%	£798,924	1.78%
Glasgow City Council	£37,196,563	£50,574,716	73.50%	5.98%	£1,167,639	3.14%
Aberdeenshire Council	£36,597,180	£36,862,407	99.30%	5.89%	£929,863	2.54%
South Lanarkshire Council	£33,996,931	£49,576,646	68.60%	5.47%	£669,965	1.97%
North Lanarkshire Council	£33,955,936	£38,763,777	87.60%	5.46%	£595,506	1.75%
Associate Members	£28,562,722	£30,698,781	93.00%	4.59%	£360,471	1.26%
Aberdeen City Council	£25,878,816	£32,894,450	78.70%	4.16%	£614,189	2.37%
West Lothian Council	£24,899,579	£28,994,183	85.90%	4.00%	£512,286	2.06%
West Dunbartonshire Council	£23,578,277	£21,887,129	107.70%	3.79%	£549,542	2.33%
Falkirk Council	£22,037,407	£28,179,265	78.20%	3.54%	£959,995	4.36%
Renfrewshire Council	£21,147,017	£28,678,624	73.70%	3.40%	£682,147	3.23%
North Ayrshire Council	£19,410,153	£34,212,237	56.70%	3.12%	£396,941	2.05%
Highland Council	£17,916,747	£25,261,806	70.90%	2.88%	£424,111	2.37%
Dundee City Council	£17,278,546	£14,450,391	119.60%	2.78%	£258,533	1.50%
East Lothian Council	£16,024,707	£13,865,292	115.60%	2.58%	£504,771	3.15%
East Ayrshire Council	£14,181,903	£14,859,189	95.40%	2.28%	£407,782	2.88%
South Ayrshire Council	£13,968,512	£17,587,177	79.40%	2.25%	£301,467	2.16%
Moray Council	£13,747,026	£17,058,367	80.60%	2.21%	£304,798	2.22%
Tayside Contracts	£13,010,271	£13,361,557	97.40%	2.09%	£690,434	5.31%
Dumfries & Galloway Council	£11,485,004	£11,464,979	100.20%	1.85%	£358,446	3.12%
Scottish Borders Council	£11,263,729	£12,800,795	88.00%	1.81%	£152,641	1.36%
East Renfrewshire Council	£10,974,742	£11,888,002	92.30%	1.76%	£636,448	5.80%
Perth & Kinross Council	£10,820,406	£10,220,956	105.90%	1.74%	£278,525	2.57%
East Dunbartonshire Council	£10,592,467	£11,571,394	91.50%	1.70%	£294,615	2.78%
Argyll & Bute Council	£10,312,796	£9,481,682	108.80%	1.66%	£317,208	3.08%
Midlothian Council	£8,850,510	£13,669,989	64.70%	1.42%	£688,729	7.78%
Stirling Council	£8,804,349	£12,017,167	73.30%	1.42%	£117,091	1.33%
Inverclyde Council	£7,357,269	£9,120,645	80.70%	1.18%	£315,721	4.29%
Clackmannanshire Council	£7,254,059	£11,337,779	64.00%	1.17%	£175,825	2.42%
Angus Council	£7,241,577	£11,939,298	60.70%	1.16%	£127,016	1.75%
Shetland Islands Council	£3,391,697	£3,353,807	101.10%	0.55%	£61,699	1.82%
Orkney Islands Council	£2,614,573	£2,791,723	93.70%	0.42%	£35,265	1.35%
Western Isles Council	£2,261,856	£4,228,971	53.50%	0.36%	£110,311	4.88%
Total	£621,817,922	£744,108,159	N/A	100%	£15,669,437	2.52%