

Notice of Meeting and Agenda Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 19 August 2022	09:30	Remotely by MS Teams ,

MARK CONAGHAN
Clerk

Membership

Councillor Dominic Lonchay (Aberdeenshire Council); Councillor Brenda Durno (Angus Council); Councillor Mandy Watt (City of Edinburgh Council); Councillor Kenny Macleod (Comhairle Nan Eilean Siar); Councillor Carlyne Wilson (Dumfries & Galloway Council); Councillor Altany Craik (Fife Council); Councillor Ruairi Kelly (Glasgow City Council); Councillor Derek Loudon (Highland Council); Councillor Christina Larsen (North Ayrshire Council); Councillor Gary Robinson (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council); Councillor Dennis Leask (Shetland Islands Council); Councillor Peter Henderson (South Ayrshire Council); and Councillor Walter Brogan (South Lanarkshire Council).

Councillor John Shaw (Convener) and Councillor Altany Craik (Vice Convener).

Further Information

For further information on this meeting, please email democratic-services@renfrewshire.gov.uk

Items of business

Apologies

Apologies from members.

Declarations of Interest

Members are asked to declare an interest in any item(s) on the agenda and to provide a brief explanation of the nature of the interest.

- | | | |
|-------------|--|------------------|
| 1 | Minute | 5 - 10 |
| | Minute of meeting of the Executive Sub-committee held on 17 June 2022. | |
| 2 | Chief Executive's Update Report | 11 - 24 |
| | Report by Chief Executive of Scotland Excel. | |
| 3 | Revenue Budget Monitoring Report to 22 July 2022 | 25 - 30 |
| | Joint report by Treasurer and Chief Executive of Scotland Excel. | |
| 4(a) | Contract for Approval: Children's Residential Care and Education, including Short Breaks, Services Flexible Framework Agreement | 31 - 58 |
| | Report by Chief Executive of Scotland Excel. | |
| 4(b) | Contract for Approval: Outdoor Play and Sports Facilities Framework | 59 - 74 |
| | Report by Chief Executive of Scotland Excel. | |
| 4(c) | Contract for Approval: Supply and Delivery of Roadstone Materials | 75 - 88 |
| | Report by Chief Executive of Scotland Excel. | |
| 4(d) | Contract for Approval: Salt for Winter Road Maintenance | 89 - 104 |
| | Report by Chief Executive of Scotland Excel. | |
| 4(e) | Contract for Approval: Provision and Delivery of Washroom Solutions and Sanitary Products | 105 - 118 |
| | Report by Chief Executive of Scotland Excel. | |

5(a) Request for Associate Membership: Dovetail Enterprises (1993) Ltd 119 - 120

Report by Chief Executive of Scotland Excel.

5(b) Request for Associate Membership: Eden Court Highlands 121 - 122

Report by Chief Executive of Scotland Excel.

5(c) Request for Associate Membership: Partick Housing Association Limited 123 - 124

Report by Chief Executive of Scotland Excel.

EXCLUSION OF PRESS AND PUBLIC

The Sub-committee may by resolution exclude the press and public from the meeting during consideration of item 6 of the agenda as it is likely, in view of the nature of the business to be transacted, that if members of the press and public are present, there could be disclosure to them of exempt information as defined in paragraph 6 of Part I of Schedule 7A of the Local Government (Scotland) Act 1973.

6 National Care Service (Scotland) Bill - Call for Views Response

7 Operating Plan Update 2022/23 125 - 136

Report by Chief Executive of Scotland Excel.

8 Date of Next Meeting

Note that the next meeting will be held at 9.30 am on 16 September 2022.



Minute of Meeting Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 17 June 2022	11:45	Remotely by MS Teams,

Present

Councillor Brenda Durno (Angus Council); Councillor Carolyn Wilson (Dumfries and Galloway Council); Councillor Altany Craik (Fife Council); Councillor Ruairi Kelly (Glasgow City Council); Councillor Christina Larsen (North Ayrshire Council); Councillor Gary Robinson (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council); Councillor Ryan Thomson (substitute for Councillor Dennis Leask) (Shetland Islands Council).

Chair

Councillor Shaw, Convener, presided.

In Attendance

J Welsh, Chief Executive, H Carr, Head of Strategic Procurement, S Brannagan, Head of Customer & Business Services, L Campbell, Corporate Services Manager, M Robertson, Marketing & Communications Manager, L Richard, Strategic Procurement Manager, E MacLuskie and N Howie, both Procurement Coordinators, Z Shankley, Project & Account Manager, J McKenzie, Assistant Category Manager, G Maxwell, Procurement Coordinator, E Hay, Strategic Procurement Manager and K Forrest, Office Manager, (all Scotland Excel); and M Conaghan, Head of Corporate Governance (Clerk), C McCourt, Head of Finance & Business Services, K Campbell, Assistant Chief Internal Auditor, K Fistorazzi, Principal Accountant, E Currie, Senior Committee Services Officer and K O'Neill, Assistant Democratic Services Officer (all Renfrewshire Council).

Apologies

Councillor Kenny Macleod (Comhairle nan Eilean Siar) and Councillor Peter Henderson (South Ayrshire Council).

Declarations of Interest

There were no declarations of interest intimated prior to the commencement of the meeting.

1 **Minute**

There was submitted the Minute of the meeting of the Executive Sub-committee held on 22 April 2022.

DECIDED: That the Minute be approved.

2 **Revenue Budget Monitoring Report**

There was submitted a joint revenue budget monitoring report by the Treasurer and the Chief Executive of Scotland Excel for the period 1 April 2021 to 31 March 2022.

The report intimated that Scotland Excel operated a core and project budget methodology and that core budgeting represented the primary activities of Scotland Excel which were traditionally wholly funded through member requisitions. In June 2018, the Joint Committee approved a funding model proposal whereby Scotland Excel would generate income through additional income streams being, consultancy services; new build housing; learning and development; rebates; and associate membership expansion. It was noted that financial reporting for these income streams was reported under project budget reporting and that project reserves were ring-fenced reserves for on-going project delivery.

The report advised that at the end of the financial year 2021/22, Scotland Excel recorded a small operating deficit of £1,000 in its core activities and Appendix 1 to the report provided the revenue budget monitoring statement for the period and included a summary of movement in the revenue reserves. The significant variations to budget were highlighted in section 4.3 of the report. Appendix 2 to the report provided a summary of the 2022/23 operating budget and section 5.2 of the report outlined the key assumptions used in developing these projections.

DECIDED: That the report be noted.

Sederunt

Councillor Thomson joined the meeting prior to consideration of the following item of business.

3 **Internal Audit Annual Report 2021/22**

There was submitted a report by the Chief Auditor, Renfrewshire Council, relative to the Internal Audit annual report on Scotland Excel 2021/22.

The report intimated that the Public Sector Internal Audit Standards required that the Chief Auditor prepare an annual report on the internal audit activity's purpose, authority and responsibility as well as performance relative to its plan. The report must also provide an audit opinion on the overall adequacy and effectiveness of the internal control environment of the audited body.

The annual report for Scotland Excel formed the appendix to the report and outlined the role of internal audit, the performance of the internal audit team, the main findings from the internal audit work undertaken in 2021/22 and contained an audit assurance statement.

DECIDED: That the Internal Audit annual report 2021/22 be noted.

4(a) **Contract for Approval Repair and Maintenance of Catering Equipment**

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of a renewal framework for the repair and maintenance of catering equipment for the period 7 May 2022 until 30 April 2025, with the option to extend for one 12-month period until 30 April 2026. It was noted that subject to approval and completion of a standstill period, the framework was intended to commence on 1 July 2022.

The framework would provide councils and associate members with a mechanism to procure repair and maintenance services for commercial gas, electrical and refrigeration catering equipment.

The report summarised the outcome of the procurement process for the framework which had been divided into three lots, as detailed in table 1 of the report.

The report advised that the framework had been advertised at a total value of £1.5 million per annum, which equated to an estimated spend of £6 million over the maximum four-year term of the framework and Appendix 1 to the report detailed the participation, spend and savings summary of those councils and associate members participating in the framework.

Tender responses had been received from 10 suppliers and Appendix 2 to the report provided a summary of the offers received.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the compliant offers had been carried out and Appendix 3 to the report confirmed the scoring achieved by each bidder.

Based on the evaluation undertaken, and in line with the advertised criteria and weightings set out in the report, it was recommended that a multi-supplier framework arrangement be awarded to 10 suppliers across the three lots, as outlined in Appendix 3 to the report.

It was noted that there was a minor name correction to one name shown in Appendices 2, 3 and 4, in that any reference to C & M Environment Limited should read C & M Environment Limited Limited.

Appendix 4 to the report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage.

The report intimated that, in accordance with Scotland Excel's established contract and supplier management programme, the framework had been classified as class D in terms of risk and spend, as detailed in Appendix 5 to the report.

DECIDED: That the award of the multi-supplier framework for the repair and maintenance of catering equipment, as detailed in Appendix 3 to the report, noting the name change referred to above, be approved.

Declaration of Interest

At this point in the meeting, Councillor Robinson declared an interest in item 4(b) for the reason that his company was a customer of one of the suppliers. Councillor Robinson indicated that as he had declared an interest, he would leave the online meeting during any discussion and voting on the item.

4(b) **Contract for Approval - Supply, Delivery, Installation and Maintenance of Water Coolers and Associated Consumables**

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of a second-generation renewal framework for the supply, delivery, installation and maintenance of water coolers and associated consumables for the period 7 July 2022 to 6 July 2025, with the option to extend for a period of up to 12 months until 6 July 2026.

The framework would provide stakeholders with a mechanism to purchase and rent a range of water coolers including free standing bottled water coolers and plumbed water coolers as well as associated maintenance and sanitisation services.

The report summarised the outcome of the procurement process for the framework which had been divided into three lots, as detailed in table 1 of the report.

The report advised that the framework had been advertised at a total value of £1 million per annum, which equated to an estimated spend of £4 million over the maximum four-year term of the framework and Appendix 1 to the report detailed the participation, spend and savings summary of those councils and associate members participating in the framework.

Tender responses had been received from seven suppliers and Appendix 2 to the report provided a summary of the offers received.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the compliant offers had been carried out and Appendix 3 to the report confirmed the scoring achieved by each bidder.

Based on the evaluation undertaken, and in line with the advertised criteria and weightings set out in the report, it was recommended that a multi-supplier framework arrangement be awarded to six suppliers across the three lots, as outlined in Appendix 3 to the report.

Appendix 4 to the report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage.

The report intimated that, in accordance with Scotland Excel's established contract and supplier management programme, the framework had been classified as class D in terms of risk and spend, as detailed in Appendix 5 to the report.

DECIDED: That the award of the multi-supplier framework for the supply, deliver, installation and maintenance of water coolers and associated consumables, as detailed in Appendix 3 to the report, be approved.

4(c) **Employability Services Flexible Dynamic Purchasing System**

There was submitted a report by the Chief Executive of Scotland Excel seeking approval for the establishment of a new Dynamic Purchasing System (DPS) for employability services, which the Chief Executive of Scotland Excel had elected to establish in terms of Contract Standing Order 28 and also for the Chief Executive of Scotland Excel to be granted the appropriate delegation to appoint new entrants to the DPS during its lifetime, as detailed in the report. It was noted that, subject to completion of the standstill period, the flexible DPS was intended to take effect on or around 1st July 2022.

The report intimated that employability services comprised a range of local and national provision that supported individuals to move closer to, enter, sustain and progress in employment and that these services were provided across all local authority areas in Scotland. The services were designed to be flexible and based on the needs of the end-user with the aim to help people to access the most relevant support on their journey towards work. Further, that this procurement exercise had been conducted by Scotland Excel on behalf of councils and had been funded and sponsored by the Scottish Government and the Improvement Service as part of the implementation of the No One Left Behind (NOLB) programme, which aimed to change the employability system in Scotland to make it more adaptable, responsive and person-centred.

The report advised that currently, employability services were delivered by local authorities alongside nationally provided services which were funded by the Scottish Government. In March 2022, funding moved from national to local governance via local authorities as lead accountable bodies. Local authorities would now manage the funding on behalf of the Local Employability Partnerships who would agree the investment priorities as part of a Local Delivery Plan.

The report noted that the flexible DPS had been divided into four service categories and the report detailed the procurement process for this DPS. It was noted that the request to participate document had been downloaded by 244 organisations with 151 responses received, as detailed in Appendix 1 to the report.

Based on the evaluation undertaken, and in line with the advertised requirements summarised in the report, it was recommended that a flexible DPS arrangement be established with 130 suppliers as detailed in Appendix 2 to the report. Appendix 3 to the report detailed the service categories and geographical sub-categories.

DECIDED:

(a) That the flexible DPS be established in accordance with the recommendations detailed in Appendix 2 to the report;

(b) That delegated authority be granted to the Chief Executive of Scotland Excel, or the Head of Procurement in the Chief Executive's absence, to approve the evaluation outcome of any new entrants that completed the qualification process for entry to the flexible DPS throughout its validity period in accordance with the published DPS conditions and in compliance with the applicable law; and

(c) That the Executive Sub-committee be updated on the status of admitted service providers on an annual basis as part of the annual procurement report.

5(a) **Request for Associate Membership: 2023 Cycling World Championships Limited**

There was submitted a report by the Chief Executive of Scotland Excel advising that 2023 Cycling World Championships Limited had submitted an application to become an associate member of Scotland Excel.

The report provided details of the organisation and the legislative position in relation to the application.

DECIDED: That the application by 2023 Cycling World Championships Limited to become an associate member of Scotland Excel, with no annual membership fee, be approved subject to completion and signing of the agreement documentation.

5(b) **Request for Associate Membership: Scotrail Trains Limited**

There was submitted a report by the Chief Executive of Scotland Excel advising that Scotrail Trains Limited had submitted an application to become an associate member of Scotland Excel.

The report provided details of the organisation and the legislative position in relation to the application.

DECIDED: That the application by Scotrail Trains Limited to become an associate member of Scotland Excel, with an annual membership fee of £2,500, be approved subject to completion and signing of the agreement documentation.

6 **Date of Next Meeting**

DECIDED: That it be noted that the next meeting of the Executive Sub-committee would be held remotely on MS teams at 9.30 am on 19 August 2022.

Scotland Excel

To: Executive Sub-Committee

On: 19 August 2022

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

Chief Executive's Update Report to Chief Executive Officers Management Group (CEOMG) – June 2022

1. Summary

The purpose of this report is to share the Chief Executive's Update Report which was issued to Council Chief Executives at the CEOMG on 20 June 2022.

2. Background

The Scotland Excel CEOMG meets quarterly. As part of the regular governance process the Chief Executive provides an update on the work of Scotland Excel. Following discussions with the Scotland Excel Convener, it was agreed that this report – and any future reports – will be shared with members of the Scotland Excel Executive Subcommittee following the CEOMG meeting. The report shown at Appendix 1 provided an update to the CEOMG for the period between February 2022 and June 2022.

3. Recommendations

Members are asked to note the report.

Scotland Excel

To: Chief Executive Officers Management Group

On: 20 June 2022

Chief Executive's Update Report

1. Introduction

The purpose of this report is to provide the group with an update on key developments within Scotland Excel since the last meeting of the Chief Executive Officers Management Group on 16 February 2022.

2. Summary

Since the group last met there have been a number of developments:

3. Framework Portfolio

3.1 Corporate Services (including Digital)

ICT and Education Team

A new category team has been formed and the team has a category manager, 3 procurement co-ordinators and will be joined shortly by a graduate trainee. The team will work in partnership with the Digital Office and SEEMiS and will focus on delivering the following procurement projects for this year: -

- The renewal of the Technology Enabled Goods framework ("TEC")
- A shared national digital Alarm Receiving Centre("ARC") framework
- Security Operation Centre framework
- Robotic Process Automation framework
- Common platforms framework
- The renewal of the audio-visual framework

The team will also be involved in several projects which will lead to procurement exercises, some of these projects include: -

- One child one device
- Scotland Technical Asset Management Platforms ("STAMP")
- Data analytics
- Artificial Intelligence

Currently procurement strategies for the TEC and ARC projects are being completed.

Corporate Developments

There have been a number of developments within the Corporate portfolio, with the executive sub committee approving recommendations for award for PPE, Library Books, Digital Publications and Pest Control. Repair of catering equipment is currently being evaluated and Water Coolers is currently out to tender. Other contracts in the initial stage of development include Fresh Meats, Cooked Meats and Fresh Fish and Washroom Solutions.

Challenges still remain around price volatility and supply disruption particularly within the Food portfolio. The Food and Agriculture Organisation (FAO) Food Price Index shows a new all-time high in global food prices for key commodities in February 2022-20.7% above its level a year ago and up by 3.9% from January. The rise was driven by a record high in vegetable oil, which was up by 8.5% since January. Dairy, cereals and meat price sub-indices were also up, whereas sugar prices have dropped for the third consecutive month. Russia's invasion of Ukraine began in the last week of February, so is not fully captured in these figures. The UK will be less impacted than many other countries which are highly reliant on Ukraine and Russia for food imports, but the influence on global food and input prices will have substantial knock-on impact here, and to an extent will mirror the global picture: food, fuel, fertiliser and animal feed prices have all been rising and will most likely continue to do so. Defra have claimed that there will be no direct impact on UK food supply as we import little food from Eastern Europe, but this does not reflect indirect impact on food prices. Wheat is less of a concern in the UK as we produce large quantities, but we are likely to see shortages of sunflower oils, with concerns that enough alternatives won't be available and the cost of these will be driven up substantially.

3.2 Care Services

3.2.1 Adult and Older Peoples Care

National Care Home Contract (NCHC)

The National Care Home Contract (NCHC) rates for 2022 have been agreed and take effect from 11 April 2022. The rate includes a forecast increase for nurses pay which has not yet been finalised and therefore an 'in year' adjustment may be required to ensure the NCHC rate continues to align with Agenda for Change pay for nursing staff.

Although the full NCHC increase takes effect from the 11 April to align with the Department of Work and Pensions (DWP) pension increase the adult social care pay increase (to £10.50) has been set from 1 April by Scottish Government. Local authorities have therefore been asked to agree a suitable mechanism locally for ensuring providers receive additional funding for this workforce increase from 1 April.

The NCHC work will now be focused on the redesign of the contract. The first meeting of the group leading the review work took place on 21 April 2022 and was attended by a wide range of stakeholders. This included Carers, Advocacy, Care Inspectorate, Provider Representatives, Unions, COSLA, Chief Officers, Chief Finance Officers, Commissioners and the Scottish Government.

It is anticipated that this group will meet monthly to consider areas for improvement and may established smaller working groups to consider specific key issues. The aim of this redesign is to explore both what constitutes a care home and how this could be expanded to allow them to become more involved within their local communities, whilst putting the human rights and standards of care at the heart of the specification. There will also be a focus on the workforce and whether there are any contractual measures that could improve recruitment such as having a duty to positively promote the good work of the care staff via the media both locally and through social media. There is a further aim to have the cost of care model accepted fully as the process for identifying the cost of a care placement although there will be some modifications required to the current model to reflect the current environment. Further to all of this, there is an aim for the contract to have more of a partnership approach to resolving any presenting difficulties within any given care home without detracting from any protective measures that may need to be taken to ensure the safety and wellbeing of residents.

The aim is to have the redesign completed by the end of March 2023 but it is recognised that undertaking a fully collaborative process takes time and therefore this completion date may have to be extended.

Residential Rehabilitation

Scotland Excel has successfully appointed a new contract lead to join the organisation and lead on the work to consider commissioning options for residential rehabilitation. This work is expected to begin in late May. It is planned that the work will include further financial analysis and wider examination of the services that builds on the Scottish Government research. Engagement with the market will also help confirm potential interest in this work. This information would develop and support an improved understanding of the types and range of services, and to realise the viability of the different commissioning and procurement options including the benefits of collaborative approaches. Engagement is also planned to take place with local authority and health and social care partnership colleagues as the work develops, and as appropriate.

Care & Support

Following the most recent re-opening of the flexible framework for care & support services, 21 new providers have successfully joined the framework. These new providers reflect 26 new services available to use under the framework bringing the total number to 137 providers and 445 services.

Social Care Agency Workers

A short extension to the existing agency workers framework is planned to take the current contract end date up to October 2022. This will allow further consultation with the User Intelligence Group (UIG) to take place in relation to some of the more complex human resource issues. The tender for the new generation framework is scheduled for publication in May.

3.2.2 Children's Services

Children's Residential Care & Education

An extension to the current framework for children's residential care is being rolled out taking the expiry date of the contract up to the end of September. A review of the current specification and terms has taken place with stakeholders with a number of amendments proposed for the new arrangement.

A streamlined application process is being finalised for providers to apply to participate in the new generation framework. This process is expected to be opened in May with the new framework in place for 1 October 2022.

3.2.3 £500 Special Recognition Payment Project

Scotland Excel has been commissioned by the Northern Ireland Department of Health to deliver their £500 payment process for personal assistants. The application portal went live in March and is expected to close in June.

This work involves Scotland Excel collaborating with the same organisations involved in the process for Scottish Government, Independent Living Fund (ILF) Scotland and Self-Directed Support (SDS) Scotland as well as the Department of Health and the Northern Ireland Health and Social Care Trusts. The Department of Health estimates that 13,000 personal assistants may be eligible for the payment.

3.3 Construction Transport and Environment

3.3.1 Property Repair, Maintenance and Refurbishment

This framework is under development, it will focus on the provision of services for the management of property. Scoping discussions with technical and procurement stakeholders have taken place and this information is being drafted into a specification for the framework.

3.3.2 Energy Efficiency Contractors

This framework is a second generation and has been enhanced to cover the full extent of our members requirements and now includes provisions for retrofitting residential and corporate properties. With sustainability at its core, it will underpin the Scottish Government's drive for Net Zero by 2045.

Contractor mobilisation events have recently taken place for 46 contractors awarded and were held within 2 colleges - West College Scotland and Forth Valley College. These sessions explained the mechanics of the framework and focused on skills and funding opportunities for the contractor base to support the Just Transition to Net Zero in this rapidly growing industry.

An official launch event to showcase the framework is scheduled for 26 May at Dynamic Earth. This will bring together representatives from Scotland Excels membership and will also incorporate an exhibition the work of the 46 Contractors awarded onto the framework.

3.3.3 Building Construction Consultancy

This has been a challenging piece of work to conclude, given the range of services, the broad supply base and the contractual complexities. The framework has been scoped to cover all of the consultancy work required to support construction of buildings, including contracting with multi-disciplinary teams. The framework will be awarded later this year.

3.3.4 Outdoor Play and Sports Facilities

The tender for outdoor play and sports facilities was issued in March and the evaluation of offers received is ongoing. The framework will support the installation, maintenance and development of play facilities. Significant analysis and stakeholder engagement has taken place throughout the development activity, and the team has also engaged through a new network of technical representatives. This network has been formed as part of the ongoing consultation and engagement exercise, resulting from the recent announcement that an additional £60m of grant funding will be awarded for public, free to use play facilities.

3.4 Contract Delivery Plan Update

There are 72 current frameworks in the Scotland Excel contract portfolio, with 6 further new frameworks to be added and 32 to be renewed before 30 June 2023. A further 19 of the frameworks on the current portfolio have extension options that are likely to be exercised in throughout the year, with 12 of these extensions already being approved.

Overall, efficiencies delivered to date in 2021/ 2022 are 2.3%, which is within the forecast range. This efficiencies figure will continue to be monitored throughout 2022/2023.

The following contracts have been approved at Executive Sub Committee since February 2022:

3.4.1 Pest Control and Associated Services

The framework covers the removal of rats and mice, crawling insects, flying insects and the supply of pest control chemicals and accessories. The projected average on cost is 10.5%. which equates to an estimated total on cost of approximately £26,000 per annum across all councils based on current forecast spend levels. Given the market movement forecast of 10% over the period of the current framework as demonstrated, the impact through transition to the

new framework is more tangible estimate at an on cost of 0.5%, or c.£1,240 across all councils.

3.4.2 Electric Vehicle Charging Infrastructure

This first generation framework was submitted to the April meeting of Executive Sub-committee. The framework creates a compliant route for the public sector to contract for all aspects on supply, installation and operation of infrastructure for electrical vehicles.

This is an expanding market and the framework has been established with a broad supply base to ensure there is sufficient capacity for work to be carried out across Scotland in the coming four years.

3.4.3 Vehicle and Plant Hire

This framework covers the hire of vehicles and plant equipment on a variety of hire periods, namely; daily, weekly, monthly, 6 monthly, annually, 18 monthly or 2 yearly basis, to support the requirement of councils' fleet and roads departments. The use of hired equipment supplements existing council assets and assists with seasonal or intermittent demands. Currently, buying authorities also have an increased demand for hire of vehicles across various departments to support ongoing social distancing measures.

3.4.4 Digital Publications and Services

This framework will provide councils with a mechanism to procure a range of services including but not limited to e-Books, e-Audiobooks and e-Magazines, e-Comics and e-Newspapers. Scotland Excel has conducted a benchmarking exercise comparing current fees against the fees submitted within the renewal tender. The result of this benchmarking is listed in Appendix 1. The projected average saving across all councils is 12%, which equates to an estimated total saving of approximately £114k per annum based on current forecast spend levels.

3.4.5 Library Books and Textbooks

This framework will provide councils with a mechanism to procure a range of library books including but not limited to adult and children fiction and non-fiction books, reference books, foreign language books, audio books and large print books. Councils will also be able to procure a wide range of educational textbooks from various publishers. Users of the framework are likely to include public libraries, schools, nurseries and community centres.

Scotland Excel has conducted a benchmarking exercise comparing current prices paid with the prices submitted against the new framework. The result of this benchmarking is listed in Appendix 1. The projected average saving across all councils is 0.12%, which equates to an estimated total saving of approximately £16k per annum.

3.4.6 Personal Protective Equipment (PPE) including Pandemic Recovery Item & Workwear

This framework will provide councils with a mechanism to procure a wide range of personal protective equipment (PPE), workwear and pandemic recovery items. This is the fourth generation framework and aims to maximise collaboration, consolidate demand and deliver best value.

The recommended suppliers provide the choice, scope and range of products required by councils as well as representing best value. These suppliers also represent a mix of micro, small, medium and large organisations, with 35 of the recommended suppliers classified as SMEs, one of which is also a supported business

3.5 Supply Chain Disruption

This challenging area has absorbed contract and supply management capacity for all procurement functions in recent months. Although there has been unprecedented disruption to supply chains since early 2020 further impact has been felt since the last update, brought about by the conflict between Russia and the Ukraine. Sanctions and divestment from Russian business interests across Europe has impacted on availability of a range of commodities, however energy costs, particularly gas, has been the most significantly hit.

The impact of the coronavirus pandemic is still being felt through supply chains with further lockdowns in China having an effect on production and distribution of some commodities.

Inflation rose to 7% in the 12 months to April, a continuation of the trend for 30 year highs, experienced month on month since mid 2021.

The impact of the volatility is felt in sourcing of a diverse range of materials; food, furniture, flooring, construction materials have all seen increases in costs and reductions in availability or security of supply. Shipping costs and soaring energy prices are still cited as significant contributors to cost increases.

4. The Academy

The Academy is supporting the people development and organisational development needs of our public-sector, with 1,204 registered learners accessing content on our learnin platform, Moodle, and 134 learners engaged across 10 cohorts - comprising four in procurement, one in leadership & management, two in project management, one in business analysis and innovation and two hybrid procurement and leadership & management development programme cohorts across five NHS health boards.

A further 10 accredited programmes are planned to launch - comprising two in procurement, three in leadership & management, four in project management and one in business analysis and innovation.

The Academy is also delivering the Scottish Government procurement and commercial training framework across our public-sector, engaging 142 people in procurement workshops to date. A further ten workshops are scheduled.

The Academy has awarded 277 qualifications and 11 Chartered Managers to date, whilst engaging a total of 2,125 learners in development activities across the whole portfolio.

437 learners have participated in accredited programmes, 1,077 learners in one-hour online Stay Connected workshops, 469 learners in one-day development workshops and 142 learners have participated in the Scottish Gov procurement framework workshops.

The Academy is also –

- Delivering a new Serious Organised Crime prevention programme for the public sector with a pilot programme supported by the Scottish Government.
- Developing and delivering a delegated procurement programme for Dumfries and Galloway council.
- Developing and delivering a hybrid procurement development and leadership & management development programme for NHS Lothian, Tayside, Fife, Grampian and Highland health boards.
- Developing and delivering a procurement and project management programme for Aberdeen Corporate Procurement Shared Service.
- Exploring a lower cost high quality procurement development programme, responding to our customers' feedback.

5. Projects Update

5.1 Dumfries and Galloway Council

The programme of work within Dumfries and Galloway Council continues with the aim of improving control and visibility of procurement spend by restricting delegations to services for a period to give time for a full improvement programme to be delivered.

Training sessions on developing procurement skills and awareness are now being developed and tailored to staff who have Delegated Procurement Authority within the organisation.

The dedicated Community Wealth Building project continues as part of the programme and focus remains on identifying opportunities to increase local spend through existing Scotland Excel Framework suppliers and identifying potential opportunities for local suppliers to bid for future frameworks. Part of this work will include Scotland Excel attendance at two in-person meet the buyer events being held by the council in early summer. Further engagement has also taken place to better understand some of the opportunities for more collaboration between teams in the council.

5.2 South Lanarkshire Council

Scotland Excel is now progressing the delivery of a transformation programme with South Lanarkshire Council. The main key element of the programme is a Procured Spend Review; a review of the Council's spend and contracts is ongoing with the first set of savings opportunities approved by the Review Group and are due to be presented to the Corporate Management Team (CMT) in May.

The next tranche of savings opportunities are in the process of being communicated to Resources and the Review Group for comment, with the planned proposal of a June CMT date for final approval. A pipeline of potential projects has been created with on-going analysis to identify on-going opportunities.

5.3 Stirling Council

Scotland Excel has been providing Stirling Council with a Head of Procurement since December 2020. Since the last update the development plan is progressing well with a number of achievements recently including Community Wealth Building, Contract and Supplier Management and undertaking the Scottish Government Procurement Development framework. Work has commenced on this years' service planning and the annual procurement report.

The Community Wealth Building project has been completed with the main output documentation of a Community Wealth Building Charter and a supporting Commitment document completed. The Charter now also forms an integral part of the Stirling Council's Economic Recovery Strategy going forward. Work has started on embedding the Community Wealth Building project, with initial contact made with a number of partner organisations; plans are in place for an in-person launch event in late May 2022, with local businesses and third sector organisations being invited to start the creation of more positive links with all partners and understanding contracting opportunities.

The initial self-assessment stage of the Scottish Government Procurement Development framework is complete and, once results are analysed, this will support the development of a team wide training plan and individual personal development plans. Work is also underway around the team structure in the future to put the team in the best possible place for long term success, which the development framework work will help to support, along with career and succession planning.

5.4 East Renfrewshire

Due to changes in resource the East Renfrewshire Programme activity has been on hold since December 2021. Scotland Excel is currently liaising with the recently appointed Chief Procurement Officer on how best to support the remainder of year three of the programme. In addition to this, case studies are in development which will provide organisations with an insight to key aspects of the programme.

5.5 Flexible Procurement Services

Our flexible procurement team are currently working with several Councils and Associate Members on delivering a number of procurement exercises and related activity on their behalf.

There continues to be a growth in demand for Flexible Procurement services - in particular where organisations have procurement resource or expertise gaps.

The team is also engaging with organisations on new requests for support and liaising with them to determine how we can be of service whilst also monitoring the pipeline of projects and resulting resource requirements in the short, medium and long term.

5.6 City Property Glasgow (Investments) LLP

Scotland Excel continues to engage with City Property Glasgow (Investments) LLP in support of their procurement requirements relating to waste streams from the 'Blochairn Food Market in the City'. Tender responses for a General Waste recycling partner have been evaluated, and a decision to award is pending ratification from the board expected by the end of April for a May contract start. Cardboard Waste will be the next stream of focus, with a tender expected to be published in the summer.

5.7 Scottish Local Government Pension Scheme

This project is now concluded, and a comprehensive gap analysis compiled and issued to the Scheme Advisory Board on the various options for the structure of the scheme going forward. This also included a summary of the next steps required to develop work packages to address these gaps.

5.8 Improvement Service – Employability Services

Scotland Excel is providing support to the Improvement Service and Scottish Government for the development of a procurement process for employability services.

A Flexible Dynamic Purchasing System (DPS) was issued in February 2022 and providers could apply to be part of this arrangement.

Scotland Excel is progressing this project in line with key milestones and is currently evaluating responses to the initial request to participate.

5.9 Community Wealth Building

Scotland Excel continues to work with Scottish Government and Local Authority partners, focussing on the 'Progressive Procurement' Community Wealth Building pillar.

A practice sharing workshop took place on 8th February with Scotland Excel, Scottish Government and the four pilot councils to discuss their community wealth building journey including positive learnings and challenges faced.

A suite of templates have been developed and a toolkit has been created which will provide a repeatable model to share with councils in support of their Community Wealth Building journeys. This will be highlighted at the Scotland Excel Annual Conference and presented at the forthcoming Heads of Procurement event.

Scotland Excel is continuing to engage with a number of other councils on Community Wealth Building with stakeholder workshops in progress. These are designed to help develop a shared understanding of local procurement, identify opportunities to boost economic wellbeing in their area, as well as highlighting current good practice, challenges, and possible constraints on local procurement activity.

6. Climate Change

Scotland Excel next generation New Build Residential Construction framework will facilitate the development of up to 10,000 new homes over the next four years. This will serve as a major platform for influencing progressive carbon friendly practices in the construction industry. Scotland Excel has reached out to several construction industry carbon zero champions including Scottish Enterprise, Zero Waste Scotland and Construction Scotland Innovation Centre to collaborate in the framework redevelopment. This will spearhead initiatives that extend to the rest of construction and beyond. In addition to this, Scotland Excel has worked alongside colleagues within Scottish Government to reword environmental standards within tender documents and this is out for comment and consultation across public sector colleagues during the month of April.

7. Associate Membership including new Members

There have been seven new associate members since the last CEOMG:

Thenue Housing Association Ltd
Scottish Water
Fife Sports and Leisure Trust
Cireco
Fife Golf Trust
Social Security Scotland
Clyde Gateway

The total number of associate members of Scotland Excel currently stands at 128 for this reporting period. Since the last reporting period, Scotland Excel has been engaging with housing associations enquiring about the new energy efficiency contract. Initial discussion has taken place internally about engaging with the third sector and one small organisation is already being proposed for membership at the April committee.

8. Scotland Excel Annual Conference 2022

Scotland Excel's Annual Conference will take place on 18th and 19th May 2022. Recognising positive feedback from the 2021 event, activity on Wednesday 18th May will be held online and is open to colleagues from across the public sector. Sessions will focus on Green Economic Recovery, supporting climate change and sustainability objectives, as we move to a Net Zero Scotland. Speakers include Alan Russell, Chief Executive, Renfrewshire Council, Roddy Yarr - Head of Sustainability at Strathclyde University, Zero Waste Scotland, and the Competition and Markets Authority. Further details can be found here <https://www.eventbrite.co.uk/e/scotland-excel-conference-2022-tickets-306319167877?aff=ebdssbdestsearch>. So far 196 individuals have booked a session(s) across the day, culminating in 1026 tickets booked over the 7 available sessions.

Activity on Thursday 19th May will take the form of a small, bespoke in-person event held at the Radisson Blu Hotel, Glasgow for Corporate Procurement Managers, bringing together this community for the first time in two years. Tailored sessions will focus on providing support in an extremely challenging operating environment. Speakers include Angela Scott, Chief Executive of Aberdeen City Council, Nikki Archer, Deputy Director, Head of Procurement and Commercial Policy and Strategy at Scottish Government, Crown Commercial Services Data, and The Art of Brilliance.

The day's sessions will be followed by an informal dinner, at which Scotland Excel is delighted to welcome Ivan McKee, MPS, Minister for Business, Trade, Tourism & Enterprise, who will provide a pre-dinner address.

Scotland Excel

To: Executive Sub-Committee

On: 19 August 2022

**Report by:
Joint Report by the Treasurer and the Chief Executive**

Revenue Budget Monitoring Report to 22 July 2022

1. Summary

- 1.1 At the end of Period 4, Scotland Excel is projecting a £77k underspend position by year-end in its Core activities and a £76k drawdown from Project Reserves from ongoing project activity. Both Core and Projects budgets will be monitored closely in order to mitigate any projected overspends and, as a result, Scotland Excel is confident it will deliver against its planned budget by year-end. Further detail is provided at section 3.

2. Recommendations

- 2.1 It is recommended that members note the report.

3. Background

Core

- 3.1 At 20 July 2022, the year-to-date net expenditure for Core was £1.355m, comprising gross expenditure of £1.380m less gross income of (£0.025m).
- 3.2 Income and expenditure will continue to be monitored throughout the financial year and all projections and assumptions will be kept under review. Action will be taken to mitigate any projected variances, through prudent management of the workforce, close monitoring of sundry budgets and exploring further income opportunities through short-term projects.
- 3.3 The current projection for the end of 2022/23 is a £77k under-spend position for Core. Further information in relation to this projection follows:

Employee Costs – £122k underspend

The projected underspend reflects the phased implementation of, and minor changes to, the new staffing structure of Scotland Excel. Full year employee costs projections also include provision for a 3% pay increase for staff for

2022/23. Employee Costs expenditure also includes expenditure on employee training and premature retiral costs.

Other Costs - break-even

Most other expenditure items are currently projected to break-even by year end in anticipation of a phased return to hybrid office working. All expenditure items will be monitored throughout the year and reported regularly to committee.

Associate Income - £24k under-recovery

The Scotland Excel Associates team continues to work with existing and prospective associate members to promote the benefits of membership. The current under-recovery reflects the projected income from current associates against the target budget. The projection will continue to be reviewed in line with new associate members joining Scotland Excel.

Income from Projects - £17k under-recovery

While income from Consultancy Projects and the Scotland Excel Academy is anticipated to achieve target, continuing challenges within the construction industry indicate that the New Build Project will not achieve its target rebate contribution for 2022/23, resulting in the projected under-recovery position.

- 3.4 Appendix 1 provides an analysis of the actual spend to date along with projected net expenditure for 2022/23 and includes a summary of movement in the Revenue Reserve, as well as a glossary of terms.

Projects

- 3.5 The year-to-date net expenditure for Projects is £342k, comprising gross expenditure of £418k and gross income of £76k.
- 3.6 The projection for Projects at the end of 2022/23 is a planned drawdown from Project Reserves of £76k. The drawdown from Project Reserves follows an anticipated transfer to Core of £269k. The planned drawdown from Project Reserves arises from assumptions in relation to recruitment and salary costs, in addition to a number of Consultancy projects coming to an end during the year, including those with Stirling, East Lothian and East Renfrewshire councils.
- 3.7 Since budget approval in December 2021, Scotland Excel has been asked to deliver a number of new projects, including a project in relation to National Commissioning for Residential Addiction Services, funded by the Scottish Government and an extension to an existing project with the Digital Office.
- 3.8 New projects being delivered by Scotland Excel, plus other minor variations against planned budget are reflected in the projected full year variance for Projects.

- 3.9 Appendix 2 provides an analysis of the actual spend to date along with projected net expenditure for 2022/23 and includes a summary of movement in the Project reserves, as well as a glossary of terms.

REVENUE BUDGET MONITORING STATEMENT 2022/23
1 April to 22 July 2022

Core Operations	Approved Budget	Year to Date Actual	Projected Full Year Actual	Projected Full Year Variance (Adverse) / Favourable
£000s	£000s	£000s	£000s	£000s
Employee Costs	4,098	1,164	3,974	124
Property Costs	216	0	217	(1)
Transport Costs	20	0	20	0
Supplies and Services	311	100	315	(4)
Transfer Payments	16	4	16	0
Support Costs	271	112	272	(1)
Gross Expenditure	4,932	1,380	4,814	118
Council Requisitions	(3,883)	0	(3,883)	0
Associate Income	(220)	(16)	(196)	(24)
Income from Projects	(286)	(9)	(269)	(17)
Rebates	(543)	0	(543)	0
Gross Income	(4,932)	(25)	(4,891)	(41)
Drawdown from Reserves	0	1,355	(77)	77

Summary of in-year Movement in Reserves	£000s
Opening Revenue Reserve at 1 April 2022	246
Budgeted Draw on Reserves	0
Projected Year-end variance	77
Closing Revenue Reserve at 31 March 2023	323
% of Operating Income	6.6%

Glossary

Employee Costs: Includes direct employee costs such as salary costs, overtime and indirect employee costs such as training, recruitment advertising

Property Costs: Includes expenses directly related to the running of premises and land, eg rates, rents and leases, utilities, contract cleaning

Transport Costs: Includes all costs associated with the provision, hire or use of transport, including travelling allowances, taxi and car hire costs and staff mileage

Supplies and Services: Includes all supplies and service expenses, such as ICT costs, and administrative costs such as stationery, postages, printing and advertising

Transfer Payments: Includes costs of payments for which no good or services are received in return e.g. Apprenticeship Levy

Support Costs: Includes central support charges e.g. Renfrewshire Council SLA and telephony recharges ('Administration Costs' in approved budget)

REVENUE BUDGET MONITORING STATEMENT 2022/23
1 April to 22 July 2022

Projects	Approved Budget	Year to Date Actual	Projected Full Year Actual	Full Year Variance (Adverse) / Favourable
£000s	£000s	£000s	£000s	£000s
Employee Costs	1,417	384	1,579	(162)
Transport Costs	4	0	3	1
Supplies and Services	10	31	41	(31)
Transfer Payments	4	3	8	(4)
Third Party Payments	501	0	311	190
Gross Expenditure	1,936	418	1,942	(6)
Income from Projects	(2,111)	(76)	(2,135)	24
Gross Income	(2,111)	(76)	(2,135)	24
Net Expenditure Sub-Total	(175)	342	(193)	18
Transfer to Core	286	0	269	17
Net Expenditure	111	342	76	35

Summary of in-year Movement in Reserves	£000s
Opening Projects Reserves at 1 April 2022	1,096
Budgeted Draw on Reserves	(111)
Projected year-end variance	35
Closing Project Reserves at 31 March 2023	1,020
% of Operating Income	47.8%

Glossary

Employee Costs: Includes direct employee costs such as salary costs, overtime and indirect employee costs such as training, recruitment advertising

Transport Costs: Includes all costs associated with the provision, hire or use of transport, including travelling allowances, taxi and car hire costs and staff mileage

Supplies and Services: Includes all supplies and service expenses, such as ICT costs, and administrative costs such as stationery, postages, printing and advertising

Transfer Payments: Includes costs of payments for which no good or services are received in return e.g. Apprenticeship Levy

Third Party Payments: Includes payments to other agencies and organisations in return for services, e.g. CMI/SQA fees

Scotland Excel

To: Executive Sub-Committee

On: 19 August 2022

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

**Tender: Children’s Residential Care and Education, including Short Break,
Services Flexible Framework Agreement**

Schedule: 1121

Period: 01 October 2022 to 30 September 2028

1. Introduction and Background

The Children's Residential Care and Education, including Short Break, is a flexible framework agreement that enables Councils to purchase placements for Children and Young People from a range of independent and voluntary providers. This supplements a local authority’s own internal provision.

Children and young people are placed in residential care or specialist education settings for a variety of reasons. Some have experienced neglect or abuse; some are unable to be looked after by their own families and others require specialist care and support. Children and young people may be looked after in residential care on a voluntary basis or may be subject to a court order or compulsory measure.

This proposed flexible framework agreement will be for a period of six years from the 01 October 2022 to 30 September 2028, unless terminated earlier in accordance with its terms (including in exercise of a contractual break option). Subject to approval and completion of a standstill period, the flexible framework agreement is intended to commence on 01 October 2022.

Following the publication of the Independent Care Review’s reports in February 2020, The Promise Team was established to implement the Care Review’s recommendations with the objective of keeping “the Promise” to improve the care system as outlined in the reports.

The Independent Care Review has highlighted that the period between April 2021–March 2024 will be a ‘bedding down’ period where the necessary legislative reform will be underway. In order to ensure the flexible framework agreement remains fit for purpose over this initial period and for the remainder of its lifetime, the flexible framework has been designed to allow for any legislative

or policy changes, and to accommodate any updates or ways of working that would further support councils and providers to keep The Promise.

The current framework (05-17) was extended in accordance with law and guidance to ensure continuity of service provision and reduce the burden on Councils and providers whilst this renewal flexible framework agreement was prepared and awarded, as was previously reported to members at the March Executive Sub Committee.

2. Scope, Participation and Spend

The current framework (05-17) is used by all 32 Councils. It is anticipated that this renewal flexible framework agreement will also be used by all Councils to varying degrees, as required to supplement local and alternative commissioning arrangements.

The advertised value of the framework is £951.6 million over its maximum lifetime of six years. This equates to approximately £158.6 million per annum, however it should be noted that spend can vary significantly depending on the nature, type and length of placements made under the framework. There is no guarantee of any spend through the framework.

The current framework offers four service options, covering a range of requirements. The new framework will follow the same structure to differentiate between the requirements of each type of setting, as set out in Table 1.

Table 1: Service Options

Lot No.	Service Option Description	Service Provision
1	Service Option 1 - Residential Care	Residential care services provide a home for a child. In this setting, children continue to access either mainstream school, or specialist education, in an alternative provision (which may be purchased separately under the 'Day Education' service option on this framework).
2	Service Option 2 - Residential Care and Education	Residential care and education provides a home for a child as well as specialist education provision. This complete package of support is typically the most intensive level of support available for a child through the framework.
3	Service Option 3 - Residential short breaks	These services provide opportunities for children and young people to spend time away from their primary carers. This can include day, evening, overnight or weekend activities. Short breaks are typically for less than 28 consecutive days at a time.
4	Service Option 4 - Day education	This is provided for children and young people who have multiple and complex needs and for whom provision of day education within a specialist resource is the best means of improving educational outcomes.

Council participation is detailed in Appendix 1 – Participation Summary. There is no estimated spend information provided within the Appendix due to the anticipated changes in purchasing habits through the framework’s lifetime. In part, this is due to The Promise themes being embedded in local commissioning decisions, such as community support and keeping families together – this is likely to change the spend profile for every council as such policies/themes are developed locally. Scotland Excel will continue to engage with Councils in relation to using the framework to ensure it meets their needs.

3. Procurement Process

Strategy Development

The strategy was developed through a series of engagement events with both providers and Councils, along with a number of other stakeholders including members of The Promise team, Education Scotland, Care Inspectorate and Scottish Government.

All Councils were invited to attend one of two User Intelligence Groups (UIG) in September 2021. These meetings sought to discuss developments within residential care and education services in Scotland and identify key themes in preparation for the renewal of the framework.

A short life working group was convened with volunteers from Councils in January and February 2022. Sessions were themed, covering key topics for the renewal. This included:

- Framework documentation;
- Scoring criteria and thresholds;
- Specific considerations, such as Continuing Care;
- Management information; and
- Community Benefits.

In particular, the addition of continuing care within the framework highlights the focus on ensuring contractual provisions do not hinder placement decisions, and that the flexible framework allows Councils to continue to use services which support young people under the framework terms and conditions.

A Prior Information Notice (PIN) was published in connection with the tender on 26th January 2022 with providers indicating whether they would like to be part of further engagement work undertaken by Scotland Excel.

In order to understand key areas of change that would be considered for the renewal framework, short life working groups were held in February for providers. These short life working groups identified several contract areas which could be immediately improved or included within the renewal framework, ensuring a fit with current and emerging policy. In particular, feedback relating to continuing care and sustainability/fee uplift process was considered and incorporated where appropriate along with more operational matters such as management information and insurances.

Procurement Process

Throughout the procurement process, Scotland Excel has taken cognisance of the current situation relative to the Coronavirus (Covid-19) outbreak. Balancing the current situation with the need to provide a route to market for Councils to obtain Children's Residential Care and Education Services, including Short Breaks, Scotland Excel determined to proceed with the tender exercise and award recommendations for the provision of this service. Scotland Excel will continue to carefully monitor the situation throughout the mobilisation and award of the flexible framework agreement.

Based on feedback from providers and Councils, the procurement process was designed to be streamlined and reduce the administrative burden for providers. The requirements to bid for the flexible framework focused on key areas that aided transparency and provided reassurance to purchasers.

The Social and other Specific Services Contract Notice was published via the Find A Tender and Public Contracts Scotland (PCS) portal on 13 May 2022. The framework falls under the light touch regime arrangements with the tender documentation being immediately available via the Public Contracts Scotland Tender (PCS-T) system.

As such, the tender exercise commenced after the UK withdrawal from the European Union and was conducted and concluded in accordance with the law and procedures currently in force.

The tender was available for 40 days and closed on 22 June 2022.

The Children's Residential Care and Education, including Short Break, Services fall under the "Light Touch Regime" under the Public Contracts (Scotland) Regulations 2015, and Regulations 74-76 apply. As set out in Regulation 76 (8) the procurement process used for the flexible framework agreement corresponded to the requirements set out under: Regulation 28, Open Procedure, and Regulation 34, Framework Agreement, with variations.

The following variations were applied to this process as set out in the published tender documents:

- The flexible framework agreement is open to admissions from new entrants throughout its lifetime;
- Appointed Providers are able to seek to vary their appointment by altering service offerings; and
- Equal treatment will be ensured by applying the same qualification requirements and evaluation process to any new entrant admissions and variation requests in the future.

All bidders were examined against published selection criteria, using the Single Procurement Document (SPD) and award criteria, concurrently.

The award criteria included technical and commercial sections, and, given the nature of the services were weighted heavily toward the technical (quality) criteria. The published award criteria weightings were:

Technical: 70%
Commercial: 30%

It was a requirement in the published selection criteria for services to be registered with the Care Inspectorate or The Registrar of Independent Schools (as appropriate). As a result of this, the technical section focused on bidders' approach to service, including scored method statements on Caring for Children and Fair Work First, as well as other information that would assist purchasers identify the most appropriate services for a child or young persons needs. In addition, for Service Options 1, 2 and 3 where a Service is registered with the Care Inspectorate, a minimum quality threshold was set for Tenderers to be considered eligible for award. This involved consideration of a minimum care inspectorate grade requirement or an alternative indicator which could be applied in particular cases, all as detailed in the published tender documents.

Table 2: Section Weightings

Question	All Lots
Qualification (SPD)	Pass/Fail
Part 1: Master Technical Section – Provider Information	70
Statement 1 - Caring for Children	50
Statement 2 - Fair Work First	20
Real Living Wage	Not scored
Community Benefits	Not scored
Eco-Schools Initiative	Not scored
Part 2: Service Option Confirmation, Description and Proposals	
Service Option Confirmation	Not scored
Description and Proposals (for each Service Option)	Not scored
Part 3: Service Specific Information	
Service Specific Information	
Description of Service	Not scored
Service Specific Commercial	30
Commercial Schedule of Offer	30
Final Score	100

Within the commercial section, bidders were invited to provide an agreed fee (per child/young person per week/day) for each service option offered along with budget information. The main focus of the commercial section was to ensure transparency of fees, to allow for more effective contract management throughout the lifetime of the flexible framework agreement.

4. Report on Offers Received

The tender document was downloaded by 65 children's residential providers with 41 tender responses received. A summary of all offers received is provided in Appendix 2.

A comparison was completed on the noted interest from the PIN and the providers who downloaded the tender document. The results from the comparison showed that of the 32 organisations who expressed interest in the PIN, 19 accessed and completed the tender. As mentioned in earlier section 3, it should be noted that, once awarded, the flexible framework agreement will be continuously open for any new providers to submit tenders during its lifetime.

A total of 41 providers and 346 services tendered across the four service options. There were two providers whose bids were non-compliant due to missing information/tenderer details. There was a further eleven services that were non-compliant, these services either did not meet the registration or gradings requirements.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the compliant offers received was completed. Appendix 3 confirms the scoring achieved by each bidder for each service.

5. Recommendations

Based on the evaluation undertaken, and in line with the criteria and weightings set out above, it is recommended that 39 providers across the four Service Options are awarded to the Flexible Framework from its commencement, as outlined in Appendix 3 (Scoring and Recommendations).

The recommended providers offer best value and represent a mix of small, medium, and large organisations. The providers represent service coverage in the region of 55% of all relevant Care Inspectorate services available in Scotland. Several providers have indicated that they intend to submit a tender when the flexible framework agreement reopens, after the initial award.

In addition, it is recommended:

(a) that authority be delegated to the Chief Executive of Scotland Excel (or Head of Strategic Procurement in the Chief Executive's absence) to approve recommendations following the evaluation of offers received during the lifetime of the Flexible Framework, or following the consideration of formal requests from existing providers for the addition of new services; and

(b) that the Executive Sub-Committee will be updated on the appointment of any new providers to the Flexible Framework on an annual basis via incorporation to the Annual Procurement Report.

6. Benefits

Children and Young People

Through the streamlined Individual Placement Agreement and placing processes, Councils can tailor services to individual needs. In addition to this, there is greater flexibility for Councils to purchase individualised services through an increased range of enhanced services offered.

The inclusion of Continuing Care services and information will provide greater transparency and support for purchasers seeking to continue placements for children and young people under the framework.

In addition, the framework permits providers to add services at any point throughout its lifetime, ensuring that the use of innovative and new service designs is not hindered by a closed procurement process.

Savings

Framework benchmarking figures have not been produced for this renewal framework due to a number of factors. Councils are changing the type and nature of services that they purchase, for example by purchasing more community-based services. This allows children and young people to be supported within their homes or communities, where it is appropriate to do so.

In addition, through a combination of changes in the policy landscape for social care in general, including The Promise, The Independent Review of Adult Social Care and the National Care Service, the services being provided have also changed in light of the recommendations and/or emerging themes. As such, a like-for-like comparison is unable to be completed.

Scotland Excel will work with members to provide bespoke mobilisation documents including benchmarking information where this is required/relevant.

Price Stability

The framework applies fixed pricing until 1st April 2023. Thereafter, all requests for fee uplifts will be evaluated annually against prevailing market conditions and require to be supported by documentary evidence, to the satisfaction of Scotland Excel.

As part of the tender process, providers were asked to provide a full breakdown in their financial submission of the associated costs for providing the service. This information will be used when considering the appropriate uplift mechanism for the framework.

In addition, providers gave feedback that the pricing mechanism did not support service redesign due to it being an annual process. Scotland Excel added a condition to the framework which allows for an exceptional fee uplift process,

for example should a provider require this for service redesign or sustainability reasons.

Community Benefits

Following feedback from both councils and providers, Scotland Excel recognised that the nature of the Children's Residential Care and Education, including Short Break, Services Flexible Framework Agreement mean that there is already an inherent focus on social wellbeing in local authority areas where services are delivered.

Providers were asked to confirm their commitment to discussing and, if agreed, providing community benefits with councils. Community Benefits in this context are those which deliver a wider social benefit in addition to the core purpose of the Flexible Framework Agreement. This may include, but is not limited to, aspects relating to community wealth building and/or models such as a wellbeing economy. It may also include, for example, training, recruitment and work placements.

Discussions will be managed locally, between the Council and provider, and the type and nature of community benefit to be delivered is likely to be aligned to the annual threshold value reached. Innovative community benefits are encouraged and can be discussed and agreed between the Council and the provider.

Fair Work First including the Real Living Wage

Scotland Excel and its members are committed to the delivery of high-quality public services and recognise that this is dependent on a workforce that is well-rewarded, well-motivated, well-led, has access to appropriate opportunities for training and skills development, are diverse and is engaged in decision making.

Within the technical section of the tender, bidders were assessed on their approach to fair work first and payment of the Real Living Wage to their workforce. Of the 39 recommended bidders, 14 are accredited Real Living Wage Employers and further 22 providers pay the Real Living Wage, as detailed in Appendix 4.

Scotland Excel will continue to monitor fair work fair practices including the Real Living Wage status during contract and supplier management.

7. Contract Mobilisation and Management

As part of the mobilisation process, all providers and local authorities will be offered a contract mobilisation meeting to outline the operation of the framework, including roles and responsibilities and management information. Both providers and participating members will be issued with a mobilisation pack containing all required details to utilise the framework.

In accordance with Scotland Excel's established contract and supplier management programme, in terms of risk and spend as detailed in Appendix 5, this framework is classified as class A. As such it will require, quarterly provider contact, six monthly surveys, an annual UIG, frequent support to local authorities, providers and external stakeholders requiring high level of procurement expertise and extensive contract monitoring. The segmentation classifications are outlined in appendix 5.

In addition to this, during the tender process, providers were requested to submit contact details for an ongoing working group. The group will be used to ensure ongoing policy developments and best practice are embedded into framework documentation and information, as well as ensure an ongoing dialogue on any contractual updates required in line with law and guidance.

New providers will be able to submit offers at any point in the flexible framework agreement's lifetime, with these being evaluated in line with the established selection and award criteria.

8. Summary

This third-generation framework for Children's Residential Care and Education, including Short Break, Services Flexible Framework Agreement continues to promote the rights and outcomes of children and provide maximum choice of services and providers available to meet a diversity of needs and support young people's choices in relation to residential services.

The Executive Sub Committee is requested to approve the recommendation to award this framework agreement as detailed in Appendix 3 (Scoring and Recommendations).

Appendix 1 – Participation Summary

Member Name	Participation in Contract	Participation Entry Date
Aberdeen City Council	Yes	01 October 2022
Aberdeenshire Council	Yes	01 October 2022
Angus Council	Yes	01 October 2022
Argyll & Bute Council	Yes	01 October 2022
City of Edinburgh Council	Yes	01 October 2022
Clackmannanshire Council	Yes	01 October 2022
Comhairle nan Eilean Siar	Yes	01 October 2022
Dumfries & Galloway Council	Yes	01 October 2022
Dundee City Council	Yes	01 October 2022
East Ayrshire Council	Yes	01 October 2022
East Dunbartonshire Council	Yes	01 October 2022
East Lothian Council	Yes	01 October 2022
East Renfrewshire Council	Yes	01 October 2022
Falkirk Council	Yes	01 October 2022
Fife Council	Yes	01 October 2022
Glasgow City Council	Yes	01 October 2022
Highland Council	Yes	01 October 2022
Inverclyde Council	Yes	01 October 2022
Midlothian Council	Yes	01 October 2022
Moray Council	Yes	01 October 2022
North Ayrshire Council	Yes	01 October 2022
North Lanarkshire Council	Yes	01 October 2022
Orkney Islands Council	Yes	01 October 2022
Perth & Kinross Council	Yes	01 October 2022
Renfrewshire Council	Yes	01 October 2022
Scottish Borders Council	Yes	01 October 2022
Shetland Islands Council	Yes	01 October 2022
South Ayrshire Council	Yes	01 October 2022
South Lanarkshire Council	Yes	01 October 2022
Stirling Council	Yes	01 October 2022
West Dunbartonshire Council	Yes	01 October 2022
West Lothian Council	Yes	01 October 2022

Appendix 2 – List of Tenderers with SME Status

Tenderer's Name	SME Status	Location	Service Options Tendered	Service Options Awarded
Abbeyfield Lodge Ltd	Small	Fraserburgh	1	1
Aberdeen Association of Social Service T/A Vsa	Large	Aberdeen	2, 4	2, 4
Aberlour Child Care Trust	Medium	Stirling	1, 3	1, 3
Action For Children Services Limited	Large	Watford	1, 3	1, 3
Applied Care and Development Limited	Large	Poters Bar	1, 2, 4	1*, 2*, 4
Archway (Respite Care and Housing) Limited	Medium	Aberdeen	3	3
Aspire Scotland Ltd	Large	Woking	1, 2, 4	1, 2, 4
Aspris (Troup House) Limited	Large	Kilbirnie	1, 2, 4	1, 2, 4
Bachlaw Limited	Small	Aberdeen	1, 2, 3, 4	1, 2, 3, 4
Camphill Rudolf Steiner Schools Limited	Medium	Aberdeen	2, 4	2, 4
Capability Scotland	Large	Edinburgh	4	4
Care Visions Group Limited	Large	Stirling	1	1*
Cherry Blossom Children's Residential Home Ltd	Micro	Aberdeenshire	1	1
Clearview Care Limited	Small	Glasgow	1	1
Crannoch Residential Child Care Resource Ltd	Small	Dunfermline	1	1
The Church of Scotland Social Care Council Operating As Crossreach	Large	Edinburgh	1, 2, 3, 4	1, 2, 3, 4
East Park School	Medium	Glasgow	1, 2, 4	1, 2, 4
Fts Care Ltd	Small	Falkirk	1, 3	1, 3
Harmeny Education Trust Limited	Medium	Balerno	2, 4	2, 4
Hillside School (Aberdour) Limited	Medium	Aberdour	2	2
Inspire Scotland Limited	Medium	Glasgow	1, 2, 3	1*, 2*, 3*
Kibble Education and Care Centre	Medium	Paisley	2, 4	2*, 4
Moore House School Ltd	Medium	Bathgate	1, 2, 4	1, 2, 4
Nas Services Limited	Large	Catrine	3	3
Options Autism Services Limited	Large	Bolton	1, 2, 4	N/A
Orchard Cottage Care Ltd	Small	Dundonald	1, 3	1, 3
Partners In Care Limited T/A Pebbles Care	Large	Fife	1, 2	1, 2
Radical Services Limited T/A Pebbles Care	Large	Fife	1, 2	N/A
Rossie Young People's Trust	Medium	Montrose	2, 3	2, 3
Royal Blind Asylum and School Edinburgh T/A Sight Scotland	Large	Edinburgh	1, 2, 3, 4	1, 2, 3, 4

Tenderer's Name	SME Status	Location	Service Options Tendered	Service Options Awarded
Scottish Autism	Medium	Alloa	2, 4	4
Seamab	Medium	Kinross-shire	1, 2, 4	1, 2, 4
Sense Scotland	Large	Glasgow	3	3
Spark Of Genius (Training) Ltd.	Large	Paisley	1, 2, 4	1*, 2*, 4
St Philips School Plains	Medium	Airdrie	2, 3, 4	2, 3, 4
Starley Hall School Limited	Medium	Burntisland	1, 2, 4	1, 2, 4
Stepdown	Medium	Glasgow	1, 3	1, 3
The Community Connections Group Ltd	Mircro	Kilmarnock	1, 3	1, 3
The Jane Moore Trust	Small	Livingston	4	4*
The Mungo Foundation	Medium	Glasgow	1, 3	1, 3
The Scottish Centre for Children with Motor Impairments	Small	Glasgow	4	4

****Tenderer is part successful for the Service Option.***

Appendix 3 - Scoring and Recommendations

Service Option 1 - Residential Care			
Provider	Registration Number	Total Score	Awarded to Service Option
ABBNEYFIELD LODGE LTD	CS2007167823	100	Y
ABERLOUR CHILD CARE TRUST	CS2012308613	100	Y
ABERLOUR CHILD CARE TRUST	CS2010272700	100	Y
ABERLOUR CHILD CARE TRUST	CS2010272052	100	Y
ABERLOUR CHILD CARE TRUST	CS2010272726	100	Y
ABERLOUR CHILD CARE TRUST	CS2021000004	100	Y
ABERLOUR CHILD CARE TRUST	CS2010272608	100	Y
ABERLOUR CHILD CARE TRUST	CS2010272062	100	Y
ABERLOUR CHILD CARE TRUST	CS2021000065	100	Y
ACTION FOR CHILDREN SERVICES LIMITED	CS2012307351	100	Y
ACTION FOR CHILDREN SERVICES LIMITED	CS2003000782	100	Y
ACTION FOR CHILDREN SERVICES LIMITED	CS2003039794	100	Y
APPLIED CARE AND DEVELOPMENT LIMITED	CS2005098750	100	Y
APPLIED CARE AND DEVELOPMENT LIMITED	CS2003008470	100	Y
APPLIED CARE AND DEVELOPMENT LIMITED	CS2005101942	100	Y
APPLIED CARE AND DEVELOPMENT LIMITED	CS2020382163	NC	N
APPLIED CARE AND DEVELOPMENT LIMITED	CS2013317845	100	Y
APPLIED CARE AND DEVELOPMENT LIMITED	CS2003015103	100	Y
APPLIED CARE AND DEVELOPMENT LIMITED	CS2009230636	100	Y
ASPIRE SCOTLAND LTD	CS2015340457	80	Y
ASPIRE SCOTLAND LTD	CS2019373084	80	Y
ASPIRE SCOTLAND LTD	CS2018369573	80	Y
ASPIRE SCOTLAND LTD	CS2010272097	80	Y
ASPIRE SCOTLAND LTD	CS2017354771	80	Y
ASPIRE SCOTLAND LTD	CS2016348976	80	Y
ASPIRE SCOTLAND LTD	CS2011299805	80	Y
ASPIRE SCOTLAND LTD	CS2011299805	80	Y
ASPIRE SCOTLAND LTD	CS2013318904	80	Y
ASPRIS (TROUP HOUSE) LIMITED	CS2010273943	100	Y
ASPRIS (TROUP HOUSE) LIMITED	CS2010273943	100	Y
BACHLAW LIMITED	CS2009233837	100	Y
CARE VISIONS GROUP LIMITED	CS2020379434	100	Y
CARE VISIONS GROUP LIMITED	CS2004084808	100	Y
CARE VISIONS GROUP LIMITED	CS2009230689	100	Y
CARE VISIONS GROUP LIMITED	CS2004070448	100	Y
CARE VISIONS GROUP LIMITED	CS2011299375	100	Y
CARE VISIONS GROUP LIMITED	CS2009235809	100	Y

Service Option 1 - Residential Care			
Provider	Registration Number	Total Score	Awarded to Service Option
CARE VISIONS GROUP LIMITED	CS2007152089	100	Y
CARE VISIONS GROUP LIMITED	CS2013318906	100	Y
CARE VISIONS GROUP LIMITED	CS2018369681	100	Y
CARE VISIONS GROUP LIMITED	CS2007156847	100	Y
CARE VISIONS GROUP LIMITED	CS2020379196	100	Y
CARE VISIONS GROUP LIMITED	CS2015337949	100	Y
CARE VISIONS GROUP LIMITED	CS2013321888	100	Y
CARE VISIONS GROUP LIMITED	CS2005109836	100	Y
CARE VISIONS GROUP LIMITED	CS2003036768	100	Y
CARE VISIONS GROUP LIMITED	CS2012306761	100	Y
CARE VISIONS GROUP LIMITED	CS2010274118	100	Y
CARE VISIONS GROUP LIMITED	CS2007167899	100	Y
CARE VISIONS GROUP LIMITED	CS2011299794	100	Y
CARE VISIONS GROUP LIMITED	CS2008174545	100	Y
CARE VISIONS GROUP LIMITED	CS2008180906	100	Y
CARE VISIONS GROUP LIMITED	CS2016345854	100	Y
CARE VISIONS GROUP LIMITED	CS2003019811	100	Y
CARE VISIONS GROUP LIMITED	CS2016349466	100	Y
CARE VISIONS GROUP LIMITED	CS2006121902	100	Y
CARE VISIONS GROUP LIMITED	CS2010272284	100	Y
CARE VISIONS GROUP LIMITED	CS2017353435	100	Y
CARE VISIONS GROUP LIMITED	CS2005087507	100	Y
CARE VISIONS GROUP LIMITED	CS2013321889	NC	N
CHERRY BLOSSOM CHILDREN'S RESIDENTIAL HOME LTD	CS2021000003	100	Y
CLEARVIEW CARE LIMITED	CS2018371684	100	Y
CRANNOCH RESIDENTIAL CHILD CARE RESOURCE LTD	CS2009235415	100	Y
THE CHURCH OF SCOTLAND SOCIAL CARE COUNCIL OPERATING AS CROSSREACH	CS2007152190	100	Y
THE CHURCH OF SCOTLAND SOCIAL CARE COUNCIL OPERATING AS CROSSREACH	CS2007152190	100	Y
THE CHURCH OF SCOTLAND SOCIAL CARE COUNCIL OPERATING AS CROSSREACH	CS2020381520	100	Y
THE CHURCH OF SCOTLAND SOCIAL CARE COUNCIL OPERATING AS CROSSREACH	CS2021382515	100	Y
THE CHURCH OF SCOTLAND SOCIAL CARE COUNCIL OPERATING AS CROSSREACH	CS2016345742	100	Y
THE CHURCH OF SCOTLAND SOCIAL CARE COUNCIL OPERATING AS CROSSREACH	CS2022000091	100	Y
THE CHURCH OF SCOTLAND SOCIAL CARE COUNCIL OPERATING AS CROSSREACH	CS2022000091	100	Y
EAST PARK SCHOOL	CS2016346438	100	Y

Service Option 1 - Residential Care			
Provider	Registration Number	Total Score	Awarded to Service Option
EAST PARK SCHOOL	CS2003000137	100	Y
FTS CARE LTD	CS2009228597	100	Y
FTS CARE LTD	CS2015335909	100	Y
FTS CARE LTD	CS2017362452	100	Y
INSPIRE SCOTLAND LIMITED	CS2014331925	100	Y
INSPIRE SCOTLAND LIMITED	CS2015343243	100	Y
INSPIRE SCOTLAND LIMITED	CS2018371313	100	Y
INSPIRE SCOTLAND LIMITED	CS2012307320	100	Y
INSPIRE SCOTLAND LIMITED	CS2020379227	100	Y
INSPIRE SCOTLAND LIMITED	CS2020381834	100	Y
INSPIRE SCOTLAND LIMITED	CS2018369687	100	Y
INSPIRE SCOTLAND LIMITED	CS2020379307	100	Y
INSPIRE SCOTLAND LIMITED	CS2021000072	NC	N
INSPIRE SCOTLAND LIMITED	CS2020379308	NC	N
INSPIRE SCOTLAND LIMITED	CS2018371827	NC	N
INSPIRE SCOTLAND LIMITED	CS2020379309	NC	N
MOORE HOUSE SCHOOL LTD	CS2015343199	100	Y
MOORE HOUSE SCHOOL LTD	CS2014325381	100	Y
MOORE HOUSE SCHOOL LTD	CS2021000248	100	Y
MOORE HOUSE SCHOOL LTD	CS2019376610	100	Y
MOORE HOUSE SCHOOL LTD	CS2017354207	100	Y
MOORE HOUSE SCHOOL LTD	CS2005087031	100	Y
MOORE HOUSE SCHOOL LTD	CS2016349373	100	Y
MOORE HOUSE SCHOOL LTD	CS2018365131	100	Y
ORCHARD COTTAGE CARE LTD	CS2021000245	100	Y
PARTNERS IN CARE LIMITED T/A PEBBLES CARE	CS2007144754	50	Y
PARTNERS IN CARE LIMITED T/A PEBBLES CARE	CS2007144696	50	Y
PARTNERS IN CARE LIMITED T/A PEBBLES CARE	CS2019373277	50	Y
SEAMAB	CS2016352925	100	Y
ROYAL BLIND ASYLUM AND SCHOOL EDINBURGH T/A SIGHT SCOTLAND	CS2003010898	100	Y
ROYAL BLIND ASYLUM AND SCHOOL EDINBURGH T/A SIGHT SCOTLAND	CS2020379439	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2005093148	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2007146145	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2007157693	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2008169073	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2008178883	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2007164226	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2009233253	100	Y

Service Option 1 - Residential Care			
Provider	Registration Number	Total Score	Awarded to Service Option
SPARK OF GENIUS (TRAINING) LTD.	CS2015342800	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2014332161	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2016349363	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2016350723	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2016352795	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2017354835	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2017355339	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2019378597	NC	N
SPARK OF GENIUS (TRAINING) LTD.	CS2009232535	NC	N
STARLEY HALL SCHOOL LIMITED	CS2004073475	100	Y
STARLEY HALL SCHOOL LIMITED	CS2012310747	100	Y
STARLEY HALL SCHOOL LIMITED	CS2007145372	100	Y
STEPDOWN	CS2009193084	100	Y
STEPDOWN	CS2011280879	100	Y
STEPDOWN	CS2016344064	100	Y
STEPDOWN	CS2017353586	100	Y
THE COMMUNITY CONNECTIONS GROUP LTD	CS2018364199	100	Y
THE MUNGO FOUNDATION	CS2003001130	100	Y
THE MUNGO FOUNDATION	CS2003001130	100	Y
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2017355428	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2017353540	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2017359152	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2012310008	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2009231465	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2012310008	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2015335182	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2007155419	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2019375880	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2020379240	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2020379078	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2019375217	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2021000117	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2008178534	NC	N
OPTIONS AUTISM SERVICES LIMITED	CS2003010884	NC	N
OPTIONS AUTISM SERVICES LIMITED	CS2003010819	NC	N

Service Option 2 - Residential Care and Education			
Provider	Registration Number	Total Score	Awarded to Service Option
ABERDEEN ASSOCIATION OF SOCIAL SERVICE T/A VSA	CS2003000163	100	Y
APPLIED CARE AND DEVELOPMENT LIMITED	CS2003015103	100	Y
APPLIED CARE AND DEVELOPMENT LIMITED	CS2005101942	100	Y
APPLIED CARE AND DEVELOPMENT LIMITED	CS2009230636	100	Y
APPLIED CARE AND DEVELOPMENT LIMITED	CS2020382163	NC	N
ASPIRE SCOTLAND LTD	CS2015340457	80	Y
ASPIRE SCOTLAND LTD	CS2019373084	80	Y
ASPIRE SCOTLAND LTD	CS2018369573	80	Y
ASPIRE SCOTLAND LTD	CS2010272097	80	Y
ASPIRE SCOTLAND LTD	CS2017354771	80	Y
ASPIRE SCOTLAND LTD	CS2016348976	80	Y
ASPIRE SCOTLAND LTD	CS2011299805	80	Y
ASPIRE SCOTLAND LTD	CS2011299805	80	Y
ASPIRE SCOTLAND LTD	CS2013318904	80	Y
ASPRIS (TROUP HOUSE) LIMITED	CS2010273943	100	Y
ASPRIS (TROUP HOUSE) LIMITED	CS2010273943	100	Y
BACHLAW LIMITED	CS2009233837	100	Y
CAMPBILL RUDOLF STEINER SCHOOLS LIMITED	CS2009196657	100	Y
THE CHURCH OF SCOTLAND SOCIAL CARE COUNCIL OPERATING AS CROSSREACH	CS2007152190	100	Y
THE CHURCH OF SCOTLAND SOCIAL CARE COUNCIL OPERATING AS CROSSREACH	CS2007152190	100	Y
THE CHURCH OF SCOTLAND SOCIAL CARE COUNCIL OPERATING AS CROSSREACH	CS2020381520	100	Y
THE CHURCH OF SCOTLAND SOCIAL CARE COUNCIL OPERATING AS CROSSREACH	CS2021382515	100	Y
THE CHURCH OF SCOTLAND SOCIAL CARE COUNCIL OPERATING AS CROSSREACH	CS2016345742	100	Y
THE CHURCH OF SCOTLAND SOCIAL CARE COUNCIL OPERATING AS CROSSREACH	CS2022000091	100	Y
THE CHURCH OF SCOTLAND SOCIAL CARE COUNCIL OPERATING AS CROSSREACH	CS2022000091	100	Y
EAST PARK SCHOOL	CS2016346438	100	Y
EAST PARK SCHOOL	CS2003000137	100	Y
HARMENY EDUCATION TRUST LIMITED	CS2003011066	100	Y
HARMENY EDUCATION TRUST LIMITED	CS2003011066	100	Y
HILLSIDE SCHOOL (ABERDOUR) LIMITED	cs2003007038	100	Y
INSPIRE SCOTLAND LIMITED	CS2021000072	NC	N
INSPIRE SCOTLAND LIMITED	CS2014331925	100	Y
INSPIRE SCOTLAND LIMITED	CS2015343243	100	Y

Service Option 2 - Residential Care and Education			
Provider	Registration Number	Total Score	Awarded to Service Option
INSPIRE SCOTLAND LIMITED	CS2018371827	NC	N
INSPIRE SCOTLAND LIMITED	CS2018371313	100	Y
INSPIRE SCOTLAND LIMITED	CS2020379309	NC	N
INSPIRE SCOTLAND LIMITED	CS2012307320	100	Y
INSPIRE SCOTLAND LIMITED	CS2020379227	100	Y
INSPIRE SCOTLAND LIMITED	CS2020381834	100	Y
INSPIRE SCOTLAND LIMITED	CS2018369687	100	Y
INSPIRE SCOTLAND LIMITED	CS2020379307	100	Y
INSPIRE SCOTLAND LIMITED	CS2020379308	NC	N
KIBBLE EDUCATION AND CARE CENTRE	CS2012314383	100	Y
KIBBLE EDUCATION AND CARE CENTRE	CS2003001291	100	Y
KIBBLE EDUCATION AND CARE CENTRE	CS2022000009	100	Y
KIBBLE EDUCATION AND CARE CENTRE	CS2018370578	100	Y
KIBBLE EDUCATION AND CARE CENTRE	CS2021000361	100	Y
KIBBLE EDUCATION AND CARE CENTRE	CS2012314383	100	Y
KIBBLE EDUCATION AND CARE CENTRE	CS2018370578	100	Y
KIBBLE EDUCATION AND CARE CENTRE	CS2018370616	NC	N
KIBBLE EDUCATION AND CARE CENTRE	CS2021000361	100	Y
KIBBLE EDUCATION AND CARE CENTRE	CS2020379468	100	Y
KIBBLE EDUCATION AND CARE CENTRE	CS2020379601	100	Y
KIBBLE EDUCATION AND CARE CENTRE	CS2020379468	100	Y
KIBBLE EDUCATION AND CARE CENTRE	CS2020379601	100	Y
KIBBLE EDUCATION AND CARE CENTRE	CS2018370616	NC	N
MOORE HOUSE SCHOOL LTD	CS2015343199	100	Y
MOORE HOUSE SCHOOL LTD	CS2014325381	100	Y
MOORE HOUSE SCHOOL LTD	CS2021000248	100	Y
MOORE HOUSE SCHOOL LTD	CS2019376610	100	Y
MOORE HOUSE SCHOOL LTD	CS2017354207	100	Y
MOORE HOUSE SCHOOL LTD	CS2005087031	100	Y
MOORE HOUSE SCHOOL LTD	CS2016349373	100	Y
MOORE HOUSE SCHOOL LTD	CS2018365131	100	Y
PARTNERS IN CARE LIMITED T/A PEBBLES CARE	CS2007144754	50	Y
PARTNERS IN CARE LIMITED T/A PEBBLES CARE	CS2007144696	50	Y
PARTNERS IN CARE LIMITED T/A PEBBLES CARE	CS2019373277	50	Y
ROSSIE YOUNG PEOPLE'S TRUST	CS2007166360	100	Y
ROSSIE YOUNG PEOPLE'S TRUST	CS2021000083	100	Y
SEAMAB	CS2016352925	100	Y
ROYAL BLIND ASYLUM AND SCHOOL EDINBURGH T/A SIGHT SCOTLAND	CS2020379439	100	Y

Service Option 2 - Residential Care and Education			
Provider	Registration Number	Total Score	Awarded to Service Option
ROYAL BLIND ASYLUM AND SCHOOL EDINBURGH T/A SIGHT SCOTLAND	CS2020379439	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2005093148	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2007146145	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2007157693	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2008169073	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2008178883	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2008178883	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2007164226	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2009233253	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2009232535	NC	N
SPARK OF GENIUS (TRAINING) LTD.	CS2015342800	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2016349363	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2016349363	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2016350723	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2016350723	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2016352795	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2017354835	100	Y
SPARK OF GENIUS (TRAINING) LTD.	CS2019378597	NC	N
ST PHILIPS SCHOOL PLAINS	CS2011305070	100	Y
STARLEY HALL SCHOOL LIMITED	CS2003007103	100	Y
STARLEY HALL SCHOOL LIMITED	CS2003007103	100	Y
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2017355428	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2017353540	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2017359152	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2012310008	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2009231465	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2012310008	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2015335182	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2007155419	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2019375880	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2020379240	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2020379078	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2019375217	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2021000117	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	CS2008178534	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	1070339	NC	N
RADICAL SERVICES LIMITED T/A PEBBLES CARE	1004590	NC	N
OPTIONS AUTISM SERVICES LIMITED	CS2003010884	NC	N
OPTIONS AUTISM SERVICES LIMITED	CS2003010819	NC	N

Service Option 2 - Residential Care and Education			
Provider	Registration Number	Total Score	Awarded to Service Option
OPTIONS AUTISM SERVICES LIMITED	CS2003010884	NC	N
OPTIONS AUTISM SERVICES LIMITED	CS2003010819	NC	N
OPTIONS AUTISM SERVICES LIMITED	CS2008174055	NC	N
OPTIONS AUTISM SERVICES LIMITED	CS2008174055	NC	N
SCOTTISH AUTISM	CS2003011477	NC	N

Service Option 3 - Short Breaks			
Provider	Registration Number	Total Score	Awarded to Service Option
ABERLOUR CHILD CARE TRUST	CS2010272216	100	Y
ABERLOUR CHILD CARE TRUST	CS2010272062	100	Y
ABERLOUR CHILD CARE TRUST	CS2010272082	100	Y
ABERLOUR CHILD CARE TRUST	CS2010272793	100	Y
ACTION FOR CHILDREN SERVICES LIMITED	CS2007164443	100	Y
ACTION FOR CHILDREN SERVICES LIMITED	CS2003000782	100	Y
ARCHWAY (RESPITE CARE AND HOUSING) LIMITED	CS2003000242	100	Y
ARCHWAY (RESPITE CARE AND HOUSING) LIMITED	CS2003000245	100	Y
BACHLAW LIMITED	CS2009233837	100	Y
THE CHURCH OF SCOTLAND SOCIAL CARE COUNCIL OPERATING AS CROSSREACH	CS2014332671	100	Y
FTS CARE LTD	CS2009228597	100	Y
FTS CARE LTD	CS2015335909	100	Y
FTS CARE LTD	CS2017362452	100	Y
INSPIRE SCOTLAND LIMITED	CS2021000072	NC	N
INSPIRE SCOTLAND LIMITED	CS2014331925	100	Y
INSPIRE SCOTLAND LIMITED	CS2015343243	100	Y
INSPIRE SCOTLAND LIMITED	CS2018371827	NC	N
INSPIRE SCOTLAND LIMITED	CS2018371313	100	Y
INSPIRE SCOTLAND LIMITED	CS2020379309	NC	N
INSPIRE SCOTLAND LIMITED	CS2012307320	100	Y
INSPIRE SCOTLAND LIMITED	CS2020379227	100	Y
INSPIRE SCOTLAND LIMITED	CS2020381834	100	Y
INSPIRE SCOTLAND LIMITED	CS2018369687	100	Y
INSPIRE SCOTLAND LIMITED	CS2020379307	100	Y
INSPIRE SCOTLAND LIMITED	CS2020379308	NC	N
NAS SERVICES LIMITED	CS2012314346	100	Y
ORCHARD COTTAGE CARE LTD	CS2021000245	100	Y
ROSSIE YOUNG PEOPLE'S TRUST	CS2021000083	100	Y
ROSSIE YOUNG PEOPLE'S TRUST	CS2021000083	100	Y
ROSSIE YOUNG PEOPLE'S TRUST	CS2021000083	100	Y
ROSSIE YOUNG PEOPLE'S TRUST	CS2021000083	100	Y
SENSE SCOTLAND	CS2010249688	100	Y
ROYAL BLIND ASYLUM AND SCHOOL EDINBURGH T/A SIGHT SCOTLAND	CS2020379439	100	Y
ROYAL BLIND ASYLUM AND SCHOOL EDINBURGH T/A SIGHT SCOTLAND	CS2020379439	100	Y
ROYAL BLIND ASYLUM AND SCHOOL EDINBURGH T/A SIGHT SCOTLAND	CS2020379439	100	Y
ROYAL BLIND ASYLUM AND SCHOOL EDINBURGH T/A SIGHT SCOTLAND	CS2020379439	100	Y

Service Option 3 - Short Breaks			
Provider	Registration Number	Total Score	Awarded to Service Option
ST PHILIPS SCHOOL PLAINS	CS2011305070	100	Y
ST PHILIPS SCHOOL PLAINS	CS2011305070	100	Y
STEPDOWN	CS2009193084	100	Y
STEPDOWN	CS2011280879	100	Y
STEPDOWN	CS2016344064	100	Y
STEPDOWN	CS2017353586	100	Y
THE COMMUNITY CONNECTIONS GROUP LTD	CS2018364199	100	Y
THE MUNGO FOUNDATION	CS2003001130	100	Y

Service Option 4 - Day Education			
Provider	Registered Name	Total Score	Awarded to Service Option
ABERDEEN ASSOCIATION OF SOCIAL SERVICE T/A VSA	Day Education	100	Y
APPLIED CARE AND DEVELOPMENT LIMITED	Netherlea School	100	Y
ASPIRE SCOTLAND LTD	Radio City	80	Y
ASPRIS (TROUP HOUSE) LIMITED	Troup House	100	Y
BACHLAW LIMITED	Bachlaw Learning centre	100	Y
CAMPHILL RUDOLF STEINER SCHOOLS LIMITED	Nursery education	100	Y
CAMPHILL RUDOLF STEINER SCHOOLS LIMITED	Primary education	100	Y
CAMPHILL RUDOLF STEINER SCHOOLS LIMITED	Secondary education	100	Y
CAPABILITY SCOTLAND	Stanmore House School - Primary	100	Y
CAPABILITY SCOTLAND	Stanmore House School - Secondary	100	Y
CAPABILITY SCOTLAND	Corseford School - Primary	100	Y
CAPABILITY SCOTLAND	Corseford School - Secondary	100	Y
THE CHURCH OF SCOTLAND SOCIAL CARE COUNCIL OPERATING AS CROSSREACH	Erskine Waterfront Campus	100	Y
EAST PARK SCHOOL	DAY PUPIL - STANDARD	100	Y
EAST PARK SCHOOL	DAY PUPIL - ENHANCED	100	Y
HARMENY EDUCATION TRUST LIMITED	Harmeny School - Day Education Service	100	Y
HARMENY EDUCATION TRUST LIMITED	Harmeny School - Day Education Service	100	Y
KIBBLE EDUCATION AND CARE CENTRE	Day Services	100	Y
MOORE HOUSE SCHOOL LTD	MHA, Bathgate	100	Y
MOORE HOUSE SCHOOL LTD	MH Primary School, Dunfermline	100	Y
SCOTTISH AUTISM	New Struan School	100	Y
SCOTTISH AUTISM	New Struan School	100	Y
SEAMAB	SEAMAB Day Education	100	Y
ROYAL BLIND ASYLUM AND SCHOOL EDINBURGH T/A SIGHT SCOTLAND	Education Play school	100	Y
ROYAL BLIND ASYLUM AND SCHOOL EDINBURGH T/A SIGHT SCOTLAND	Education Primary School	100	Y
ROYAL BLIND ASYLUM AND SCHOOL EDINBURGH T/A SIGHT SCOTLAND	Education Secondary School	100	Y
ROYAL BLIND ASYLUM AND SCHOOL EDINBURGH T/A SIGHT SCOTLAND	Education Play School	100	Y

Service Option 4 - Day Education			
Provider	Registered Name	Total Score	Awarded to Service Option
ROYAL BLIND ASYLUM AND SCHOOL EDINBURGH T/A SIGHT SCOTLAND	Education Primary School	100	Y
ROYAL BLIND ASYLUM AND SCHOOL EDINBURGH T/A SIGHT SCOTLAND	Education Secondary School	100	Y
SPARK OF GENIUS (TRAINING) LTD.	Skypoint School	100	Y
SPARK OF GENIUS (TRAINING) LTD.	Caledonian School	100	Y
ST PHILIPS SCHOOL PLAINS	St. Francis Day Unit	100	Y
STARLEY HALL SCHOOL LIMITED	Starley Hall School Day Education	100	Y
THE JANE MOORE TRUST	MHA, Butterstone	100	Y
THE JANE MOORE TRUST	MH Primary School, Dunkeld	NC	N
THE SCOTTISH CENTRE FOR CHILDREN WITH MOTOR IMPAIRMENTS	Early Learning Programme Service	100	Y
THE SCOTTISH CENTRE FOR CHILDREN WITH MOTOR IMPAIRMENTS	Primary Programme Service	100	Y
THE SCOTTISH CENTRE FOR CHILDREN WITH MOTOR IMPAIRMENTS	Secondary Programme Service	100	Y
OPTIONS AUTISM SERVICES LIMITED	Closeburn School	NC	N
OPTIONS AUTISM SERVICES LIMITED	Maben School	NC	N
OPTIONS AUTISM SERVICES LIMITED	Closeburn School	NC	N
OPTIONS AUTISM SERVICES LIMITED	Maben School	NC	N
OPTIONS AUTISM SERVICES LIMITED	Falkland House School	NC	N

Appendix 4- List of Recommended Suppliers with Living Wage Status

Tenderer	Accredited	Currently progressing through Real Living Wage accreditation process	Pay Real Living Wage to all employees, and committed to gaining accreditation over the initial 2 years of framework	Pay Real Living Wage to all employees, but not accredited	Neither accredited nor paying Real Living Wage, but do commit to pay the Real Living Wage to all employees over the initial term of the framework	Neither accredited nor paying Real Living Wage
ABBEYFIELD LODGE LTD	Yes					
ABERDEEN ASSOCIATION OF SOCIAL SERVICE T/A VSA						Yes
ABERLOUR CHILD CARE TRUST	Yes					
ACTION FOR CHILDREN SERVICES LIMITED		Yes				
APPLIED CARE AND DEVELOPMENT LIMITED				Yes		
ARCHWAY (RESPITE CARE AND HOUSING) LIMITED				Yes		
ASPIRE SCOTLAND LTD				Yes		
ASPRIS (TROUP HOUSE) LIMITED				Yes		
BACHLAW LIMITED				Yes		
CAMPBILL RUDOLF STEINER SCHOOLS LIMITED	Yes					
CAPABILITY SCOTLAND				Yes		
CARE VISIONS GROUP LIMITED					Yes	
CHERRY BLOSSOM CHILDREN'S RESIDENTIAL HOME LTD		Yes				
CLEARVIEW CARE LIMITED			Yes			

Tenderer	Accredited	Currently progressing through Real Living Wage accreditation process	Pay Real Living Wage to all employees, and committed to gaining accreditation over the initial 2 years of framework	Pay Real Living Wage to all employees, but not accredited	Neither accredited nor paying Real Living Wage, but do commit to pay the Real Living Wage to all employees over the initial term of the framework	Neither accredited nor paying Real Living Wage
CRANNOCH RESIDENTIAL CHILD CARE RESOURCE LTD	Yes					
THE CHURCH OF SCOTLAND SOCIAL CARE COUNCIL OPERATING AS CROSSREACH				Yes		
EAST PARK SCHOOL				Yes		
FTS CARE LTD				Yes		
HARMENY EDUCATION TRUST LIMITED	Yes					
HILLSIDE SCHOOL (ABERDOUR) LIMITED		Yes				
INSPIRE SCOTLAND LIMITED	Yes					
KIBBLE EDUCATION AND CARE CENTRE		Yes				
MOORE HOUSE SCHOOL LTD	Yes					
NAS SERVICES LIMITED				Yes		
ORCHARD COTTAGE CARE LTD	Yes					
PARTNERS IN CARE LIMITED T/A PEBBLES CARE						Yes
ROSSIE YOUNG PEOPLE'S TRUST	Yes					
ROYAL BLIND ASYLUM AND SCHOOL EDINBURGH T/A SIGHT SCOTLAND	Yes					
SCOTTISH AUTISM	Yes					
SEAMAB	Yes					
SENSE SCOTLAND				Yes		

Tenderer	Accredited	Currently progressing through Real Living Wage accreditation process	Pay Real Living Wage to all employees, and committed to gaining accreditation over the initial 2 years of framework	Pay Real Living Wage to all employees, but not accredited	Neither accredited nor paying Real Living Wage, but do commit to pay the Real Living Wage to all employees over the initial term of the framework	Neither accredited nor paying Real Living Wage
SPARK OF GENIUS (TRAINING) LTD.				Yes		
ST PHILIPS SCHOOL PLAINS	Yes					
STARLEY HALL SCHOOL LIMITED			Yes			
STEPDOWN			Yes			
THE COMMUNITY CONNECTIONS GROUP LTD		Yes				
THE JANE MOORE TRUST		Yes				
THE MUNGO FOUNDATION	Yes					
THE SCOTTISH CENTRE FOR CHILDREN WITH MOTOR IMPAIRMENTS		Yes				

Appendix 4 – Segmentation classifications

1121 Children’s Residential Care and Education, including Short Break, Services Flexible Framework Agreement is classified as Class A.

There are five segmentation classifications and these classifications are rated from Class A to Class E. Each classification has contract and supplier management activities associated with it based on pre-determined weighted criteria.

Class A

Due to the unique and bespoke nature of the frameworks that fall within this class, a contract management plan to be developed and agreed with CSG.

Class B

Quarterly supplier contact, six monthly surveys, annual UIG, frequent support to councils, suppliers and external stakeholders requiring high level of procurement expertise, extensive contract monitoring.

Class C

Six monthly supplier contact, six monthly to annual surveys, annual UIG, regular support to councils, suppliers and external stakeholders requiring procurement expertise, high contract monitoring.

Class D

Annual supplier contact, annual surveys, optional annual UIG, ad-hoc support to councils, suppliers and external stakeholders potentially requiring procurement expertise, regular contract monitoring.

Class E

Annual supplier contact (if required), optional annual surveys, no requirement for annual UIG, straightforward ad-hoc support to councils, suppliers and potentially requiring procurement assistance, basic contract monitoring.

Scotland Excel

To: Executive Sub-Committee

On: 19 August 2022

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

Tender: Outdoor Play and Sports Facilities Framework

Schedule: 0420

Period: 1 August 2022 until 31 July 2024 with the option to extend for up to a further two twelve month periods until 31 July 2026

1. Introduction and Background

This recommendation is for the award of the renewal framework for Outdoor Play and Sports Facilities. The existing framework expired on 30 June 2022, after an additional extension period which was put in place to provide supplier relief and maintain the framework services to member councils during the impact of the coronavirus pandemic, in line with applicable law and guidance.

This framework renewal will provide members with a mechanism to procure goods, services and works relating to outdoor play areas (including outdoor parks, gyms and learning areas), multi-use games areas, wheeled sports areas and artificial surfaces.

This proposed framework will be for a period of two years from 1 August 2022 until 31 July 2024 with an option to extend for up to two twelve-month periods as advertised in the published tender documents. Subject to approval and completion of a standstill period, the framework is intended to commence on or around 14 September 2022.

This report summarises the outcome of the procurement process for this national framework agreement.

2. Scope, Participation and Spend

The framework comprises eleven lots as summarised in Table 1.

Table 1: Lotting Structure

Lot No.	Description	Estimated % Spend through lot
1	Design, Supply and Installation of Outdoor Play Areas	35%
2	Supply and Installation of Outdoor Play Areas	10%
3	Design, Supply and Installation of Multi-Use Games Areas (“MUGA’s”)	5%
4	Design, Supply and Installation of Wheeled Sports Areas	1%
5	Design of Artificial Surfaces	1%
6	Design, Supply and Installation of Artificial Surfaces	15%
7	Supply and Install of Safer Surfacing	1%
8	Installation	20%
9	Annual Inspection	3%
10	Maintenance	1%
11	Supply and Delivery	8%

Lots 7, 8, 9 and 10 were subdivided by 5 Regions, tenderers could opt to offer for one, some or all Regions, furthermore Lot 11 was split into four product groups and tenderers could opt to offer for one, some or all product groupings. The lotting structure aligns with the various specialisms within the marketplace and member contracting preferences, as well as maximising bid opportunities for Small to Medium Sized Enterprises (SMEs) within the sector

Councils will be able to award services and supply contracts directly from this framework, with large works projects awarded via mini competitions. For lots 1, 2, 3, 4 and 6 Councils will only be able to award contracts under the framework using mini competitions.

Health and safety requirements, the rights of the child, innovation, professional sporting body requirements, seasonality and inclusive play are all critical elements of this framework. The use of mini competitions as the mechanism to award works contracts (such as for the design, supply and installation of an outdoor play park) shall ensure these elements are appropriately considered for each individual contract.

As detailed in Appendix 1, all 32 Scottish councils have confirmed their intention to participate in the renewal framework. In addition to this, a number of Scotland Excel associate members, Advanced Procurement for Universities and Colleges, NHS and Scottish Government have confirmed participation in this arrangement.

The framework was advertised with an estimated spend of £60m over the maximum 4-year period. This value has been derived from anticipated member spend, historical data and market analysis. This value was estimated to ensure

that there is sufficient capacity within the framework to accommodate additional member participation and any unforeseen peaks in demand.

3. Procurement Process

User Intelligence Groups (UIG) were formed consisting of representatives from participating members to support the development of the framework. The UIG agreed the procurement route and the overall strategy. A working group consisting of technical and procurement representatives was also formed to review and feedback on the technical specification and support the development of the lotting structure as well as the commercial and technical evaluation.

As noted above, the previous framework was extended on Covid-19 related supplier relief grounds in accordance with law and guidance. During the tender exercise Scotland Excel has considered the current situation and market impact of the Coronavirus pandemic. Balancing the current situation with the need to provide a route to market for councils seeking the delivery of outdoor play and sports facilities, Scotland Excel determined it was appropriate to undertake this renewal tender exercise and to recommend the establishment of the framework at this time.

A Prior Information Notice (PIN) containing an invitation to preliminary market consultation in accordance with Regulation 41 of the Public Contracts (Scotland) Regulations was published on 10 April 2020 via the Public Contracts Scotland (PCS) advertising portal which resulted in 57 expressions of interest. Contractors were invited to meet virtually with Scotland Excel to gather market intelligence to inform the development of the tender, following the invitation in the PIN eight contractor meetings were held.

A further PIN was published on 23 November 2021 to update the market on the framework renewal timelines.

Furthermore, Scotland Excel worked in partnership with a range of key stakeholders to support the development of this framework, including Zero Waste Scotland, Inspiring Scotland and Sports and Play Construction Association.

This framework was advertised in the Find a Tender Service (FTS) and the Public Contracts Scotland (PCS) portal on 18 February 2022. The tender process was conducted using the Public Contracts Scotland Tender (PCS-T) system.

The procurement process followed an open tender process to ensure maximum competition and the inclusion for all potential contractors to service the framework. All tenderers were examined against selection criteria, using the Single Procurement Document (SPD) and award criteria, concurrently. The award criteria included technical and commercial sections that were evaluated against the following criteria and weightings as shown in Table 2.

Table 2: Criteria and Weightings

Lot No.	Lot Description	Technical Weighting	Commercial Weighting
1	Design, Supply and Installation of Outdoor Play Areas	80%	20%
2	Supply and Installation of Outdoor Play Areas	40%	60%
3	Design, Supply and Installation of Multi-Use Games Areas ("MUGA's")	80%	20%
4	Design, Supply and Installation of Wheeled Sports Areas	80%	20%
5	Design of Artificial Surfaces	70%	30%
6	Design, Supply and Installation of Artificial Surfaces	80%	20%
7	Supply and Install of Safer Surfacing	40%	60%
8	Installation	40%	60%
9	Annual Inspection	20%	80%
10	Maintenance	50%	50%
11	Supply and Delivery	20%	80%

Within the technical section, tenderers were required to evidence their knowledge and experience by responding to technical questions and method statements. These covered a range of areas, depending on the lot, but included sustainability, design quality, community consultation, resource management and community benefits. In addition to these questions, tenderers were asked to provide details on their fair work first approach.

To encourage bids from local SMEs and maximise the geographical coverage available through the framework, tenderers could opt to service one, some or all council areas or regions for lots 7-10.

As Work Orders under lots 1, 2, 3, 4 and 6 will be awarded via mini competitions, commercial submissions for those lots were evaluated using scenario assessments to provide an indication of commercial competitiveness. For the remaining lots, bidders were invited to offer a range of rates for the delivery of goods or services. Whilst minimum requirements were set Scotland Excel reserved the right to consider all submissions received, all in accordance with the published tender documents.

4. Report on Offers Received

Offers were received from 37 tenderers, of which 22 are incumbent contractors. A summary of the offers received is provided in Appendix 2.

Based on the criteria and scoring methodology set out in the published tender documents, a full evaluation of the 37 compliant offers was completed. Appendix 3 confirms the scoring achieved by each tenderer for each lot and Regions and Product Groupings were applicable.

5. Recommendations

Based on the evaluation undertaken, and in line with the criteria and weightings set out above, it is recommended that a multi-contractor framework arrangement is awarded to 29 suppliers across the eleven lots as outlined in Appendix 3 (Scoring and Recommendations).

Of these 29 recommended suppliers, 21 are classed as SMEs, 8 as micro businesses and 21 are Scottish contractors. The recommended contractors provide the choice and scope required by members as well as representing best value and providing geographical coverage.

6. Benefits

Savings

The framework is recommended for approval with a neutral savings position.

For most projects attributed to this framework there is a fixed budget based on (often external) funding, and so best value in this market is often demonstrated by maximising the deliverables from that set budget.

As such councils do not pursue traditional savings identifiable through benchmarking in this area, but rather seek to receive greater quality and innovative design for the available budget.

Given this operational context, standard price benchmarking processes for this framework were not appropriate. Best value however was still assessed by requiring bidders for all works lots to review a number of scenarios and provide comprehensive design solutions within a fixed budget. This assessment methodology alongside the high level of competition that will exist within the framework across lots 1, 2, 3, 4 and 6 will facilitate best value outcomes during the life of the framework.

For lots 5 and 7-11 the availability of comparable spend data for benchmarking is limited. However, the framework is well placed to deliver an increasing favourable commercial position against market alternatives for councils over time.

The framework mandates that all pricing under these lots will remain fixed for a minimum of 12 months, and also limits future price increases to no greater than inflation. All future requests for price variances will be considered in line with inflation and in accordance with established price variance process set out within the contract.

This is a continuation of the approach from the previous framework where the contract price index was lower than the market index throughout the entire term, and by the end of the framework term the contract index was 13% lower.

Tracking of the market conditions through Scotland Excel's established indexation processes will continue to ensure that the framework provides value for money in a volatile and unstable materials market. It is forecasted that this will deliver a more favourable commercial solution for councils against open market rates over time.

Price Stability

Prices will be fixed for 12 month periods on the anniversary of the start date. Inflation will be measured with reference to the Consumer Price Index as published by the Office for National Statistics.

Rebate

A retrospective rebate of 0.5% will be made payable to Scotland Excel annually and will be applied to all work orders issued under the framework contract of £100,000 or above which will be tracked and managed with contractors through reporting of the management information returns.

Sustainable Procurement Benefits

Scotland Excel is committed to maximising community benefits delivered through the framework for our members and local communities.

As part of the tender process, tenderers were required to confirm whether they would comply with our community benefits approach for the lifetime of the framework and were scored on their ability to deliver it. This approach is designed to deliver local community benefits based on individual members' spend thresholds as well as an overall framework spend threshold to ensure we maximise on the community benefits being delivered.

All recommended contractors have confirmed their acceptance of the community benefits approach.

The community benefits approach was designed to deliver targeted benefits specific to the market and covers outcomes such as:

- fundraising events,
- work experience,
- donation of materials/labour and
- employment opportunities

Scotland Excel will monitor spend and community benefits reported through the framework and will share with members on a six-monthly basis.

Scotland Excel worked closely Zero Waste Scotland to ensure that this framework delivers meaningful economic, social and environmental value to members procuring under it. This framework offers opportunities relating to the circular economy, the incorporation of training and skills development and the further development of the diverse supplier base.

As part of the tender process, tenderers were assessed and scored on their

response to a sustainability method statement which required tenderers to evidence how they will provide a positive environmental impact and support the Scottish Governments' climate change policies for achieving Net Zero.

Tenderers outlined a range of environmental and carbon reduction initiatives including:

- using recycled equipment and furniture in designs,
- switching to environmentally friendly paints,
- sourcing materials locally,
- collaboration with councils prior to site starts and
- strict control measures in place particularly when utilising cement, chemicals solvents *etc.*

Scotland Excel and its members are committed to the delivery of high-quality public services and recognise that this is dependent on a workforce that is well-rewarded, well-motivated, well-led, has access to appropriate opportunities for training and skills development, is diverse and is engaged in decision making.

Within the technical section tenderers were asked a question on their approach to fair work first and payment of the real Living Wage to their workforce. This question was in accordance with the applicable Scottish Government guidance on "Fair Work First in Scottish Procurement".

Tenderers approach to fair work, included a range of positive work initiatives such as:

- no zero hour contracts,
- sick pay and pensions ,
- training and development opportunities, including health & safety,
- staff sessions and employee feedback schemes and
- flexible working

As detailed within Appendix 4, of the 29 recommended contractors, 28 pay the real Living Wage. Of these, ten are accredited real Living Wage Employers, one is currently progressing through Living Wage accreditation process, one is committed to becoming accredited within two years and the remaining 16 contractors are not accredited by the Living Wage Foundation but pay the real Living Wage to all employees (except volunteers, apprentices and interns). Dialogue will continue with the single supplier who has yet to commit to paying all staff the Real Living Wage.

Scotland Excel will continue to monitor Fair Work Practices, including encouraging further uptake by suppliers committing to paying staff the real Living Wage, during contract and supplier management activity.

7. Contract Mobilisation and Management

In accordance with Scotland Excel's established contract and supplier management programme, in terms of risk and spend as detailed in Appendix 4, this framework is classified as class C. As such it will require high level of procurement expertise to support six monthly surveys, annual UIG, frequent support to councils, suppliers and external stakeholders.

Scotland Excel will hold a mobilisation event with members and will embed robust contract management with contractors and members.

Meetings and engagement undertaken with suppliers will adhere to all applicable health and safety guidelines.

8. Summary

This framework provides an effective and efficient route for our members to design, supply, install, inspect and maintain outdoor play and sports facilities.

The Executive Sub-Committee is requested to approve the recommendations detailed in Section 5 (Recommendations), above to award this framework agreement to the suppliers as detailed in Appendix 3 (Scoring and Recommendations).

**Appendix 1 – Participation
Outdoor Play and Sports Facilities 0420**

Member Name	Participation in Contract
Aberdeen City Council	Yes
Aberdeenshire Council	Yes
Angus Council	Yes
Argyll & Bute Council	Yes
City of Edinburgh Council	Yes
Clackmannanshire Council	Yes
Comhairle nan Eilean Siar	Yes
Dumfries & Galloway Council	Yes
Dundee City Council	Yes
East Ayrshire Council	Yes
East Dunbartonshire Council	Yes
East Lothian Council	Yes
East Renfrewshire Council	Yes
Falkirk Council	Yes
Fife Council	Yes
Glasgow City Council	Yes
Highland Council	Yes
Inverclyde Council	Yes
Midlothian Council	Yes
Moray Council	Yes
North Ayrshire Council	Yes
North Lanarkshire Council	Yes
Orkney Islands Council	Yes
Perth & Kinross Council	Yes
Renfrewshire Council	Yes
Scottish Borders Council	Yes
Shetland Islands Council	Yes
South Ayrshire Council	Yes
South Lanarkshire Council	Yes
Stirling Council	Yes
West Dunbartonshire Council	Yes
West Lothian Council	Yes

Appendix 2 – List of Tenderers with SME Status

Tenderer's Name	SME Status	Location	Lots Tendered
Abacus Playgrounds Limited	Medium	Bathgate	7
Active Playground Management Ltd	Micro	Prestwick	9 and 10
Allplay Ireland Limited	Small	Ballynahinch	11
Allsports Construction & Maintenance Limited	Small	Cumbernauld	2, 3, 6, 8 and 10
Bendcrete Leisure Limited	Small	Abingdon	4
Broxap Limited	Medium	Newcastle under Lyme	1 and 11
Caledonia Play Ltd	Small	Kinross	2, 7, 8 and 11
C Y Turf Ltd	Small	Hillington	8 and 10
Doe Sport (North) Limited	Small	Fife	3, 6 and 8
Fairways Sportsgrounds Limited	Small	Renfrew	6
G B Sport and Leisure U K Ltd	Small	Weston-super-Mare	11
HAGS SMP Limited	Medium	Selby	1, 3 and 11
Hawthorn Heights Ltd	Small	Co. Derry	1, 2, 3, 5, 6, 7, 8 and 11
Hunter Construction (Aberdeen) Limited	Medium	Inverurie	3, 6 and 8
Inclusive Play (UK) Ltd	Micro	Loanhead	11
Jupiter Play & Leisure Ltd.	Small	Edinburgh	1, 2 and 11
KOMPAN Scotland Ltd	Small	Livingston	1, 2, 3, 7, 8, 10 and 11
Landcare Solutions (Scotland) Limited	Small	Inchinnan	2, 7 and 8
LeisureTec Surfaces Limited	Micro	Dundee	8 and 10
MAC Consulting (Scotland) Limited	Micro	Edinburgh	5
McNab Sport Limited	Micro	Kinross	10
Notts Sport Limited	Small	East Kilbride	11
Playscapes Scotland Ltd	Micro	Lanark	1, 2, 7, 8 and 10
Play Services Ireland Ltd	Micro	Co. Antrim	9
Proludic Limited	Medium	Nottingham	1, 3 and 11
PST Sport (UK) Limited	Small	Co. Kerry	3
Russell Leisure Limited	Small	Broxburn	11
Scotplay & Sports Ltd.	Micro	Glasgow	1 and 11
Sportex Group Limited	Small	Grangemouth	3, 6, 7, 8 and 10
Sports Labs Limited	Small	Livingston	5
Sportsmasters (UK) Limited	Small	Penicuik	3, 6 and 10
STRI Ltd.	Medium	Bingley	5 and 6
Sutcliffe Play (Scotland) Limited	Micro	Dundee	1, 2, 3 and 11
T & N Gilmartin (Contractors) Limited	Medium	Cupar	2
Timberplay (Scotland) Ltd	Micro	Edinburgh	2
Tony Patterson Sportsgrounds Ltd	Small	Saintfield	6
Wicksteed Leisure Limited	Medium	Northamptonshire	1 and 11

Appendix 3 - Scoring and Recommendations

Key:

¹ (**) denotes recommended supplier

¹ (*) denotes partially successful supplier

Lot 1 Design, Supply and Installation of Outdoor Play Areas	
Tenderer	Score
KOMPAN Scotland Ltd**	96.4
Hawthorn Heights Ltd**	94.4
HAGS SMP Limited**	90.3
Wicksteed Leisure Limited**	88.3
Proludic Limited**	83.4
Scotplay & Sports Ltd.**	83.1
Jupiter Play & Leisure Ltd.**	82.6
Sutcliffe Play (Scotland) Limited**	75.5
Playscapes Scotland Ltd**	69.3
Broxap Limited**	63.1

Lot 2 Supply and Installation of Outdoor Play Areas	
Tenderer	Score
Landcare Solutions (Scotland) Limited**	89.2
Allsports Construction & Maintenance Limited**	80.3
Hawthorn Heights Ltd**	74.4
KOMPAN Scotland Ltd**	72.2
Caledonia Play Ltd**	68.7
T & N Gilmartin (Contractors) Limited**	62.0
Jupiter Play & Leisure Ltd.**	58.7
Sutcliffe Play (Scotland) Limited**	58.1
Playscapes Scotland Ltd**	58.1
Timberplay (Scotland) Ltd**	57.7

Lot 3 Design, Supply and Installation of Multi-Use Games Areas (“MUGAs”)	
Tenderer	Score
Sportsmasters (UK) Limited**	90.5
Allsports Construction & Maintenance Limited**	90.2
Hunter Construction (Aberdeen) Limited**	85.4
Sportex Group Limited**	83.5
Doe Sport (North) Limited**	82.9
KOMPAN Scotland Ltd**	81.8
Proludic Limited**	78.6
HAGS SMP Limited**	77.8
Hawthorn Heights Ltd**	65.5
Sutcliffe Play (Scotland) Limited**	60.7
PST Sport (UK) Limited	24.2

Lot 4 Design, Supply and Installation of Wheeled Sports Areas	
Tenderer	Score
Bendcrete Leisure Limited**	80.7

Lot 5 Design of Artificial Surfaces	
Tenderer	Score
Hawthorn Heights Ltd**	92.7
MAC Consulting (Scotland) Limited**	89.7
Sports Labs Limited**	82.5
STRI Ltd.	37.7

Lot 6 Design, Supply and Installation of Artificial Surfaces	
Tenderer	Score
Doe Sport (North) Limited**	89.8
Sportex Group Limited**	86.6
Hawthorn Heights Ltd**	81.6
Sportsmasters (UK) Limited**	80.6
Allsports Construction & Maintenance Limited**	79.8
Hunter Construction (Aberdeen) Limited**	79.0
Fairways Sportsgrounds Limited**	75.6
Tony Patterson Sportsgrounds Ltd	67.8
STRI Ltd.	36.0

Lot 7 Supply and Install of Safer Surfacing	Region 1 - Central	Region 2 - Highlands & Islands	Region 3 - North East	Region 4 - South East	Region 5 - South West
Tenderer	Score	Score	Score	Score	Score
Playscapes Scotland Ltd**	88.2	88.2	88.2	88.2	88.2
Sportex Group Limited**	83.9	92.9	83.9	83.9	83.9
Landcare Solutions (Scotland) Limited**	75.9	76.8	70.2	75.9	75.9
Hawthorn Heights Ltd**	70.0	66.6	67.3	67.3	67.3
Caledonia Play Ltd**	67.1	65.7	64.3	67.1	64.3
KOMPAN Scotland Ltd**	66.6		66.0	66.0	66.6
Abacus Playgrounds Limited**	66.3	61.6	66.3	66.3	66.3

Lot 8 Installation	Region 1 - Central	Region 2 - Highlands & Islands	Region 3 - North East	Region 4 - South East	Region 5 - South West
Tenderer	Score	Score	Score	Score	Score
Doe Sport (North) Limited**	96.9	96.9	96.9	96.9	96.9
Sportex Group Limited**	77.8	77.8	77.8	77.8	77.8
Hawthorn Heights Ltd**	74.9	65.8	71.7	71.7	71.7
KOMPAN Scotland Ltd**	72.9	64.6	69.5	69.5	67.9
Allsports Construction & Maintenance Limited**	66.4	60.9	61.0	66.4	66.4
Playscapes Scotland Ltd**	63.5	57.6	63.5	63.5	63.5
Hunter Construction (Aberdeen) Limited**	59.9	59.9	59.9	59.9	59.9
Caledonia Play Ltd**	43.3	41.9	42.6	43.3	42.6
Landcare Solutions (Scotland) Limited**	43.2	42.1	42.7	43.2	42.7
C Y Turf Ltd	40.5	36.8	37.7	40.2	39.7
LeisureTec Surfaces Limited	29.9	28.2	29.4	29.5	29.1

Lot 9 Annual Inspection	Region 1 - Central	Region 2 - Highlands & Islands	Region 3 - North East	Region 4 - South East	Region 5 - South West
Tenderer	Score	Score	Score	Score	Score
Play Services Ireland Ltd**	92.3	95.8	95.8	85.2	79.0
Active Playground Management Ltd*	91.9	68.9	69.8	91.9	91.9

Lot 10 Maintenance	Region 1 - Central	Region 2 - Highlands & Islands	Region 3 - North East	Region 4 - South East	Region 5 - South West
Tenderer	Score	Score	Score	Score	Score
Sportex Group Limited**	92.7	97.2	92.7	97.2	97.2
Playscapes Scotland Ltd**	88.2	80.8	88.2	76.4	76.6
Allsports Construction & Maintenance Limited**	67.8	65.3	64.7	72.4	72.4
KOMPAN Scotland Ltd**	59.4		65.8	65.1	65.1
Sportsmasters (UK) Limited**	54.8	61.9	60.7	63.3	59.8
McNab Sport Limited	47.3	53.1	51.6	51.7	51.9
LeisureTec Surfaces Limited	40.1	42.0	40.1	45.5	45.5
C Y Turf Ltd	36.6	42.5	40.9	41.7	42.1
Active Playground Management Ltd	30.9			35.2	35.4

Lot 11 Supply and Delivery - OUTDOOR GYM EQUIPMENT

Tenderer	Score
Hawthorn Heights Ltd**	90.9
KOMPAN Scotland Ltd**	83.5
Caledonia Play Ltd**	81.1
Proludic Limited**	76.3
Sutcliffe Play (Scotland) Limited**	70.8
Allplay Ireland Limited**	70.8
Scotplay & Sports Ltd.**	70.4
Broxap Limited**	66.5
Russell Leisure Limited**	62.8
Jupiter Play & Leisure Ltd.**	58.9
Wicksteed Leisure Limited**	58.7
HAGS SMP Limited**	50.7
G B Sport and Leisure U K Ltd	46.8

Lot 11 Supply and Delivery - OUTDOOR PLAY EQUIPMENT

Tenderer	Score
KOMPAN Scotland Ltd**	95.2
Proludic Limited**	79.5
Allplay Ireland Limited**	77.8
HAGS SMP Limited**	77.1
Scotplay & Sports Ltd.**	68.8
Jupiter Play & Leisure Ltd.**	68.5
Hawthorn Heights Ltd**	66.5
Caledonia Play Ltd**	63.7
Wicksteed Leisure Limited**	61.6
Inclusive Play (UK) Ltd**	59.9
Russell Leisure Limited**	56.8
Sutcliffe Play (Scotland) Limited**	56.4
G B Sport and Leisure U K Ltd	45.4

Lot 11 Supply and Delivery - SAFER SURFACES

Tenderer	Score
Hawthorn Heights Ltd**	89.3
Sutcliffe Play (Scotland) Limited**	88.7
Caledonia Play Ltd**	64.2
Scotplay & Sports Ltd.**	63.9
G B Sport and Leisure U K Ltd	33.8
Notts Sport Limited	21.9

Lot 11 Supply and Delivery - MULTI-USE GAMES AREAS

Tenderer	Score
Proludic Limited**	99.0
Hawthorn Heights Ltd**	88.2
KOMPAN Scotland Ltd**	86.3
HAGS SMP Limited**	86.3
Sutcliffe Play (Scotland) Limited**	82.6
Caledonia Play Ltd**	77.1
Russell Leisure Limited**	76.8
G B Sport and Leisure U K Ltd	64.6

Appendix 4- List of Recommended Suppliers with real Living Wage Status

Tenderer	Accredited	Currently progressing through Real Living Wage accreditation process	Pay Real Living Wage to all employees, and committed to gaining accreditation over the initial 2 years of framework	Pay Real Living Wage to all employees, but not accredited	Neither accredited nor paying Real Living Wage, but do commit to pay the Real Living Wage to all employees over the initial 2 years of the framework	Neither accredited nor paying Real Living Wage
Abacus Playgrounds Limited	Yes					
Active Playground Management Ltd				Yes		
Allplay Ireland Limited				Yes		
Allsports Construction & Maintenance Limited	Yes					
Bendcrete Leisure Limited				Yes		
Broxap Limited				Yes		
Caledonia Play Ltd			Yes			
Doe Sport (North) Limited				Yes		
Fairways Sportsgrounds Limited		Yes				
HAGS SMP Limited						Yes
Hawthorn Heights Ltd	Yes					
Hunter Construction (Aberdeen) Limited	Yes					
Inclusive Play (UK) Ltd				Yes		
Jupiter Play & Leisure Ltd.	Yes					
KOMPAN Scotland Ltd				Yes		
Landcare Solutions (Scotland) Limited				Yes		
MAC Consulting (Scotland) Limited				Yes		
Playscapes Scotland Ltd	Yes					
Play Services Ireland Ltd				Yes		
Proludic Limited	Yes					
Russell Leisure Limited				Yes		
Scotplay & Sports Ltd.	Yes					
Sportex Group Limited	Yes					
Sports Labs Limited				Yes		
Sportsmasters (UK) Limited	Yes					
Sutcliffe Play (Scotland) Limited				Yes		
T & N Gilmartin (Contractors) Limited				Yes		
Timberplay (Scotland) Ltd				Yes		
Wicksteed Leisure Limited				Yes		

Appendix 4 – Segmentation classifications

0420 Outdoor Play and Sports Facilities is classified as Class C.

There are five segmentation classifications and these classifications are rated from Class A to Class E. Each classification has contract and supplier management activities associated with it based on pre-determined weighted criteria.

Class A

Due to the unique and bespoke nature of the frameworks that fall within this class, a contract management plan to be developed and agreed with CSG.

Class B

Quarterly supplier contact, six monthly surveys, annual UIG, frequent support to councils, suppliers and external stakeholders requiring high level of procurement expertise, extensive contract monitoring.

Class C

Six monthly supplier contact, six monthly to annual surveys, annual UIG, regular support to councils, suppliers and external stakeholders requiring procurement expertise, high contract monitoring.

Class D

Annual supplier contact, annual surveys, optional annual UIG, ad-hoc support to councils, suppliers and external stakeholders potentially requiring procurement expertise, regular contract monitoring.

Class E

Annual supplier contact (if required), optional annual surveys, no requirement for annual UIG, straightforward ad-hoc support to councils, suppliers and potentially requiring procurement assistance, basic contract monitoring.

Scotland Excel

To: Executive Sub-Committee

On: 19 August 2022

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

Tender: Supply and Delivery of Roadstone Materials

Schedule: 16/21

Period: 1 October 2022 until 30 September 2026

1. Introduction and Background

This recommendation is for the award of a third-generation framework for Supply and Delivery of Roadstone Materials.

This proposed framework will be for a period of up to four years from 1 October 2022 until 30 September 2026. Subject to approval and completion of a standstill period, the framework is intended to commence on 1 October 2022.

This framework covers a range of coated, uncoated and recycled roadstone, as well as ready mixed concrete to support the requirements of councils' road departments.

The report summarises the outcome of the procurement process for this national framework arrangement.

2. Scope, Participation and Spend

As part of the strategy development, the User Intelligence Group (UIG) confirmed their satisfaction with the current framework and endorsed the inclusion of four lots as summarised in Table 1.

This strategy is designed to align with council requirements, whilst also recognising the current structure of the marketplace, as well as maximising opportunities for local Small to Medium sized Enterprises (SMEs) within the sector.

Table 1: Lotting Structure

Lot Number	Description	Estimated % of Spend
1	Coated Roadstone	70%
2	Uncoated Roadstone	15%
3	Recycled Roadstone	5%
4	Cementation products such as ready mixed concrete	10%

As detailed in Appendix 1, 21 Councils have confirmed that they will participate in this framework renewal. The remaining councils have their own arrangements in place with either local quarries or to cover a wider range of requirements.

Over the lifetime of the current framework, Scotland Excel has actively been engaging with councils to review their best options for this product set to and encourage both the councils and their local suppliers to participate in the Scotland Excel Framework. This has resulted in an increase from 10 councils to 21 who will utilise this new arrangement. Scotland Excel will continue to encourage uptake throughout the lifetime of this framework.

All 32 councils and associate members have the option to use the framework, and as such, were listed in the contract notice as participants and will have the opportunity to use the Scotland Excel framework where it provides them with best value.

The framework was advertised with an estimated value of £80m over the maximum 4-year period. This value was derived from anticipated council spend of c.£17.5m per annum, historical data and market analysis. The advertised value of £20m per annum allows for growth within participating Councils, as well as increased participation including cross sector collaborations.

3. Procurement Process

A UIG consisting of representatives from participating councils endorsed the procurement strategy on 16 February 2022. In addition, a working group of technical and procurement representatives was formed to review the lot structure, technical specifications and participate in the evaluation.

A Prior Information Notice (PIN) containing an invitation to a preliminary market consultation in accordance with Regulation 41 of the Public Contracts (Scotland) Regulations was published on 22 September 2021 via the Public Contracts

Scotland (PCS) advertising portal which resulted in expressions of interest from 18 organisations. Suppliers were given the opportunity to provide Scotland Excel with information in relation to, but not limited to, market intelligence, market trends and sustainability initiatives to help inform the strategy.

Thereafter, in order to ensure maximum competition and the inclusion for all potential suppliers to service the framework, the UIG agreed that an open tender process should be followed to establish the framework.

The Contract Notice was published via the Find a Tender Service and the Public Contracts Scotland portal (PCS) on 24 May 2022 with the tender documentation being made available for immediate download from 24 May 2022, via the Public Contracts Scotland Tenders (PCS-T) system.

The procurement process followed a two-stage tendering procedure. At the first stage, bidders Single Procurement Document (SPD) Scotland responses were assessed against financial capability, technical/professional capability and business probity requirements. Bidders were required to pass this stage to be eligible for award. At the second stage, offers were evaluated against the following criteria and weightings.

All Lots

Technical	20%
Commercial	80%

Within the technical section, bidders were required to evidence their knowledge and experience by responding to method statements which covered areas including; Operational Processes, Sustainability, Community Benefits and Fair Work First Practices. In addition to these questions, bidders were asked to provide added value suggestions to councils. These are detailed below within Table 2.

Table 2: Technical Scoring Breakdown

Area	Maximum Score Available
Operational Processes	12
Sustainability	3
Community Benefits	3
Fair Work First Practices	2

Bidders were also asked to confirm which council areas they had the ability to service. To encourage bids from local suppliers, SMEs and to maximise the geographical coverage available through the framework, bidders could opt to service one, some or all council areas.

Within the commercial section, bidders were invited to offer on a lot-by-lot basis and provide prices for a range of the most commonly used roadstone / concrete products. Whilst minimum requirements were set Scotland Excel reserved the right to consider all submissions received, all in accordance with the published tender documents. In addition, bidders were asked to provide prices for delivery rates on a per tonne / per cubic metre basis.

4. Report on Offers Received

The tender document was downloaded by 21 organisations, with 14 tender responses received.

A summary of all offers received is provided in Appendix 2 – SME Status.

Based on the criteria and scoring methodology set out in the published tender document, a full evaluation of the compliant offers received was carried out. Appendix 3 sets out the scoring achieved by each bidder.

5. Recommendations

Based on the evaluation undertaken, and in line with the criteria and weightings set out above, it is recommended that a multi supplier framework arrangement is awarded to 14 suppliers across the four lots as outlined in Appendix 3, Scoring and Recommendations.

The 14 recommended suppliers can meet operational requirements, provide a range of choice and capacity for council members, whilst also representing a mix of small, medium and large organisations, with 11 of the recommended suppliers classified as SMEs, one of which is classified as a Micro business.

6. Benefits

Savings

Scotland Excel conducted a benchmarking exercise for each council and the results of this benchmarking are detailed in Appendix 1.

The benchmarking exercise was based on comparing the existing framework prices against the new framework prices for each council, taking into account which suppliers have agreed to service each council. This was evaluated by

comparing the core products of Lot 1 on the current framework against the core products of Lot 1 on the renewal framework.

Given current market conditions and analysis including our indexation model, it was anticipated that an increase for roadstone materials was likely, and benchmarking has confirmed an average increase of around 1.97%. This is representative of the ongoing challenging market conditions faced by suppliers over the course of the last year. The difficulties to the economy faced by the Ukraine-Russian war have driven increases in fuel and freight. Quarrying companies have also been faced with the removal of fuel duty exemption on plant equipment and rising energy costs.

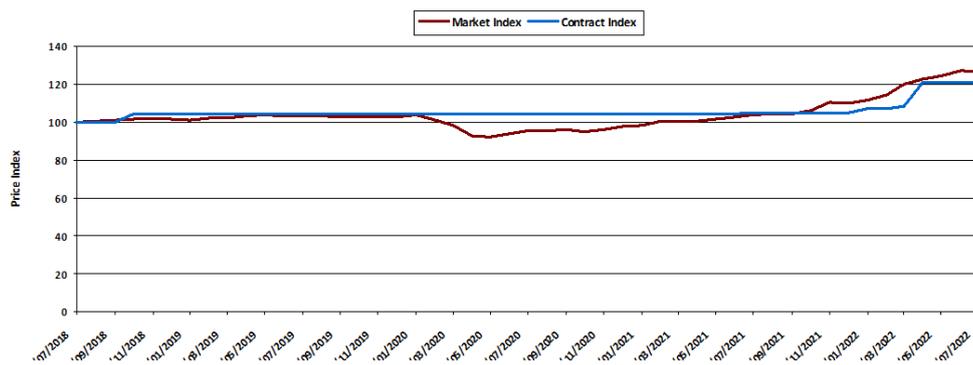
Analysis of our Indexation model, which predicts framework performance against market movement, demonstrates that our current framework pricing was approx. 6% below the market, as demonstrated in Figure 1 below. When this is considered with the 1.97% increase, it is forecast that there will an average of 4% cost avoidance against current market pricing. It would be anticipated that the reported on cost of 1.97% could be reduced by councils, if they utilised the mini-competition call off option which could see discounts for bulk buying and eliminating individual delivery costs.

Indexation Report - Roadstone



Schedule No: 2817
 Contract Title: Roadstone
 Contract Manager: David Kerr
 Start Date: 01/07/2018

Index	Type	Index Weighting (%)
Road Fuel - Diesel	Standard	20
Consumer Price Index	Standard	20
Building Materials - Coated Roadstone - Excl Le	Specific	20
Building Materials - Crushed Rock - Incl Levy	Specific	15
Building Materials - Sand & Gravel - Incl Levy	Specific	10
Building Materials - Ready Mixed Concrete	Specific	10
Venezuela Crude Oil	Specific	5



Notes:

The Contract Index tracks the general movement in contract prices and not the actual contract price paid. The Market Index tracks the general market movement against a weighted basket of relevant indices and not the current index levels. This report should be used as a guide only.

Produced by Scotland Excel - 26/07/2022

Figure 1: Roadstone Indexation Report

Potential savings and cost avoidance at point of call off by councils may vary due to the variable costs of distribution from the location of quarry to destination.

Distribution costs have been identified within the tender to assist councils in achieving best value.

Price Stability

All service providers have agreed to the stated fixed price period of four months at the start of the framework. Provision thereafter is for price reviews quarterly for all lots to accommodate market fluctuations and the applicable contract conditions were drafted to reflect this, and to accommodate 'exceptional' circumstances. All requests for price increases will be evaluated against prevailing market conditions and require supporting documentary evidence.

Rebate

This framework is subject to a retrospective rebate being paid to Scotland Excel on spend data per supplier per annum over £500,000. The rebate will be calculated based upon all framework spend reported through supplier management information returns.

Sustainable Procurement Benefits

Within the technical section of the tender, the sustainability method statement assessed bidders on how they would provide a positive environmental impact and support the Scottish Governments' Climate change policies for achieving Net Zero.

A range of sustainable measures were outlined by bidders including;

- Recycling aggregates where possible;
- Implementing environmental initiatives;
- Controlling their fleet/vehicle environmental standards;
- Reducing carbon footprint and emissions;
- Waste reduction; and
- End of life recycling / disposing.

6 of the recommended suppliers also have a documented policy on how their organisation will achieve Net Zero.

Community Benefits

Scotland Excel is committed to maximising community benefits delivered through the framework for our members and local communities.

As part of the tender process, suppliers were required to confirm whether they would comply with our community benefits approach for the lifetime of the framework and were scored on their ability to deliver it.

This approach is designed to deliver local community benefits based on individual members spend thresholds as well as an overall framework spend threshold to ensure the community benefits being delivered is maximised.

All 14 of the recommended suppliers confirmed their acceptance of the community benefits approach.

The community benefits approach focused on supporting the Scottish Government's National Performance Framework, and the benefits delivered should support, but are not limited to, the following indicators:

- We live in a Scotland that is the most attractive place for doing business in Europe
- We realise our full economic potential with more and better employment opportunities for our people
- Our young people are successful learners, confident individuals, effective contributors and responsible citizens;
- We reduce the local and global environment impact of our consumption and production.

Fair Work First Practices including the Real Living Wage

Scotland Excel and its members are committed to the delivery of high-quality public services and recognise that this is dependent on a workforce that is well-rewarded, well-motivated, well-led, has access to appropriate opportunities for training and skills development, are diverse and is engaged in decision making.

Within the technical section suppliers were asked a question on their approach to fair work practices and payment of the Real Living Wage to their workforce. This question was in accordance with the applicable Scottish Government guidance on "Fair Work First in Scottish Procurement".

Suppliers approach to fair work practices, included a range of positive work initiatives such as:

- Equal pay for work of equal value
- Training and development and apprenticeship programs
- Performance reviews
- Flexible working hours
- Providing channels for effective voice such as Employee working group, engaging with unions and other feedback mechanisms.

As detailed in Appendix 4, of the 14 recommended suppliers, 10 pay the Real Living Wage. Of these, 2 are accredited Real Living Wage Employers, 1 is currently progressing through the Living Wage accreditation process, 1 is committed to becoming accredited within two years and the remaining 6 suppliers are not accredited by the Living Wage Foundation but pay the Real Living Wage to all employees (except volunteers, apprentices and interns).

Of the 4 suppliers who do not pay all of their staff the Real Living Wage, 1 has committed to do so within the first 2 years of the framework. Scotland Excel will continue to work with suppliers to encourage greater coverage in those that pay the Real Living Wage, and also to monitor additional commitment made.

7. Contract Mobilisation and Management

All suppliers and participating members will be issued with a mobilisation pack containing all required details to launch the framework. Each supplier will be offered a mobilisation meeting, to outline the operation of the framework, roles and responsibilities, management information requirements and community benefits commitments.

In accordance with Scotland Excel's established contract and supplier management programme, this framework has been classified as class D. As such it will require annual supplier and user group reviews as appropriate. During the current market conditions Scotland Excel will continue to engage with suppliers on a regular basis to manage the response supply issues and ensure continuity of this essential service delivery for our members.

Meetings and engagement undertaken with suppliers will adhere to all applicable health and safety guidelines.

8. Summary

This framework for the supply and delivery of roadstone and ready mixed concrete aims to maximise collaboration, support councils' roads departments to deliver the various services they provide, promote added value and deliver best value. A range of benefits can be reported in relation to best value, sustainability and community benefits.

The Executive Sub Committee is requested to approve the recommendation to award this framework agreement to the suppliers as detailed in Appendix 3, Scoring and Recommendations.

Appendix 1 – Participation and Spend Summary – Supply and Delivery of Roadstone Materials 1621

Local Authority	Participation in contract	Participation Entry Date	Estimated Annual Spend	Source of Spend Data	Indexation (%)	% Estimated Forecast Savings	Basis of Savings Calculation
Aberdeen City	Yes	01-Oct-22	£250,000	Council Confirmed	6%	-1.97%	Benchmarking
Aberdeenshire	Yes	01-Oct-22	£500,000	Council Confirmed	6%	-1.97%	Benchmarking
Angus	Through T.C.	TBC	£0	Tayside Contracts	6%	-1.97%	Benchmarking
Argyll & Bute	Yes	01-Oct-22	£0	Council Confirmed	6%	-1.97%	Benchmarking
Clackmannanshire	Yes	01-Oct-22	£375,000	MI Data	6%	-1.97%	Benchmarking
Comhairle nan Eilean Siar	No	-	£0	Council Confirmed	6%	-1.97%	Benchmarking
Dumfries & Galloway	Yes	01-Oct-22	£500,000	Council Confirmed	6%	-1.97%	Benchmarking
Dundee City	Through T.C.	TBC	£0	Tayside Contracts	6%	-1.97%	Benchmarking
East Ayrshire	Yes	01-Oct-22	£1,500,000	Council Confirmed	6%	-1.97%	Benchmarking
East Dunbartonshire	No	-	£0	Council Confirmed	6%	-1.97%	Benchmarking
East Lothian	Yes	01-Oct-22	£750,000	Council Confirmed	6%	-1.97%	Benchmarking
East Renfrewshire	Yes	01-Oct-22	£875,000	MI Data	6%	-1.97%	Benchmarking
Edinburgh City	Yes	01-Oct-22	£1,250,000	Council Confirmed	6%	-1.97%	Benchmarking
Falkirk	Yes	01-Oct-22	£1,500,000	Council Confirmed	6%	-1.97%	Benchmarking
Fife	No	-	£0	Council Confirmed	6%	-1.97%	Benchmarking
Glasgow City	No	-	£0	Council Confirmed	6%	-1.97%	Benchmarking
Highland	Yes	01-Oct-22	£375,000	Council Confirmed	6%	-1.97%	Benchmarking
Inverclyde	Yes	01-Oct-22	£750,000	Council Confirmed	6%	-1.97%	Benchmarking
Midlothian	Yes	01-Oct-22	£0	Council Confirmed	6%	-1.97%	Benchmarking
Moray	Yes	01-Oct-22	£250,000	MI Data	6%	-1.97%	Benchmarking
North Ayrshire	Yes	01-Oct-22	£1,000,000	Council Confirmed	6%	-1.97%	Benchmarking
North Lanarkshire	No	-	£0	Council Confirmed	6%	-1.97%	Benchmarking
Orkney Islands	No	-	£0	Council Confirmed	6%	-1.97%	Benchmarking
Perth & Kinross	Through T.C.	TBC	£0	Tayside Contracts	6%	-1.97%	Benchmarking
Renfrewshire	Yes	01-Oct-22	£625,000	MI Data	6%	-1.97%	Benchmarking
Scottish Borders	Yes	01-Oct-22	£0	Council Confirmed	6%	-1.97%	Benchmarking
Shetland Islands	No	-	£0	Council Confirmed	6%	-1.97%	Benchmarking
South Ayrshire	Yes	01-Oct-22	£250,000	Council Confirmed	6%	-1.97%	Benchmarking
South Lanarkshire	Yes	01-Oct-22	£6,000,000	Council Confirmed	6%	-1.97%	Benchmarking
Stirling	No	-	£0	Council Confirmed	6%	-1.97%	Benchmarking
Tayside Contracts	TBD	TBC	TBD	TC awaiting to access	6%	-1.97%	Benchmarking
West Dunbartonshire	Yes	01-Oct-22	£750,000	Council Confirmed	6%	-1.97%	Benchmarking
West Lothian	Yes	01-Oct-22	£375,000	Council Confirmed	6%	-1.97%	Benchmarking
Total			£17,875,000				

Appendix 2 - SME Status – Supply and Delivery of Roadstone Materials 1621

TENDERER	SME STATUS	LOCATION	LOTS OFFERED	LOTS AWARDED
A&W Sinclair Ltd	Micro	Wick	2, 4	2, 4
Breedon Trading Limited	Large	Breedon on the Hill, Derby	1, 2, 3, 4	1, 2, 3, 4
GPH Builders Merchants Limited	Medium	Inverurie	2, 4	2, 4
Grange Quarry Limited	Small	Lockerbie	2	2
Hillhouse Quarry Group Limited	Medium	Troon	1, 2, 3, 4	1, 2, 3, 4
John Gunn & Sons Limited	Small	Lybster	1, 2, 3, 4	1, 2, 3, 4
Leiths (Scotland) Limited	Large	Aberdeen	1, 2, 3, 4	1, 2, 3, 4
Luce Bay Plant Hire Limited	Medium	Stranraer	2, 3, 4	2, 3, 4
Patersons of Greenoakhill Limited	Medium	Coatbridge	2, 4	2, 4
Pat Munro (Alness) Limited	Medium	Ross-shire	1, 2, 4	1, 2, 4
Skene Group Construction Services Limited	Medium	Glenrothes	2	2
Tarmac Trading Limited	Large	Solihull	1, 2, 4	1, 2, 4
Tillicoultry Quarries Limited	Medium	Kincardine on Forth	1, 2, 4	1, 2, 4
William Thompson & Son (Dumbarton) Limited	Medium	Dumbarton	2, 3, 4	2, 3, 4

Appendix 3 - Scoring and Recommendations – The Supply and Delivery of Roadstone Materials 1621

LOT 1 - COATED ROADSTONE		
Tenderer	Score	Awarded
Hillhouse Quarry Group Limited	96.05	Yes
Tillicoultry Quarries Limited	91.12	Yes
Tarmac Trading Limited	74.76	Yes
Breedon Trading Limited	65.98	Yes
Leiths (Scotland) Limited	61.50	Yes
Pat Munro (Aness) Limited	58.84	Yes
John Gunn & Sons Limited	57.84	Yes

LOT 3 - RECYCLED ROADSTONE		
Tenderer	Score	Awarded
William Thompson & Son (Dumbarton) Limited	94.34	Yes
Breedon Trading Limited	93.89	Yes
Hillhouse Quarry Group Limited	91.71	Yes
Leiths (Scotland) Limited	89.44	Yes
John Gunn & Sons Limited	89.29	Yes
Luce Bay Plant Hire Limited	85.53	Yes

LOT 2 - UNCOATED ROADSTONE		
Tenderer	Score	Awarded
Tillicoultry Quarries Limited	96.96	Yes
A&W Sinclair Ltd	90.67	Yes
John Gunn & Sons Limited	87.96	Yes
Hillhouse Quarry Group Limited	85.90	Yes
Breedon Trading Limited	81.13	Yes
Luce Bay Plant Hire Limited	79.38	Yes
GPH Builders Merchants Limited	77.03	Yes
Tarmac Trading Limited	74.28	Yes
William Thompson & Son (Dumbarton) Limited	73.37	Yes
Grange Quarry Limited	71.93	Yes
Patersons of Greenoakhill Limited	71.87	Yes
Leiths (Scotland) Limited	70.54	Yes
Pat Munro (Aness) Limited	69.59	Yes
Skene Group Construction Services Limited	60.06	Yes

LOT 4 - READY MIX CONCRETE		
Tenderer	Score	Awarded
Patersons of Greenoakhill Limited	85.94	Yes
A&W Sinclair Ltd	83.88	Yes
Breedon Trading Limited	83.29	Yes
Tillicoultry Quarries Limited	82.10	Yes
Luce Bay Plant Hire Limited	81.83	Yes
William Thompson & Son (Dumbarton) Limited	81.82	Yes
Hillhouse Quarry Group Limited	78.08	Yes
Leiths (Scotland) Limited	75.56	Yes
John Gunn & Sons Limited	73.23	Yes
Pat Munro (Aness) Limited	72.02	Yes
Tarmac Trading Limited	64.61	Yes
GPH Builders Merchants Limited	64.07	Yes

Appendix 4 – List of Recommended Suppliers with Living Wage Status

	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
SUPPLIER	Accredited	Currently going through the process of becoming a Real Living Wage employer	Pay Real Living Wage to all employees, and committed to gaining accreditation over the initial 2 years of framework	Pay Real Living Wage to all employees, but not accredited	Neither accredited nor paying Real Living Wage, but do commit to pay the Real Living Wage to all employees over the initial 2 years of the framework	Neither accredited nor paying Real Living Wage
A&W Sinclair Ltd				X		
Breedon Trading Limited						X
GPH Builders Merchants Limited						X
Grange Quarry Limited				X		
Hillhouse Quarry Group Limited	X					
John Gunn & Sons Limited	X					
Leiths (Scotland) Limited		X				
Luce Bay Plant Hire Limited			X			
Patersons of Greenoakhill Limited						X
Pat Munro (AIness) Limited					X	
Skene Group Construction Services Limited				X		
Tarmac Trading Limited				X		
Tillicoultry Quarries Limited				X		
William Thompson & Son (Dumbarton) Limited				X		

Appendix 5 – Segmentation Classifications

1621 Supply and Delivery of Roadstone Materials is classified as class D.

There are five segmentation classifications and these classifications are rated from Class A to Class E. Each classification has contract and supplier management activities associated with it based on pre-determined weighted criteria.

Class A

Due to the unique and bespoke nature of the frameworks that fall within this class, a contract management plan to be developed and agreed with CSG.

Class B

Quarterly supplier contact, six monthly surveys, annual UIG, frequent support to councils, suppliers and external stakeholders requiring high level of procurement expertise, extensive contract monitoring.

Class C

Six monthly supplier contact, six monthly to annual surveys, annual UIG, regular support to councils, suppliers and external stakeholders requiring procurement expertise, high contract monitoring.

Class D

Annual supplier contact, annual surveys, optional annual UIG, ad-hoc support to councils, suppliers and external stakeholders potentially requiring procurement expertise, regular contract monitoring.

Class E

Annual supplier contact (if required), optional annual surveys, no requirement for annual UIG, straightforward ad-hoc support to councils, suppliers and potentially requiring procurement assistance, basic contract monitoring.

Scotland Excel

To: Executive Sub-Committee

On: 19 August 2022

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

Tender: Salt for Winter Road Maintenance

Schedule: 15/21

Period: 1 November 2022 until 31 October 2026

1. Introduction and Background

This recommendation is for the award of a fourth-generation framework for Salt for Winter Road Maintenance.

This proposed framework will be for a period of up to four years from 1 November 2022 until 31 October 2026. Subject to approval and completion of a successful standstill period, the framework is intended to commence on 1 November 2022.

The current framework for Salt for Winter Maintenance is due to expire on 31 October 2022, following the completion of an extension period.

This framework covers a full range of salt and de-icing equipment and accessories including bulk and bagged rock salt, marine salt and treated salt to allow councils to deliver various public services.

The report summarises the outcome of the procurement process for this national framework arrangement.

2. Scope, Participation and Spend

As part of the strategy development, the User Intelligence Group (UIG) endorsed the inclusion of seven lots as summarised in Table 1.

This strategy is designed to align with council requirements, whilst also recognising the current structure of the marketplace, as well as maximising opportunities for local Small to Medium sized Enterprises (SMEs) within the sector.

Table 1: Lotting Structure

Lot Number	Description	Estimated % of Spend
Lot 1	Rock Salt to Harbour/Port	30%
Lot 2	Rock Salt to Depot	50%
Lot 3	Bagged Salt	20%
Lot 4	Marine Salt to Depot	
Lot 5	Treated Marine Salt	
Lot 6	De-Icing Preparations and Equipment	
Lot 7	Grit Bins and Other Equipment and Accessories	

As detailed in Appendix 1, all 32 councils plus Tayside Contracts have indicated participation in this framework. In addition, all associate members were named in the contract notice, and have the option to use the framework. It is expected that the highest participation from Associate Members will be Housing Associations, Leisure and Culture organisations, NHS, APUC, Police Scotland and the Scottish Fire Service with a combined spend of around £160,000 annually.

The framework was advertised with an estimated value of £70m over the maximum 4-year period. This value was derived from anticipated council spend of c.£16m annually with additional provision for extreme weather conditions for winter periods over the four years.

3. Procurement Process

A UIG (User Intelligence Group) consisting of representatives from participating councils endorsed the procurement strategy on 16 February 2022. In addition, a working group of technical and procurement representatives was formed to review the lot structure, technical specifications and participate in the evaluation.

A Prior Information Notice (PIN) containing an invitation to a preliminary market consultation in accordance with Regulation 41 of the Public Contracts (Scotland) Regulations was published on 22 September 2021 via the Public Contracts Scotland (PCS) advertising portal, which resulted in expressions of interest from 14 organisations. Suppliers were given the opportunity to provide Scotland Excel with information in relation to, but not limited to, market intelligence, market trends and sustainability initiatives to help inform the strategy.

Thereafter, in order to ensure maximum competition and the inclusion for all potential suppliers to service the framework, the UIG agreed that an open tender process should be followed to establish the framework.

The Contract Notice was published via the Find a Tender Service and the Public Contracts Scotland portal (PCS) on 10 Jun 2022 with the tender documentation being made available for immediate download from 10 Jun 2022, via the Public Contracts Scotland Tenders (PCS-T) system.

The procurement process followed a two-stage tendering procedure. At the first stage, bidders Single Procurement Document (SPD) Scotland responses were assessed against financial/ technical/professional capability and business probity requirements. Bidders were required to pass this stage to be eligible for award. At the second stage, offers were evaluated against the following criteria and weightings.

All Lots

Technical	20%
Commercial	80%

Within the technical section, bidders were required to evidence their knowledge and experience by responding to method statements which covered areas including; operational processes, sustainability, contingency plans, community benefits and fair work practices. In addition to these questions, bidders were asked to provide added value suggestions to councils. These are detailed below within Table 2.

Table 2: Technical Scoring Breakdown

Area	Maximum Score Available
Operational Processes	5
Sustainability	4
Contingency Plans	6
Community Benefits	3
Fair Work First Practices	2

Bidders were also asked to confirm which council areas they had the ability to service.

Within the commercial section, bidders were invited to offer on a lot-by-lot basis. Bidders were evaluated on the basis of the published evaluation methodology which for Lots 1, 2, 4 and 5 (Bulk Salt provision) was on a geographical/Council area basis and for Lots 3, 6 and 7 (Non Bulk Salt provision) was on a nationwide basis using a basket of goods approach..

4. Report on Offers Received

The tender document was downloaded by 14 organisations, with 6 tender responses received.

A summary of all offers received is provided in Appendix 2 – SME Status.

Based on the criteria and scoring methodology set out in the published tender document, a full evaluation of the compliant offers received was carried out. Appendix 3 sets out the scoring achieved by each bidder.

5. Recommendations

Based on the evaluation undertaken, and in line with the criteria and weightings set out above, it is recommended that a multi supplier framework arrangement is awarded to 6 suppliers across the seven lots as outlined in Appendix 3, Scoring and Recommendations.

The 6 recommended suppliers can meet operational requirements, provide a range of choice and capacity for council members, all are classified as SME's with 1 of which being classified as a micro organisation.

6. Benefits

Savings

Scotland Excel conducted a benchmarking exercise, the result of which is detailed in Appendix 1.

The benchmarking exercise took the current framework winter rates for bulk product prices and compared these against the new framework winter rates for bulk product prices from Lot 1 and Lot 2. The average increase was taken for each supplier's volume of product consumed over each council area.

Given current market conditions and analysis including our indexation model, it was anticipated that an increase for salt products was likely, and benchmarking has confirmed an average increase of around 7.98%. This is representative of the ongoing challenging market conditions faced by suppliers over the course of the last year. The difficulties to the economy caused by the Ukraine-Russian war have driven increases in fuel, freight and shipping costs. Mining companies have also been faced with the removal of fuel duty exemption on plant equipment and substantial rising energy costs in the retail market.

Analysis of our indexation model, as shown in Figure 1, suggests that the current framework costs are around 8% lower than the market price. When this is considered with the 7.98% increase, we would therefore recommend the new framework is approved with a neutral savings position.

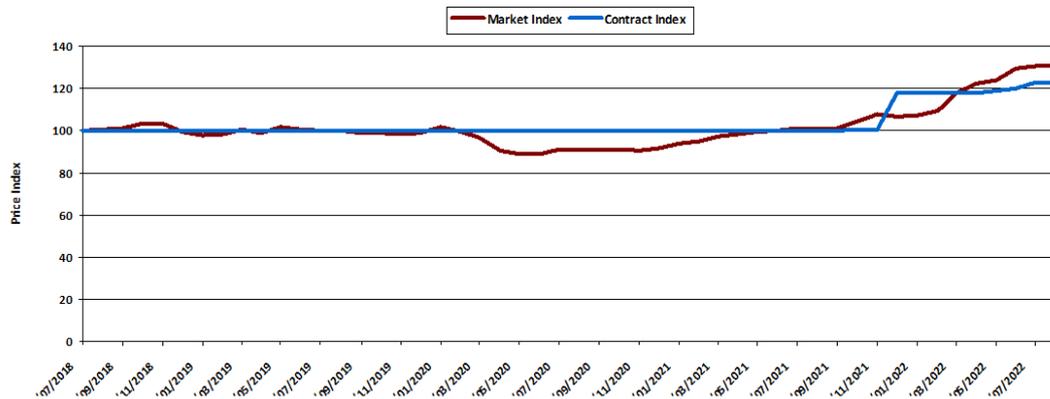
Tracking of the market conditions through Scotland Excel's established indexation processes will continue to ensure that the framework provides value for money in a volatile and unstable materials market.

Indexation Report - Salt for Winter Maintenance



Schedule No: 2917
 Contract Title: Salt for Winter Maintenance
 Contract Manager: David Kerr
 Start Date: 01/07/2018

Index	Type	Index Weighting (%)
Road Fuel - Diesel	Standard	45
PPI Rock Salt	Specific	26
Distillate Marine Diesel	Specific	10
Freight Services	Specific	7
Consumer Price Index	Standard	5
B of E Monthly Average Exchange Rate Index- E	Standard	5
Red Diesel	Specific	2



Notes:

The Contract Index tracks the general movement in contract prices and not the actual contract price paid. The Market Index tracks the general market movement against a weighted basket of relevant indices and not the current index levels. This report should be used as a guide only.

Produced by Scotland Excel - 01/08/2022

Figure 1: Salt Indexation Report

Price Stability

All service providers have agreed to the stated fixed price period of four month from the start of the framework. Provision thereafter is for price reviews quarterly for all lots to accommodate market fluctuations and the applicable contract conditions were drafted to reflect this, and to accommodate 'exceptional' circumstances. All requests for price increases will be evaluated against prevailing market conditions and require supporting documentary evidence.

Rebate

This framework is subject to a retrospective rebate being paid to Scotland Excel on spend data per supplier per annum over £500,000. The rebate will be calculated based on all framework spend reported through supplier management information returns.

Sustainable Procurement Benefits

Within the technical section of the tender, the sustainability method statement assessed bidders on how they would provide a positive environmental impact and support the Scottish Governments' Climate change policies for achieving Net Zero.

A range of sustainable measures were outlined by bidders including;

- Sustainable/innovative products being researched/developed
- Sustainable/innovative methods of recycling of products and packaging
- Reducing carbon footprint

2 of the recommended suppliers also have a documented policy on how their organisation will achieve Net Zero.

Community Benefits

Scotland Excel is committed to maximising community benefits delivered through the framework for our members and local communities.

As part of the tender process, suppliers were required to confirm whether they would comply with our community benefits approach for the lifetime of the framework and were scored on their ability to deliver it.

This approach is designed to deliver local community benefits based on individual members spend thresholds as well as an overall framework spend threshold to ensure the community benefits being delivered is maximised.

5 of the recommended suppliers confirmed their acceptance of the community benefits approach. The remaining supplier who indicated that they would support the delivery of community benefits has clarified their position, which is that they are committed to supporting community development through an internal charity committee.

The community benefits approach focused on supporting the Scottish Government's National Performance Framework, and the benefits delivered should support, but are not limited to, the following indicators:

- We take seriously the wellbeing and skills of our workforce and provide good quality, fair work, training and employment support for all
- We live in a clean and unpolluted environment and aspire to being the greenest country in the world
- We recognize the fundamental equality of all humans and strive to reflect this in our day to day functioning as a nation;
- We reduce the local and global environment impact of our consumption and production.

Fair Work First Practices including the Real Living Wage

Scotland Excel and its members are committed to the delivery of high-quality public services and recognise that this is dependent on a workforce that is well-rewarded, well-motivated, well-led, has access to appropriate opportunities for training and skills development, are diverse and is engaged in decision making.

Within the technical section suppliers were asked a question on their approach to fair work practices and payment of the Real Living Wage to their workforce. This question was in accordance with the applicable Scottish Government guidance on “Fair Work First in Scottish Procurement”.

Suppliers approach to fair work practices, included a range of positive work initiatives such as:

- Employee resource groups providing a distinct and effective voice for employees engaging with unions and Senior management teams
- Training and development programs for all staff
- Flexible working hours and flexible home working arrangements
- Regular opinion surveys with actions for improvement
- Providing channels for effective voice such as Employee working group, engaging with unions and other feedback mechanisms.
- Employee health and mental well being benefits

As detailed in Appendix 4, of the 6 recommended suppliers, all 6 pay the Real Living Wage. Of these, 1 is accredited by the Living Wage Foundation and the other 5 pay the Real Living Wage to all employees (except volunteers, apprentices and interns).

Scotland Excel will continue to monitor Fair Work Practices, including encouraging further uptake by suppliers committing to paying staff the Real Living Wage, during contract and supplier management activity

7. Contract Mobilisation and Management

All suppliers and participating members will be issued with a mobilisation pack containing all required details to launch the framework. Each supplier will be offered a mobilisation meeting, to outline the operation of the framework, roles and responsibilities, management information requirements and community benefits commitments.

In accordance with Scotland Excel's established contract and supplier management programme, in terms of risk and spend as detailed in Appendix 5, this framework has been classified as class D. As such it will require annual supplier and user group reviews as appropriate. During the current market conditions Scotland Excel will continue to engage with suppliers on a regular basis to manage the response supply issues and ensure continuity of this essential service delivery for our members.

8. Summary

This framework for Salt for Winter Road Maintenance aims to maximise collaboration, allow members to deliver the various services they provide as well as supporting Winter Road Maintenance Programmes through delivery of best value. A range of benefits can be reported in relation to best value, sustainability and community benefits.

The Executive Sub Committee is requested to approve the recommendation to award this framework agreement to the suppliers as detailed in Appendix 3, Scoring and Recommendations.

Appendix 1 – Participation and Spend Summary – Salt for Winter Road Maintenance 1521

Local Authority	Participation in contract	Participation Entry Date	Estimated Annual Spend	Source of Spend Data	Indexation (%)	% Estimated Forecast Savings	Basis of Savings Calculation
Aberdeen City	Yes	01-Nov-22	£300,000	Management Info	8.00%	-8.00%	Benchmarking
Aberdeenshire	Yes	01-Nov-22	£1,500,000	Council Confirmed	8.00%	-8.00%	Benchmarking
Angus	Yes	01-Nov-22	£2,500	Management Information	8.00%	-8.00%	Benchmarking
Argyll & Bute	Yes	01-Nov-22	£600,000	Council Confirmed	8.00%	-8.00%	Benchmarking
Clackmannanshire	Yes	01-Nov-22	£244,000	Council Confirmed	8.00%	-8.00%	Benchmarking
Comhairle nan Eilean Siar	Yes	01-Nov-22	£38,000	Council Confirmed	8.00%	-8.00%	Benchmarking
Dumfries & Galloway	Yes	01-Nov-22	£240,000	Council Confirmed	8.00%	-8.00%	Benchmarking
Dundee City	Yes	01-Nov-22	£320,000	Management Information	8.00%	-8.00%	Benchmarking
East Ayrshire	Yes	01-Nov-22	£2,500	Council Confirmed	8.00%	-8.00%	Benchmarking
East Dunbartonshire	Yes	01-Nov-22	£457,338	Council Confirmed	8.00%	-8.00%	Benchmarking
East Lothian	Yes	01-Nov-22	£150,000	Management Information	8.00%	-8.00%	Benchmarking
East Renfrewshire	Yes	01-Nov-22	£190,000	Council Confirmed	8.00%	-8.00%	Benchmarking
Edinburgh City	Yes	01-Nov-22	£230,000	Council Confirmed	8.00%	-8.00%	Benchmarking
Falkirk	Yes	01-Nov-22	£15,000	Management Information	8.00%	-8.00%	Benchmarking
Fife	Yes	01-Nov-22	£241,284	Council Confirmed	8.00%	-8.00%	Benchmarking
Glasgow City	Yes	01-Nov-22	£600,000	Council Confirmed	8.00%	-8.00%	Benchmarking
Highland	Yes	01-Nov-22	£1,600,000	Council Confirmed	8.00%	-8.00%	Benchmarking
Inverclyde	Yes	01-Nov-22	£300,000	Council Confirmed	8.00%	-8.00%	Benchmarking
Midlothian	Yes	01-Nov-22	£122,000	Council Confirmed	8.00%	-8.00%	Benchmarking
Moray	Yes	01-Nov-22	£387,000	Management Information	8.00%	-8.00%	Benchmarking
North Ayrshire	Yes	01-Nov-22	£300,000	Management Information	8.00%	-8.00%	Benchmarking
North Lanarkshire	Yes	01-Nov-22	£58,510	Council Confirmed	8.00%	-8.00%	Benchmarking
Orkney Islands	Yes	01-Nov-22	£8,000	Council Confirmed	8.00%	-8.00%	Benchmarking
Perth & Kinross	Yes	01-Nov-22	£150,000	Management Information	8.00%	-8.00%	Benchmarking
Renfrewshire	Yes	01-Nov-22	£1,400,000	Council Confirmed	8.00%	-8.00%	Benchmarking
Scottish Borders	Yes	01-Nov-22	£260,000	Council Confirmed	8.00%	-8.00%	Benchmarking
Shetland Islands	Yes	01-Nov-22	£351,216	Council Confirmed	8.00%	-8.00%	Benchmarking
South Ayrshire	Yes	01-Nov-22	£1,700,000	Council Confirmed	8.00%	-8.00%	Benchmarking
South Lanarkshire	Yes	01-Nov-22	£200,000	Management Information	8.00%	-8.00%	Benchmarking
Stirling	Yes	01-Nov-22	£565,000	Council Confirmed	8.00%	-8.00%	Benchmarking
Tayside Contracts	Yes	01-Nov-22	£2,000,000.00	Tayside Confirmed	8.00%	-8.00%	Benchmarking
West Dunbartonshire	Yes	01-Nov-22	£102,240	Council Confirmed	8.00%	-8.00%	Benchmarking
West Lothian	Yes	01-Nov-22	£1,500,000	Council Confirmed	8.00%	-8.00%	Benchmarking
Associate Members	Yes	01-Nov-22	£161,000	Management Information	8.00%	-8.00%	Benchmarking
Total			£16,295,588				

Appendix 2 - SME Status – Salt for Winter Road Maintenance 1521

TENDERER	SME STATUS	LOCATION	LOTS OFFERED	LOTS AWARDED
Compass Minerals UK Limited	Medium	Winsford	2,5	2,5
Glasdon (UK) Limited	Medium	Blackpool	6,7	6,7
ICL UK (Sales) Limited	Medium	Cleveland	2	2
J.C. Peacock & Co., Limited	Medium	Ayr	3,4,6,7	3,4,6,7
Safecote Limited	Micro	Stockport	6	6
IRISH SALT MINING AND EXPLORATION COMPANY LIMITED-THE	Medium	Carrickfergus	1,2	1,2

Appendix 3 - Scoring and Recommendations – Salt for Winter Road Maintenance 1521

Lot 1 - Bulk Rock Salt Delivered to Harbour/Port					
Argyll and Bute	Final Score	Awarded	Highland Council	Final Score	Awarded
IRISH SALT MINING AND EXPLORATION COMPANY LIMITED-THE	98.50	Yes	IRISH SALT MINING AND EXPLORATION COMPANY LIMITED-THE	98.50	Yes
North Ayrshire	Final Score	Awarded	Orkney	Final Score	Awarded
IRISH SALT MINING AND EXPLORATION COMPANY LIMITED-THE	98.50	Yes	IRISH SALT MINING AND EXPLORATION COMPANY LIMITED-THE	98.50	Yes
Shetland	Final Score	Awarded	Western Isles	Final Score	Awarded
IRISH SALT MINING AND EXPLORATION COMPANY LIMITED-THE	98.50	Yes	IRISH SALT MINING AND EXPLORATION COMPANY LIMITED-THE	98.50	Yes

Lot 2 - Bulk Rock Salt Delivered to Depot					
Aberdeen City	Final Score	Awarded	Aberdeenshire	Final Score	Awarded
ICL UK (Sales) Limited	98.75	Yes	ICL UK (Sales) Limited	98.75	Yes
Compass Minerals UK Limited	68.73	Yes	Compass Minerals UK Limited	67.04	Yes
Argyll and Bute	Final Score	Awarded	Clackmannanshire	Final Score	Awarded
IRISH SALT MINING AND EXPLORATION COMPANY LIMITED-THE	98.50	Yes	IRISH SALT MINING AND EXPLORATION COMPANY LIMITED-THE	98.50	Yes
Compass Minerals UK Limited	80.99	Yes	Compass Minerals UK Limited	90.08	Yes

Dumfries & Galloway	Final Score	Awarded
Compass Minerals UK Limited	94.75	Yes
ICL UK (Sales) Limited	76.76	Yes

East Dunbartonshire	Final Score	Awarded
IRISH SALT MINING AND EXPLORATION COMPANY LIMITED-THE	98.50	Yes
Compass Minerals UK Limited	85.16	Yes

East Renfrewshire	Final Score	Awarded
IRISH SALT MINING AND EXPLORATION COMPANY LIMITED-THE	98.50	Yes
Compass Minerals UK Limited	84.75	Yes

Fife	Final Score	Awarded
ICL UK (Sales) Limited	98.75	Yes
Compass Minerals UK Limited	80.99	Yes

Inverclyde	Final Score	Awarded
IRISH SALT MINING AND EXPLORATION COMPANY LIMITED-THE	98.50	Yes
Compass Minerals UK Limited	84.10	Yes

Moray	Final Score	Awarded
IRISH SALT MINING AND EXPLORATION COMPANY LIMITED-THE	98.50	Yes
Compass Minerals UK Limited	79.69	Yes

East Ayrshire	Final Score	Awarded
IRISH SALT MINING AND EXPLORATION COMPANY LIMITED-THE	98.50	Yes
Compass Minerals UK Limited	86.24	Yes

East Lothian	Final Score	Awarded
ICL UK (Sales) Limited	98.75	Yes
Compass Minerals UK Limited	80.27	Yes

Edinburgh City Council	Final Score	Awarded
ICL UK (Sales) Limited	98.75	Yes
Compass Minerals UK Limited	80.99	Yes

Glasgow	Final Score	Awarded
IRISH SALT MINING AND EXPLORATION COMPANY LIMITED-THE	98.50	Yes
Compass Minerals UK Limited	86.23	Yes

Midlothian	Final Score	Awarded
ICL UK (Sales) Limited	98.75	Yes
Compass Minerals UK Limited	82.92	Yes

North Ayrshire	Final Score	Awarded
IRISH SALT MINING AND EXPLORATION COMPANY LIMITED-THE	98.50	Yes
Compass Minerals UK Limited	84.98	Yes

Renfrewshire	Final Score	Awarded
IRISH SALT MINING AND EXPLORATION COMPANY LIMITED-THE	98.50	Yes
Compass Minerals UK Limited	85.16	Yes

Scottish Borders	Final Score	Awarded
ICL UK (Sales) Limited	98.75	Yes
Compass Minerals UK Limited	86.83	Yes

South Ayrshire	Final Score	Awarded
IRISH SALT MINING AND EXPLORATION COMPANY LIMITED-THE	98.50	Yes
Compass Minerals UK Limited	84.43	Yes

South Lanarkshire	Final Score	Awarded
IRISH SALT MINING AND EXPLORATION COMPANY LIMITED-THE	96.57	Yes
Compass Minerals UK Limited	94.75	Yes

Stirling	Final Score	Awarded
IRISH SALT MINING AND EXPLORATION COMPANY LIMITED-THE	98.50	Yes
Compass Minerals UK Limited	87.19	Yes

Tayside Contracts	Final Score	Awarded
ICL UK (Sales) Limited	98.75	Yes
Compass Minerals UK Limited	76.83	Yes

West Dunbartonshire	Final Score	Awarded
IRISH SALT MINING AND EXPLORATION COMPANY LIMITED-THE	98.50	Yes
Compass Minerals UK Limited	85.43	Yes

West Lothian	Final Score	Awarded
ICL UK (Sales) Limited	98.75	Yes
Compass Minerals UK Limited	78.97	Yes

Lot 3 - Bagged Salt		
Supplier	Final Score	Awarded
J.C. Peacock & Co., Limited	97.25	Yes

Lot 4 - Bulk Marine Salt Delivered to Depot		
North Lanarkshire	Final Score	Awarded
J.C. Peacock & Co., Limited	97.25	Yes

Renfrewshire	Final Score	Awarded
J.C. Peacock & Co., Limited	97.25	Yes

South Lanarkshire	Final Score	Awarded
J.C. Peacock & Co., Limited	97.25	Yes

Tayside Contracts	Final Score	Awarded
J.C. Peacock & Co., Limited	97.25	Yes

Lot 5 - Bulk Treated Salt Delivered to Depot		
Dumfries & Galloway	Final Score	Awarded
Compass Minerals UK Limited	94.75	Yes

Lot 6 - De-Icing Preparations and Equipment		
Supplier	Final Score	Awarded
J.C. Peacock & Co., Limited	97.25	Yes
Safecote Limited	73.24	Yes
Glasdon (UK) Limited	67.88	Yes

Lot 7 - Equipment and Accessories		
Supplier	Final Score	Awarded
J.C. Peacock & Co., Limited	97.25	Yes
Glasdon (UK) Limited	64.86	Yes

Appendix 4 – List of Recommended Suppliers with Living Wage Status

	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
SUPPLIER	Accredited	Currently going through the process of becoming a Real Living Wage employer	Pay Real Living Wage to all employees, and committed to gaining accreditation over the initial 4 years of framework	Pay Real Living Wage to all employees, but not accredited	Neither accredited nor paying Real Living Wage, but do commit to pay the Real Living Wage to all employees over the initial 4 years of the framework	Neither accredited nor paying Real Living Wage
Compass Minerals UK Limited				X		
Glasdon (UK) Limited	X					
ICL UK (Sales) Limited				X		
J.C. Peacock & Co., Limited				X		
Safecote Limited				X		
IRISH SALT MINING AND EXPLORATION COMPANY LIMITED-THE				X		

Appendix 5 – Segmentation Classifications

1521 Salt for Winter Road Maintenance is classified as class D.

There are five segmentation classifications and these classifications are rated from Class A to Class E. Each classification has contract and supplier management activities associated with it based on pre-determined weighted criteria.

Class A

Due to the unique and bespoke nature of the frameworks that fall within this class, a contract management plan to be developed and agreed with CSG.

Class B

Quarterly supplier contact, six monthly surveys, annual UIG, frequent support to councils, suppliers and external stakeholders requiring high level of procurement expertise, extensive contract monitoring.

Class C

Six monthly supplier contact, six monthly to annual surveys, annual UIG, regular support to councils, suppliers and external stakeholders requiring procurement expertise, high contract monitoring.

Class D

Annual supplier contact, annual surveys, optional annual UIG, ad-hoc support to councils, suppliers and external stakeholders potentially requiring procurement expertise, regular contract monitoring.

Class E

Annual supplier contact (if required), optional annual surveys, no requirement for annual UIG, straightforward ad-hoc support to councils, suppliers and potentially requiring procurement assistance, basic contract monitoring.

Scotland Excel

To: Executive Sub-Committee

On: 19 August 2022

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

Tender: Provision and Delivery of Washroom Solution and Sanitary Products

Schedule: 0122

Period: 1 October 2022 until 30 September 2026

1. Introduction and Background

The current framework for Provision and Delivery of Washroom Solutions and Sanitary Products expires on 30 September 2022. This proposed framework will be for a period of four years from 1 October 2022 until 30 September 2026, which, subject to approval and completion of a standstill period, is anticipated to be 1 October 2022.

This framework will provide councils and associate members with a mechanism to procure a range of products and services including sanitary waste disposal, nappy waste disposal, sanitisers, air fresheners, sharps disposal, and medical waste disposal. An “on-loan” provision is also included for certain equipment, which is free of charge to Scotland Excel members, and also a second lot for sanitary products to support the Scottish Government’s commitment to promote dignity to women in educational establishments by providing free sanitary wear.

This report summarises the outcome of the procurement process for this national framework arrangement and presents recommendations for award.

2. Scope, Participation and Spend

As part of the strategy development, the commercial user intelligence group steering group (CUIG-SG) endorsed the inclusion of 2 lots as summarised in Table 1.

Table 1: Lotting Structure

Lot Number	Lot Name	Estimated Spend %
1	Washroom Solutions	75%
2	Sanitary Products	25%

The lotting structure recognises the importance of councils being able to procure a range of washroom solution services and sanitary products.

As detailed in Appendix 1, 31 councils and Tayside Contracts have confirmed their intention to participate in this framework and all 32 councils were included in the advertised contract notice.

The framework was advertised at a total value of £6 million per annum, which equates to an estimated spend of £24 million over the maximum 4-year term of the framework. This advertised spend allows for increased participation from councils and associate members not currently utilising the framework. It also allows for increased spend due to additional requirements as a result of:

- The increased requirement for additional products and disposal of nappy waste due to the Scottish Government's pledge to increase the provision of free early learning and childcare provision to 1140 hours per year by the end of 2022.
- The Scottish Government Period Products (Free Provision) (Scotland) Act 2021 ("the Act")

3. Procurement Process

A Prior Information Notice (PIN) was published in relation to this framework on 28 February 2022 which resulted in expressions of interest from 19 companies. Several supplier engagement meetings were held to understand the current marketplace, inform the supply base of Scotland Excel's intentions and to generate interest from tenderers including Small to Medium Enterprises (SME's).

The Contract Notice was published via the Find a Tender and Public Contracts Scotland (PCS) portal on 30 May 2022, with the tender documentation being immediately available via the Public Contracts Scotland Tender (PCS-T) system. The tender exercise was conducted and concluded in accordance with the legal guidelines and procedures currently in place.

The commercial user intelligence group steering group (CUIG-SG) have endorsed a 'fast-tracked' approach to opportunities meaning a more flexible approach to stakeholder engagement was taken. As a matter of best practice and to ensure that the framework aligned with the councils' requirements, a programme of consultation was conducted to understand current purchasing practices and future requirements that could be covered by this framework. This information was used to generate the specifications and selection/award criteria.

Scotland Excel has taken cognisance of the current situation relative to the Coronavirus pandemic. Balancing the current situation with the need to provide a route to market for councils to obtain washroom solutions and sanitary products, Scotland Excel has determined to proceed with the tender exercise to establish the above framework. Scotland Excel has carefully monitored the situation throughout the period of the tender exercise and determined it was

appropriate to undertake this renewal tender exercise and recommend the establishment of this framework.

The procurement exercise followed an open tender procedure to encourage maximum competition and participation. All suppliers were evaluated against the advertised selection criteria using the Single Procurement Document (SPD), and the stated award criteria for each lot of:

- Technical 30%
- Commercial 70%

Within the technical section, suppliers were required to evidence their knowledge and experience by responding to a series of technical areas which are detailed within Table 2 below.

Table 2: Technical Scoring

Questions - Technical Section	Points Available
LOT 1 WASHROOM SOLUTIONS	
Customer Communication and Staff Resources	4
Fair Work First	5
Recycling and Waste Disposal	8
Service Performance	8
Community Benefits	5
Overall Score	30

Questions - Technical Section	Points Available
LOT 2 SANITARY PRODUCTS	
Customer Communication and Staff Resources	4
Fair Work First	5
Recycling	10
Innovation and Added Value	6
Community Benefits	5
Overall Score	30

The commercial section of the tender was worth 70 points. Points were awarded in the commercial section based on comparison of all offers received, whilst accounting for the tenderer’s response to the commercial award criteria. Whilst minimum requirements were set Scotland Excel reserved the right to consider all submissions received, all in accordance with the published tender documents.

As part of the tender, tenderers were asked to indicate their ability to supply Council areas for the duration of the framework.

Following a full evaluation of all compliant offers, scoring was completed in accordance with the published tender evaluation methodology, and a score was calculated for each tenderer.

4. Report on Offers Received

Offers were received from 11 tenderers, a summary of which is provided in Appendix 2 (List of Tenderers).

A summary of all offers received, and their SME status is provided in Appendix 2.

Following a full evaluation, scoring was completed, and Appendix 3 confirms the scoring achieved by each bidder.

5. Recommendations

Based on the evaluation undertaken, and in line with the advertised criteria and weightings summarised above, it is recommended that a multi-supplier framework arrangement is awarded to 11 suppliers across the two lots as outlined in Appendix 3 (Scoring and Recommendations).

The recommended suppliers provide the choice, scope and range of products required by councils as well as representing best value. These suppliers also represent a mix of micro, small, medium and large organisations, with 7 of the recommended suppliers classified as SMEs, 2 of which are micro businesses.

6. Benefits

Savings

Scotland Excel conducted a benchmarking exercise on lot 1 based on the best price from the previous framework compared to the best price received in this tender using historic purchase volume information, the outcome of which details a small cost saving.

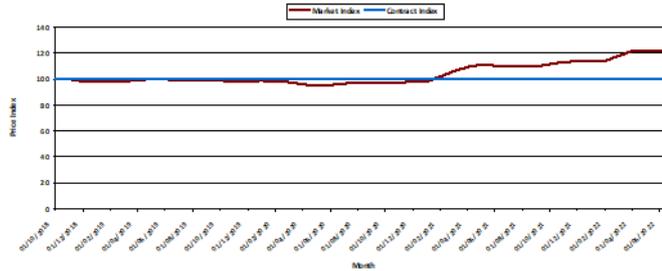
The projected average saving is 0.38% which equates to an estimated total saving of approximately £24,000 per annum across all councils based on current forecast spend levels. Although the saving is slight, given the market movement including surging energy prices, fuel pricing and elevated oil and gas prices this is seen as a positive. It should also be noted that the current framework contract is currently operating 20% under market conditions as detailed in the contract indexation report (Figure 1) This would represent a cost avoidance of approximately £1.2m against the estimated annual spend figure, as shown in Appendix 1. This saving is in addition to the conducted benchmarking exercise and is a result of tight contract management procedures.

Indexation Report - Washroom Solutions and Sanitary Products



Schedule No: 3217
 Contract Title: Washroom Solutions and Sanitary Products
 Contract Manager: James Kenney
 Start Date: 01/10/2018

Index	Type	Index Weighting (%)
Consumer Price Index	Standard	30
Service Producer Price Index (SPPI)	Specific	30
Plasticx	Standard	20
Landfill Tax - UK Government	Specific	10
Road Fuel - Diesel	Standard	10



Notes:

The Contract Index tracks the general movement in contract prices and not the actual contract price paid. The Market Index tracks the general market movement against a weighted basket of relevant indices and not the current index levels. This report should be used as a guide only.

Produced by Scotland Excel - 07/07/2022

Figure 1 : Contract Indexation Report

Price Stability

Price Stability was not scored for this tender due to ongoing market uncertainty at the time of tendering. However, a 12-month price stability clause was included and all suppliers have agreed to this.

Subsequent pricing will then be held for a 12-month period with any price variance request within these windows being considered in accordance with the defined Scotland Excel process. All requests will be evaluated against market indices, pricing, fuel, and packaging costs.

Rebate

A rebate of 0.5% payable to Scotland Excel will apply to annual Framework Spend above £400,000 with the Contractor.

Sustainable Procurement Benefits

Within the technical section of the tender, Scotland Excel included a number of sustainability related method statements, including:

- Reducing plastics
- Recycling of Waste
- Waste Reduction Initiatives

Responses received highlight various approaches to reducing single use plastics in packaging and products, plastic free packaging and products, reusable products, carbon offsetting and switching to electric vehicles. Lot 2 of the framework had an increased focus on reusable and sustainable sanitary products in a bid to help move away from single use, disposable products.

Scotland Excel will continue to monitor any changes in legislation that may affect the framework during its lifetime and will work with successful suppliers and councils to implement these.

Community Benefits

Suppliers were asked to commit to the delivery of community benefit initiatives, against pre-agreed spend thresholds outlined within the community benefits method statement. These aim to be reflective of the National Indicators outlined within the Scottish Government's National Performance framework, and their underlying vision and goals. Councils will accrue 'community benefit points' based on their level of spend with a supplier. These 'points' correlate to a negotiable benefit that the council can elect to receive at any given point throughout the lifetime of the framework. All 11 recommended suppliers have committed to delivering these benefits. Scotland Excel will continue to engage with all appointed suppliers to drive maximum adoption and delivery of community benefits where appropriate.

Within the community benefit tender documentation, suppliers were given a list of indicative community benefits that could be agreed with councils. Examples of these are:

- Fundraising event for external charities / initiatives within the council
- Work placements to school students from councils
- Support local food banks and community pantry initiatives
- Support holiday hunger programmes
- Sponsorship of sports team or community event within the council to the value of £500
- Recruit a modern (or other approved) apprentice from within the council area
- Recruit one person from within the council area

Scotland Excel will monitor delivery of these commitments during the lifetime of the framework, and this will also be reported through ongoing contract management returns. Results reported on community benefits will be disseminated to councils on a 6 monthly period basis.

Fair Work First including Real Living Wage

Scotland Excel recognises the importance of fair work practices in the delivery of effective public services. Within the technical section of the tender, one of the method statements assessed tenderers on areas such as how they will commit to fair work practices. These include payment of the Real Living Wage, a fair pay

policy, improving wider diversity of staff and avoiding exploitative employment practices, such as no inappropriate use of zero hours contracts. Of the 11 recommended suppliers, 8 pay their staff the Real Living Wage. Of these, 5 are currently accredited Real Living Wage employers, 3 pay the Real Living Wage to all employees but are not accredited and 2 are committed to gaining accreditation over the initial 2 year period of the framework. Of the remaining 3, 1 supplier has committed to pay their staff the Real Living Wage over the first 2 years of the framework.

Scotland Excel will continue to monitor Fair Work Practices including encouraging further uptake by those suppliers not currently committing to paying staff the Real Living Wage, through contract and supplier management activity. Scotland Excel will also highlight to the suppliers not currently paying the Real Living Wage that while this is maintained any Real Living Wage accredited council will be unable to consider them for business.

Appendix 4 shows a breakdown of responses received from Tenderers on their approach to fair work practices and their position on the payment of the Real Living Wage.

7. Contract Mobilisation and Management

As part of the mobilisation process, all suppliers will be invited to a contract mobilisation meeting to outline the operation of the framework. This will include roles and responsibilities, management information requirements and community benefits reporting. Suppliers and participating councils will be issued with a mobilisation pack containing all required details which will enable them to utilise the framework.

In accordance with Scotland Excel's established contract and supplier management programme, this framework has been classified as a category D framework. As such, a contract management plan is to be developed and agreed with the Contract Steering Group (CSG), whilst monitoring management information and community benefits associated with this framework. A summary of contract and supplier management classifications can be found in Appendix 5.

Supplier performance will be monitored by the contract supplier management process where surveys will be issued to councils for feedback on elements of the framework such as quality and service. This feedback will form the basis of contract management meetings with suppliers, who will be able to review the feedback and if required initiate an improvement programme.

Meetings and engagement undertaken with suppliers will adhere to all applicable health and safety guidelines.

8. Summary

This is the fourth-generation framework for the Provision and Delivery of Washroom Solutions and Sanitary Products which aims to maximise collaboration, consolidate demand, and deliver best value. A range of benefits can be reported in relation to savings, price stability, sustainability and community benefits.

The Executive Sub Committee is requested to approve the recommendation detailed in Section 5 (Recommendations) of the report, to award this framework to the suppliers detailed within Appendix 3 (Scoring and Recommendations).

Appendix 1 Council Participation and Spend

Member Name	Participation in New Framework	Participation Entry Date	Estimated Annual Spend (£)	Source of Spend Data	Indexation	% Estimated Forecast Savings	Estimated Annual Savings (£)
Aberdeen City Council	Yes	01 October 2022	£164,133	MI	20%	0.40%	£657
Aberdeenshire Council	Yes	01 October 2022	£309,794	MI	20%	0.40%	£1,239
Angus Council	Yes	01 October 2022	£120,068	Council Confirmed	20%	0.40%	£480
Argyll and Bute Council	Yes	01 October 2022	£58,506	Council Confirmed	20%	0.40%	£234
Clackmannanshire Council	Yes	01 October 2022	£49,834	MI	20%	0.40%	£199
Comharlie Nan Eilian Siar	Yes	01 October 2022	-		20%	0.40%	-
Dumfries and Galloway Council	Yes	01 October 2022	£2,421	MI	20%	0.40%	£10
Dundee City Council	Yes	01 October 2022	£836,522	Council Confirmed	20%	0.40%	£3,346
East Ayrshire Council	Yes	01 October 2022	£201,406	MI	20%	0.40%	£806
East Dunbartonshire Council	Yes	01 October 2022	£60,000	Council Confirmed	20%	0.40%	£240
East Lothian Council	Yes	01 October 2022	£110,869	Council Confirmed	20%	0.40%	£443
East Renfrewshire Council	Yes	01 October 2022	£84,395	MI	20%	0.40%	£338
Falkirk Council	Yes	01 October 2022	£65,762	Council Confirmed	20%	0.40%	£263
Fife Council	Yes	01 October 2022	£589,757	Council Confirmed	20%	0.40%	£2,359
Glasgow City Council	Yes	01 October 2022	£450,000	Council Confirmed	20%	0.40%	£1,800
Highland Council	Yes	01 October 2022	£9,047	MI	20%	0.40%	£36
Inverclyde Council	Yes	01 October 2022	£47,970	MI	20%	0.40%	£192

Midlothian Council	Yes	01 October 2022	£106,024	MI	20%	0.40%	£424
North Ayrshire Council	Yes	01 October 2022	£99,733	Council Confirmed	20%	0.40%	£399
North Lanarkshire Council	Yes	01 October 2022	£176,667	Council Confirmed	20%	0.40%	£707
Orkney Islands	Yes	01 October 2022	£4,560	MI	20%	0.40%	£18
Perth and Kinross Council	Yes	01 October 2022	£61,116	Council Confirmed	20%	0.40%	£244
Renfrewshire Council	Yes	01 October 2022	£495,682	MI	20%	0.40%	£1,983
Scottish Borders Council	Yes	01 October 2022	£124,004	Council Confirmed	20%	0.40%	£496
Shetland Islands Council	No	01 October 2022	-		20%	0.40%	-
South Ayrshire Council	Yes	01 October 2022	£193,453	Council Confirmed	20%	0.40%	£774
South Lanarkshire Council	Yes	01 October 2022	£557,856	Council Confirmed	20%	0.40%	£2,231
Stirling Council	Yes	01 October 2022	£40,992	Council Confirmed	20%	0.40%	£164
Tayside Contracts	Yes	01 October 2022	£5,132	Council Confirmed	20%	0.40%	£21
The City of Edinburgh Council	Yes	01 October 2022	£243,030	Council Confirmed	20%	0.40%	£972
The Moray Council	Yes	01 October 2022	£46,912	Council Confirmed	20%	0.40%	£188
West Dunbartonshire Council	Yes	01 October 2022	£118,703	MI	20%	0.40%	£475
West Lothian Council	Yes	01 October 2022	£138,716	Council Confirmed	20%	0.40%	£555
Associate Member Spend	Yes	01 October 2022	£416,137	MI	20%	0.40%	£1,665
Totals			£5,989,201		£1,197,840		£23,957

Appendix 2 - List of Tenderers with SME Status

Name of Tenderers	SME Status	Location	Lots Tendered	Lots Awarded
Citron Hygiene UK Limited	Large	Ashby-De-La-Zouch, England	1	1
Co-An UK Limited	Small	Perthshire, Scotland	1 & 2	1 & 2
Elis UK Limited	Large	Basingstoke, England	1	1
Eco Hygiene Care Ltd	Micro	Bristol, England	2	2
Hey Girls CIC	Small	Musselburgh, Scotland	2	2
Perfect Hygiene Limited	Small	Aberdeen, Scotland	1 & 2	1 & 2
Personnel Hygiene Services Limited	Large	Caerphilly, Wales	1 & 2	1 & 2
Rentokil Initial UK Ltd	Large	Crawley, England	1 & 2	1 & 2
TCS-Eco Ltd	Micro	Irvine, Scotland	2	2
Tots Bots Limited	Medium	Glasgow, Scotland	2	2
Unico Limited	Medium	London, England	2	2

Appendix 3 - Scoring and Recommendations

Lot 1 Washroom Solutions		
Supplier	Score	Awarded To Lot
Rentokil Initial UK Ltd	95.75	Yes
Elis UK Limited	81.39	Yes
Personnel Hygiene Services Limited	81.14	Yes
Perfect Hygiene Limited	80.85	Yes
Co-An UK Limited	70.53	Yes
Citron Hygiene UK Limited	61.26	Yes

Lot 2 Sanitary Products		
Supplier	Score	Awarded To Lot
Rentokil Initial UK Ltd	96.25	Yes
Personnel Hygiene Services Limited	83.32	Yes
Perfect Hygiene Limited	77.92	Yes
Unico Limited	70.50	Yes
Eco Hygiene Care Ltd	69.69	Yes
Hey Girls CIC	68.87	Yes
TCS-Eco Ltd	66.20	Yes
Co-An UK Limited	65.54	Yes
Tots Bots Limited	63.89	Yes

Appendix 4 - List of Recommended Suppliers with Living Wage Status

Tenderers	Accredited	Currently Progressing through Real Living Wage accreditation process	Pay Real Living Wage to all employees, and committed to gaining accreditation over the initial 2 years of framework	Pay Real Living Wage to all employees but not accredited	Neither accredited nor paying Real Living Wage, but do commit to pay the Real Living Wage to all employees over the initial 2 years of the framework	Neither accredited nor paying Real Living Wage
Citron Hygiene UK Limited					Yes	
Co-An UK Limited	Yes					
Elis UK Limited				Yes		
Eco Hygiene Care Ltd	Yes					
Hey Girls CIC	Yes					
Perfect Hygiene Limited			Yes			
Personnel Hygiene Services Limited						Yes
Rentokil Initial UK Ltd				Yes		
TCS-Eco Ltd	Yes					
Tots Bots Limited						Yes
Unico Limited	Yes					

Appendix 5 – Segmentation classifications

0122 Provision and Delivery of Washroom Solutions and Sanitary Products is classified as Class D.

There are five segmentation classifications and these classifications are rated from Class A to Class E. Each classification has contract and supplier management activities associated with it based on pre-determined weighted criteria.

Class A

Due to the unique and bespoke nature of the frameworks that fall within this class, a contract management plan to be developed and agreed with CSG.

Class B

Quarterly supplier contact, six monthly surveys, annual UIG, frequent support to councils, suppliers and external stakeholders requiring high level of procurement expertise, extensive contract monitoring.

Class C

Six monthly supplier contact, six monthly to annual surveys, annual UIG, regular support to councils, suppliers and external stakeholders requiring procurement expertise, high contract monitoring.

Class D

Annual supplier contact, annual surveys, optional annual UIG, ad-hoc support to councils, suppliers and external stakeholders potentially requiring procurement expertise, regular contract monitoring.

Class E

Annual supplier contact (if required), optional annual surveys, no requirement for annual UIG, straightforward ad-hoc support to councils, suppliers and potentially requiring procurement assistance, basic contract monitoring.

Scotland Excel

To: Executive Sub-Committee

On: 19 August 2022

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

Request for Associate Membership of Scotland Excel by Dovetail Enterprises (1993) Ltd

1. Background

- 1.1 Scotland Excel operates an Associate programme to allow access to its frameworks and services to a wide range of other public service orientated bodies. Applications can be made for Associate Membership by organisations such as council arm's length organisations, community groups, charities, housing associations and voluntary organisations which are a public body or a body that engages in activities of a public nature.

Organisations apply to Scotland Excel for Associate Membership to allow them to access the frameworks for goods and services which are in place for our members. Associates do not have the opportunity to influence the future contract delivery schedule which is reserved for the full local authority members.

Associate membership supports the wider aims of Scotland Excel by increasing overall spend against frameworks, providing additional income and supporting the goals of promoting excellent public procurement across Scottish organisations.

2. Organisation Background

- 2.1 Dovetail Enterprises (1993) Ltd is a private limited company, limited by guarantee with no share capital. The company is also a registered Scottish charity known as Dovetail Enterprises. Dovetail provides a vital role as a supported business by providing employment and training opportunities for disabled and disadvantaged members of society while manufacturing a range of doors, furniture, mattresses in Dundee.
- 2.2 Dovetail Enterprises (1993) Ltd is a real living wage employer.

3. Associate Membership Process

- 3.1 Before any application is submitted for approval, a number of validation checks on the organisation are carried out. These include a review of the Memorandum & Articles of Association, the financial position and the type of contracts that the organisation is likely to access. It is confirmed that satisfactory validation checks have been completed in relation to this application.
- 3.2 Scotland Excel monitors all requests from applicants to become associate members to ensure that any legal requirements are met. In this case, Dovetail Enterprises (1993) Ltd can be recommended for associate membership access in accordance with the Local Authorities (Goods and Services) Act 1970 section 1 (1B)(c). Namely, that it has functions that are public in nature or engages in activities of that nature so long as the purpose or effect of access to Scotland Excel's services is to facilitate its discharge of those functions or activities.
- 3.3 Fees are determined in a number of ways:
- Arms Length External Organisations (ALEOs) related to local authority members pay no fee as this is covered within requisition fees.
- National Health Service (NHS) bodies, Colleges and Universities, and Non departmental bodies of the Scottish Government pay no fee under a reciprocal agreement that allows local authorities to utilise contracts created by the relevant procurement centres of expertise.
- All other associate fees are calculated on a standard methodology agreed by committee. e.g. Housing Associations pay based on the number of houses within their portfolio.

4. Recommendations

- 4.1 It is recommended to committee that Dovetail Enterprises (1993) Ltd application to join Scotland Excel as an associate member be approved, with an annual fee of £500 and subject to the agreement document.

Scotland Excel

To: Executive Sub-Committee

On: 19 August 2022

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

Request for Associate Membership of Scotland Excel by Eden Court Highlands

1. Background

- 1.1 Scotland Excel operates an Associate programme to allow access to its frameworks and services to a wide range of other public service orientated bodies. Applications can be made for Associate Membership by organisations such as council arm's length organisations, community groups, charities, housing associations and voluntary organisations which are a public body or a body that engages in activities of a public nature.

Organisations apply to Scotland Excel for Associate Membership to allow them to access the frameworks for goods and services which are in place for our members. Associates do not have the opportunity to influence the future contract delivery schedule which is reserved for the full local authority members.

Associate membership supports the wider aims of Scotland Excel by increasing overall spend against frameworks, providing additional income and supporting the goals of promoting excellent public procurement across Scottish organisations.

2. Organisation Background

- 2.1 Eden Court Highlands is an arms-length external organisation of The Highland Council and a private limited company, limited by guarantee with no share capital. The company is also a registered Scottish charity. Eden Court Highlands strives to provide a thriving Highlands powered by creativity and culture and to inspire people to discover and love the arts, by bringing the world to the Highlands and the Highlands to the world.
- 2.2 Eden Court Highlands is a real living wage employer.

3. Associate Membership Process

- 3.1 Before any application is submitted for approval, a number of validation checks on the organisation are carried out. These include a review of the Memorandum & Articles of Association, the financial position and the type of contracts that the organisation is likely to access. It is confirmed that satisfactory validation checks have been completed in relation to this application.
- 3.2 Scotland Excel monitors all requests from applicants to become associate members to ensure that any legal requirements are met. In this case, Eden Court Highlands can be recommended for associate membership access in accordance with the Local Authorities (Goods and Services) Act 1970 section 1 (1B)(c). Namely, that it has functions that are public in nature or engages in activities of that nature so long as the purpose or effect of access to Scotland Excel's services is to facilitate its discharge of those functions or activities.
- 3.3 Fees are determined in a number of ways:
- Arms Length External Organisations (ALEOs) related to local authority members pay no fee as this is covered within requisition fees.
- National Health Service (NHS) bodies, Colleges and Universities, and Non departmental bodies of the Scottish Government pay no fee under a reciprocal agreement that allows local authorities to utilise contracts created by the relevant procurement centres of expertise.
- All other associate fees are calculated on a standard methodology agreed by committee. e.g. Housing Associations pay based on the number of houses within their portfolio.

4. Recommendations

- 4.1 It is recommended to committee that Eden Court Highlands application to join Scotland Excel as an associate member be approved, with no annual fee subject to the agreement document.
- No fee will be charged due to their status as an arms-length external organisation of a local authority as their associate membership is considered as part of the overall local authority membership.

Scotland Excel

To: Executive Sub-Committee

On: 19 August 2022

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

Request for Associate Membership of Scotland Excel by Partick Housing Association Limited

1. Background

- 1.1 Scotland Excel operates an Associate programme to allow access to its frameworks and services to a wide range of other public service orientated bodies. Applications can be made for Associate Membership by organisations such as council arm's length organisations, community groups, charities, housing associations and voluntary organisations which are a public body or a body that engages in activities of a public nature.

Organisations apply to Scotland Excel for Associate Membership to allow them to access the frameworks for goods and services which are in place for members. Associates do not have the opportunity to influence the future contract delivery schedule which is reserved for the full local authority members.

Associate membership supports the wider aims of Scotland Excel by increasing overall spend against frameworks, providing additional income and supporting the goals of promoting excellent public procurement across Scottish organisations.

2. Organisation Background

- 2.1 Partick Housing Association Limited is located in the West of Glasgow and has housing stock of 1,766 properties with a vision of working together, making homes and building communities. Partick Housing Association Limited is a Registered Society (under the Co-operative and Community Benefit Societies Act 2014), a Registered Social Landlord and a Registered Scottish Charity.
- 2.2 Partick Housing Association Limited is a real living wage employer.

3. Associate Membership Process

- 3.1 Before any application is submitted for approval, a number of validation checks on the organisation are carried out. These include a review of the Memorandum & Articles of Association, the financial position and the type of contracts that the organisation is likely to access. It is confirmed that satisfactory validation checks have been completed in relation to this application.
- 3.2 Scotland Excel monitors all requests from applicants to become associate members to ensure that any legal requirements are met. In this case, Partick Housing Association Limited can be recommended for associate membership on the basis of the Local Authorities (Goods and Services) Act 1970 section 1 (1B)(c). Namely, that it has functions that are public in nature or engages in activities of that nature so long as the purpose or effect of access to Scotland Excel's services is to facilitate its discharge of those functions or activities.
- 3.3 Fees are determined in a number of ways:
- Arms Length External Organisations (ALEOs) related to local authority members pay no fee as this is covered within requisition fees.
- National Health Service (NHS) bodies, Colleges and Universities, and Non departmental bodies of the Scottish Government pay no fee under a reciprocal agreement that allows local authorities to utilise contracts created by the relevant procurement centres of expertise.
- All other associate fees are calculated on a standard methodology agreed by committee. e.g. Housing Associations pay based on the number of houses within their portfolio.

4. Recommendations

- 4.1 It is recommended to committee that Partick Housing Association Limited application to join Scotland Excel as an associate member be approved, with an annual fee of £2,649 subject to the agreement document.

Scotland Excel

To: Executive Sub-Committee

On: 19 August 2022

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

Operating Plan Update 2022-23

1. Summary

- 1.1 In June 2018, Scotland Excel's Joint Committee approved a new five-year corporate strategy supported by annual operating plans.
- 1.2 In December 2021, the Joint Committee approved a new operating plan which covers the period from 01 April 2022 to 31 March 2023. This annual operating plan concludes the delivery of the current five-year strategy period.
- 1.3 This report presents an update on the activity undertaken by the organisation during the first quarter of the operating plan, from 01 April to 30 June 2022.

2. Recommendations

- 2.1 Members of the Joint Committee are invited to note Scotland Excel's progress in delivering the commitments contained within the Operating Plan 2022-23.
- 2.2 Thirty-one commitments in the operating plan are progressing in line with plans and are indicated as green within the report.
- 2.3 Two commitments are indicated as amber within the report. Progress towards the development of a new sustainable procurement strategy has been slower than anticipated. Scotland Excel is unable to launch a Procurement Capability & Improvement Programme for housing associations until the programme is formally announced by the Scottish Government.
- 2.4 One commitment is indicated as white within the report. Competitor modelling will be reviewed and rolled out to the organisation later in the financial year when resources become available.

3. Background

- 3.1 Progress reports are produced quarterly to track Scotland Excel's activity against annual operating plan commitments. Reports are produced at the end of each quarter and submitted to Executive Sub-Committee meetings. Half yearly and annual reports are also submitted to Joint Committee meetings.
- 3.2 The reports summarise the progress made against operating plan commitments and uses a 'traffic light' symbol to provide a guide to the status of each activity. This guide has been revised to include symbols to indicate projects or activities which have not yet started, and projects or activities which have been completed:

 W	Project or activity not yet started
 R	Project or activity is currently stalled or significantly behind schedule
 A	Project or activity is progressing at a slower pace than anticipated and/or results have been weaker than expected
 G	Project or activity is progressing in line with expected/agreed timelines and results
 B	Project or activity completed



Operating Plan

2022 – 2023

Q1 Progress Report

Goal 1: Shaping the delivery of innovative public services

Strategic Objective	Commitment	RAG status	Progress summary
1.1 Deliver a programme of collaborative procurement to support early intervention and the delivery of public services	<ul style="list-style-type: none"> Continue to engage with local authority and cross-sector partners to identify and deliver on collaborative procurement and supply chain opportunities 		<ul style="list-style-type: none"> Commercial User Intelligence Group (UIG) meetings with procurement stakeholders took place in June to discuss the contract portfolio and other key topics including supply chain disruption and net zero. Scotland Excel is continuing to participate in cross-sectoral initiatives including the Scottish Government-led Supply Chain Development Programme.
	<ul style="list-style-type: none"> Continue to monitor, report on and, where possible, mitigate the impact of supply chain disruptions arising from the Covid-19 pandemic and Brexit 		<ul style="list-style-type: none"> Regular reports are being issued to stakeholder to keep them informed of supply chain disruptions, market trends, and mitigating actions being taken by Scotland Excel. Rising inflation, particularly in relation to food and fuel prices, continues to impact pricing across the portfolio.
	<ul style="list-style-type: none"> Continue to drive the development of the next generation National Care Home Contract (NCHC) incorporating the use of the NCHC Cost Model © to support the delivery of affordable and sustainable social care services 		<ul style="list-style-type: none"> A collaborative re-design process for the National Care Home Contract (NCHC) is underway with representatives from key stakeholder groups including the public sector, care providers, care workers and care service users. The redesign will incorporate the Independent Adult Social Care Review recommendations, and consider all new guidance and proposed legislation.
	<ul style="list-style-type: none"> Develop a strategy for the next generation new build residential framework which incorporates learnings from the current framework and findings from stakeholder engagement meetings 		<ul style="list-style-type: none"> Work to develop this strategy is progressing well, with significant engagement taking place to ensure that the next generation framework is structured to meet the needs of stakeholders. Net zero considerations and construction skills development opportunities will be central to the development of the new strategy

1.2 Deliver programmes which lead and develop professional, organisational and commercial capability	<ul style="list-style-type: none"> Continue to deliver a portfolio of accredited Academy programmes based on member and wider public sector requirements 		<ul style="list-style-type: none"> The Scotland Excel Academy is currently delivering 9 accredited programmes. In response to member feedback, the Academy is exploring the potential to develop SQA- accredited qualifications in procurement and management which would provide cost-effective alternatives to those currently offered by professional bodies.
	<ul style="list-style-type: none"> Develop and deliver programmes of free and/or low-cost online workshops and events which support practitioner skills and best practice 		<ul style="list-style-type: none"> The Scotland Excel Conference took place in May as a hybrid event, with 271 delegates participating in seven online sessions and 51 attendees at the in-person event. A third tranche of Scotland Excel's free online training courses, Stay Connected, was also completed this quarter. A marketing campaign has been launched to promote the cost-effective Scottish Government procurement training programme delivered by the Academy, including the introduction of an online booking and payment facility.
	<ul style="list-style-type: none"> Develop and deliver bespoke chargeable Academy programmes requested by councils, associate members or other partners 		<ul style="list-style-type: none"> Bespoke Academy programmes are being provided for Dumfries & Galloway Council, Highland Council, five NHS health boards, and the Scottish Government.
	<ul style="list-style-type: none"> Continue to deliver chargeable consultancy and transformation programmes requested by councils, associate members or other partners 		<ul style="list-style-type: none"> Chargeable consultancy projects are currently being delivered for a range of organisations including councils, the Improvement Service, the Scottish Government and the Northern Ireland Department of Health. All programmes and projects are progressing well.

	<ul style="list-style-type: none"> Continue to develop and grow Scotland Excel's flexible procurement service to provide chargeable support which increases the capacity and/or capability of councils, associate members and other partners 		<ul style="list-style-type: none"> Councils and organisations using Scotland Excel's flexible procurement services include Angus, Dumfries & Galloway, Dundee City and South Lanarkshire Councils, City Property, and Cairn Housing Association. Discussions are ongoing with other organisations, and a marketing campaign is being developed to build a future pipeline.
--	---	---	---

1.3 Harness the potential of digital technology and data insight to support the delivery of public services	<ul style="list-style-type: none"> Continue to develop Scotland Excel's ICT procurement category, providing procurement services for the Digital Office for Scottish Local Government and other partners to accelerate a collaborative approach to the adoption of digital technologies 		<ul style="list-style-type: none"> Scotland Excel is developing tender documents for a National Shared Digital Alarm Receiving Centre (ARC), technology enabled care services, and digital fire safety equipment. Work is continuing with the Digital Office for Scottish Local Government on national digital opportunities, including Microsoft Office 365. A proposal has been submitted to deliver digital procurement projects on behalf of the Improvement Service.
---	--	---	--

1.4 Use our insight and experience to shape policy and meet the challenges of future public service delivery	<ul style="list-style-type: none"> Continue to work with the Scottish Government and other partners to support the development and/or delivery of national policy objectives across the Scotland Excel portfolio 		<ul style="list-style-type: none"> Scotland Excel continues to work with the Scottish Government and cross-sector partners across a wide range of policy areas including food, education, supply chain development, care, and climate change. Scotland Excel is also contributing to the development of a national procurement strategy to support the consistent delivery of public procurement benefits across all sectors.
--	---	--	--

Goal 2: Being sustainable in everything we do

Strategic Objective	Commitment	RAG status	Progress summary
2.1 Deliver positive and measurable social value through our contracts and services	<ul style="list-style-type: none"> Continue to champion Fair Work principles as part of framework development and contract management, including payment of the Real Living Wage 		<ul style="list-style-type: none"> As detailed within Scotland Excel's recently published Annual Procurement report, 86% of suppliers across 70+ frameworks are paying the Real Living Wage. A further 4% have committed to doing so within two years.
	<ul style="list-style-type: none"> Continue to develop and deliver community benefit and supply chain initiatives which enable members to achieve direct benefits for their areas 		<ul style="list-style-type: none"> Scotland Excel's Annual Procurement Report includes a summary of community benefits delivered in each of the 32 council areas over the previous financial year. The reports demonstrate that benefits are now returning to pre-pandemic, levels. Work is ongoing to improve monitoring and reporting to provide members with better access to benefits delivered through national frameworks.
2.2 Deliver positive and measurable local economic impact through SME and third sector participation in our contracts	<ul style="list-style-type: none"> Continue to engage with SME, supported business and other third sector organisations to encourage their participation in public procurement, working with partners such as the Supplier Development Programme (SDP) and Chambers of Commerce 		<ul style="list-style-type: none"> Scotland Excel presented and exhibited at the Supplier Development Programme's virtual 'Meet the Buyer National' event in June. Scotland Excel also exhibited at an in-person 'Meet the Buyer' event which took place at Dumfries & Galloway offices later the same month.
	<ul style="list-style-type: none"> Continue to develop and deliver supply chain opportunities for SME, supported business and other third sector organisations to participate in public procurement, including joint initiatives with partners such as Scottish Enterprise 		<ul style="list-style-type: none"> Scotland Excel is continuing to work with Scottish Enterprise on initiatives to identify public sector supply chain opportunities for Scottish businesses and organisations, particularly in relation to food, construction and transport.
2.3 Deliver positive and measurable environmental benefits through our contracts	<ul style="list-style-type: none"> Refresh Scotland Excel's sustainable procurement strategy to ensure that frameworks and other business activities maximise opportunities to support carbon reduction 		<ul style="list-style-type: none"> Scotland Excel is developing a Net Zero strategy which looks at ways in which changes to frameworks could support carbon reduction. Pilot activities are being scoped for five frameworks.

	<ul style="list-style-type: none"> Promote member usage of the next generation energy efficiency contractors (EEC) and electric vehicle charging infrastructure frameworks to help members work towards their net-zero targets 		<ul style="list-style-type: none"> In May, Scotland Excel held an event to launch the energy efficiency contractors (EEC) framework which has had a positive impact on awareness and usage of the framework. The event attracted c. 150 buyers and contractors, and the keynote speech was given by Patrick Harvey, Minister for Zero Carbon Buildings, Active Travel and Tenants' Rights. In June, the new electric vehicles charging infrastructure framework was promoted at the 'Zero Emissions Mobility' event held in partnership with the Scottish Government, Transport Scotland, Scottish Enterprise, and Strathclyde University.
<p>2.4 Lead and develop sustainable procurement knowledge and practice</p>	<ul style="list-style-type: none"> Continue to explore the development of progressive, sustainable learning pathways, working with educational and/or cross-sector partners to address skills gaps, support career development, and attract new entrants to procurement 		<ul style="list-style-type: none"> Scotland Excel continues to co-chair the Scottish Government's Public Procurement Development Forum which is exploring a range of initiatives including procurement skills development, alternative professional qualifications and pathways, and Graduate Apprenticeships.

Goal 3: Placing people at the heart of our business

Strategic Objective	Commitment	RAG status	Progress summary
<p>3.1 Ensure our customers continue to receive maximum value from our services</p>	<ul style="list-style-type: none"> Continue to deliver Scotland Excel's account management services to demonstrate value to members and support a positive customer experience 		<ul style="list-style-type: none"> Scotland Excel's Project and Account Managers continue to provide support to council procurement teams including quarterly business reviews, change projects, and workshops.
	<ul style="list-style-type: none"> Continue to develop and deliver stakeholder engagement plans to assess member satisfaction and identify key priorities for Scotland Excel's new five-year strategy 		<ul style="list-style-type: none"> A comprehensive stakeholder engagement plan has been created to support the development of the new corporate strategy, and will be implemented during Q2.
<p>3.2 Engage stakeholders in the delivery of effective local solutions</p>	<ul style="list-style-type: none"> Continue to develop and deliver initiatives to help members implement a progressive procurement approach which supports their community wealth-building plans 		<ul style="list-style-type: none"> Following the completion of a community wealth-building pilot project undertaken with four councils in partnership with the Scottish Government, a toolkit has been developed to help other councils with their community wealth-building journey. The toolkit has been published on the Academy website and will be launched at a Scottish Government meeting of public sector procurement leads in September.
	<ul style="list-style-type: none"> Continue to engage directly with stakeholders, partners and service users to ensure that Scotland Excel's social care contracts meet the needs of all care groups, and align with national policy 		<ul style="list-style-type: none"> The new National Care Home Contract (NCHC) project involves a wide range of stakeholders including HSCPs, the Scottish Government, COSLA, Care Inspectorate, Healthcare Improvement Scotland, provider representative bodies, care providers, care workers, unions, carer groups, independent advocacy groups, and care service users. Extensive stakeholder engagement is also taking place for the next generation of the children's residential care framework, and a new framework for rehabilitation services which is being developed on behalf of the Scottish Government.

3.3 Represent the collective views of stakeholders at a national level	<ul style="list-style-type: none"> Continue to represent the views of members, customers and communities within appropriate national and/or cross-sector fora and working groups 		<ul style="list-style-type: none"> Scotland Excel is continuing to represent the local government sector within a wide range of national initiatives.
	<ul style="list-style-type: none"> Monitor the progress of National Care Service proposals and continue to champion Scotland Excel's delivery of national care arrangements that support local, person-centred commissioning 		<ul style="list-style-type: none"> Scotland Excel is continuing to monitor and respond to proposals for a National Care Service. The National Care Service (Scotland) Bill was published in June, and Scotland Excel is making plans to respond to a Call for Views on the Bill which closes in September.
3.4 Implement policies which develop, empower, value and engage our workforce	<ul style="list-style-type: none"> Continue to implement Scotland Excel's organisational development strategy and Investors in People (IiP) action plan 		<ul style="list-style-type: none"> Scotland Excel's new People Strategy was launched to staff in May. In June, Scotland Excel was awarded Gold Standard Investors in People (IiP) accreditation.
	<ul style="list-style-type: none"> Develop and implement a refreshed recruitment and retention strategy to mitigate the impact of skills shortages and/or changing attitudes in the workforce 		<ul style="list-style-type: none"> As it is currently proving difficult to recruit experienced public procurement professionals, Scotland Excel has recruited 8 graduate trainees who will be supported on a fast-track development programme to fill future vacancies. Scotland Excel's recruitment and retention strategies, plans and policies are being reviewed to ensure that staff have a positive experience as they progress through the organisation.

Goal 4: Delivering sustainable and scalable growth

Strategic Objective	Commitment	RAG status	Progress summary
4.1 Implement a new governance model which supports scalable business growth	<ul style="list-style-type: none"> Continue to deliver Scotland Excel's approved funding model, including income from rebates, projects, Academy programmes and associate membership, and provide regular reports to the governance committees 		<ul style="list-style-type: none"> An introduction to Scotland Excel's funding model was delivered to new joint committee in June. Budget monitoring reports, including income forecasts, will be presented to the executive sub-committee on a regular basis.
4.2 Continue to maintain a robust business infrastructure to support our growth ambitions	<ul style="list-style-type: none"> Continue to develop a robust business environment and infrastructure that securely and effectively supports Scotland Excel's hybrid working model 		<ul style="list-style-type: none"> Plans to support hybrid working are underway. An online system is being introduced to allow staff to book desks when working from the office, and meeting rooms have been fitted with systems to facilitate hybrid meetings. A phased introduction of hybrid working is expected to begin in August.
	<ul style="list-style-type: none"> Continue to develop Scotland Excel's digital technology capability, harnessing data assets and emerging technology to benefit staff and customers 		<ul style="list-style-type: none"> A business intelligence graduate trainee has been appointed to review Scotland Excel's data assets in preparation for the development of plans to enhance the organisation's ICT, data analysis and reporting capabilities.
4.3 Use our knowledge and insight to identify new services and/or sectors which provide growth opportunities	<ul style="list-style-type: none"> Roll out a competitor analysis model across the organisation to support the successful delivery of new and existing business opportunities 		<ul style="list-style-type: none"> Plans to review and roll out Scotland Excel's competitor analysis model will be developed in Q3.
	<ul style="list-style-type: none"> Continue to grow and develop Scotland Excel's associate membership programme to maximise benefits for the organisation and members 		<ul style="list-style-type: none"> Eight new associate members were approved during Q1, with a total annual income of £4,400.
	<ul style="list-style-type: none"> Deliver a second tranche of Procurement & Commercial Improvement Programme assessments for housing associations, highlighting the community value of enhanced procurement practices and collaboration 		<ul style="list-style-type: none"> The Scottish Government has delayed the launch of a Procurement & Commercial Improvement Programme for housing associations. Scotland Excel is ready to launch this service to the market as and when an announcement is made.

4.4 Explore opportunities to work with partners on the development and delivery of new business opportunities	<ul style="list-style-type: none"> Continue to develop and implement effective marketing and communications plans to promote Scotland Excel through traditional and social media in support of financial, policy and public affairs goals 		<ul style="list-style-type: none"> Q1 activity has included event management and marketing support for the energy efficiency contractors (EEC) launch event in May, marketing support for the Annual Conference, a campaign to generate bookings for the Academy's new online procurement programme, and an engagement plan and welcome materials for new joint committee members.
	<ul style="list-style-type: none"> Continue to explore and develop partnership opportunities with organisations such as Crown Commercial Services (CCS), Scottish Enterprise, Built Environment- Smarter Transformation (BE-ST), and Zero Waste Scotland (ZWS) which support the delivery of business and policy objectives 		<ul style="list-style-type: none"> Scotland Excel is continuing to build positive relationships with key partners. Recent examples include the participation of Scottish Enterprise, Built Environment- Smarter Transformation (formerly the Construction Scotland Innovation Centre), and Zero Waste Scotland in a sustainability expert group informing the development of the next generation new build residential framework.

Report Key	
	Project not yet started
	Project or activity is currently stalled or significantly behind schedule
	Project or activity is progressing at a slower pace than anticipated and/or results have been weaker than expected
	Project or activity is progressing in line with expected/agreed timelines and results
	Project completed

Report issued: August 2022