

Scotland Excel

To: Executive Sub-Committee

On: 29th May 2020

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

Update on the Contract Delivery Plan

1. Introduction

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

2. Progress to Date

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

There are 74 current frameworks in the Scotland Excel contract portfolio, with 13 of these frameworks to be renewed before 31 March 2021 (Appendix 1).

Scotland Excel plans to add a further 7 new frameworks to its contract portfolio by 31 March 2021 (Appendix 2), 2 of which will be coordinated through the operational supplies and services team.

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

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

The national flexible framework for Care and Support Services went live in April 2020. A total of 78 care providers offering 316 services have been awarded a place on the framework. As this is a flexible framework agreement, new bids can be considered every six months.

The services for engineering and construction consultancy will now be delivered through two individual frameworks, these being Engineering and Technical Consultancy framework and Construction and Building Consultancy framework. It was originally intended to deliver one construction-based consultancy framework that would support all councils' consultancy requirements and that delivery through one framework and tender exercise would offer greatest efficiency.

While there has been encouraging levels of development on all areas, there is clear segregation between two construction sectors that the councils operate in, those being the construction infrastructure sector and the building construction sector. Both sectors operate independently and differently from each other

including how they procure. Given this, these services appear to be better represented through two independent frameworks that can accommodate the unique procurement requirement in both areas. Both framework developments are being continued in parallel.

In the light of the severe impact on normal business practices resulting from the current Coronavirus/Covid-19 outbreak, Scotland Excel has deferred some projects and proposed to extend some current frameworks as detailed within Appendix 4.

The basis for these extensions is the result of a combination of factors including:

- Constraints on potential bidders' capacity and capability to tender
- Constraints and extended timelines on stakeholder/technical engagement to facilitate development of frameworks that are fit for purpose
- Staff are diverted to more urgent requirements to deal with COVID-19 consequences
- Impact of staff absences (incl through furloughing and consequent reduction to their corporate capability and responsiveness)

In addition to the activity detailed in Appendices 1 -3, Scotland Excel is exploring the benefits of further collaborative procurement across high spend, critical service areas in the construction and corporate teams.

A new opportunity for Robotics Process Automation / Artificial Intelligence is currently being scoped with a Prior Information Notice (PIN) being issued as part of a market sounding and intelligence gathering exercise. To date, 90 companies have noted interest and 24 responded to the PIN questionnaire. The responses were collated and distributed to the digital office project manager responsible, planned discussion workshops with councils have currently been put on hold.

Further changes to the information capture tool used for data gathering purposes are being tested by West Lothian Council, promotion and rollout of which will follow.

The revised procurement process for the Social Care Case Management Framework is underway, and it is anticipated that the award recommendation will be presented to the Executive Subcommittee in September for approval.

Input to the digital telecare procurement playbook instruction manual - which is aimed at supporting people buying Telecare kit and services - has been provided by Scotland Excel with content discussions ongoing. Scotland Excel is developing the digital offering in parallel to the current contract, and this will be operational by April 2021.

Regarding the development of Online School Payments, the scope will be further enhanced, incorporating new elements of cashless catering and catering management systems. Councils have extended or called off from the previous framework with the majority contracted through to mid-2021. The revised plan is to conduct UIG's from August/Sept with a view to having the framework live by Spring 2021.

Overall, efficiencies delivered in 2019 were c.2.5%, in line with the forecast range. The spend and forecast saving per council can be found in Appendix 5.

3. Conclusion

The Executive Sub Committee is requested to note the overall contract delivery plan review including proposed actions to be taken as a result, and (subject to further consultation with relevant bodies and legal colleagues to ensure the modifications proposed are applied appropriately and in accordance with Scotland Excel's governance and applicable Regulations) approve the recommendations for contract extensions detailed within Appendix 4.

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

Service	Estimated Annual Collaborative Contract Opportunity	Activity	Original Forecast Date	Previous Forecast Date	Delivered Date	Latest Forecast Date if Different	Forecast Savings Range	Delivered Savings Forecast	Comments
Fire and Security Equipment	7,500,000	Renew	Oct-19	Aug-20		Mar-21	2% - 4%		Plan delayed to conduct a viability study
Waste Disposal Equipment	1,250,000	Renew	Apr-20		Feb-20		2% - 4%	1.0%	Framework is live
Groceries and Provisions	30,000,000	Renew	May-20		Mar-20		2% - 4%	1.4%	Framework is live
Demolition	18,000,000	Renew	Aug-20				2% - 4%		Tender evaluation
Catering Sundries	6,000,000	Renew	Aug-20				2% - 4%		Tender evaluation
Online School Payments	2,000,000	Renew	Apr-20	Oct-20		Feb-21	2% - 4%		Plan delayed due to COVID-19
Domestic Furniture and Furnishings	20,000,000	Renew	Nov-20			Feb-21	2% - 4%		Strategy in development
Vehicle Parts	12,000,000	Renew	Jan-21			Apr-21	2% - 4%		Plan delayed due to COVID-19
Bitumen Products	12,000,000	Renew	Mar-21				2% - 4%		Strategy in development
Personal Protective Equipment	10,000,000	Renew	Mar-21			Aug-21	2% - 4%		Strategy in development
Education and Office Furniture	5,000,000	Renew	Mar-21			May-21	2% - 4%		Strategy in development
Outdoor Play and Sports	17,500,000	Renew	Mar-21				2% - 4%		Strategy in development
Engineering and Technical Consultancy	17,600,000	Renew	Mar-21				2% - 4%		Strategy in development
Organic Waste	12,000,000	Renew	Apr-21				2% - 4%		Strategy in development
Energy Efficiency Contractors	200,000,000	Renew	May-21				2% - 4%		Strategy in development

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

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

Appendix 3 – Contracts with extension options and contract management activity ongoing in 2020/2021

Contracts with extension options in 2020/21

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

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

Contract Description	Est Annual Value	Contract Description	Est Annual Value
Audio Visual	£7,500,000	Hot Beverages (OSS)	£1,000,000
Alcoholic Beverages	£1,250,000	Janitorial Products	£12,000,000
Bikeability Scotland Training Providers	£300,000	Light and Heavy Plant	£10,000,000
Building and Timber	£15,000,000	Plumbing and Heating Materials	£22,500,000
Buildings Related Engineering Consultancy	£10,000,000	Recyclable and Residual Waste	£40,000,000
Care and Support	£140,000,000	Road Maintenance Materials	£2,500,000
Care Homes For Adults With Learning Disabilities Including Autism	£26,500,000	Road Signage Materials	£1,250,000
Catering Sundries	£6,000,000	Roadstone	£5,000,000
Children's Residential	£105,400,000	Salt for Winter Maintenance	£16,250,000
Cleaning Equipment (OSS)	£2,250,000	Secure Care	£17,500,000
Commercial Catering Equipment (OSS)	£4,000,000	Security Services and Cash Collection	£12,500,000
Community Meals	£4,000,000	Sheriff Officers (OSS)	£1,100,000
Education Materials	£17,500,000	Social Care Agency Workers	£20,000,000
Electrical Materials	£20,000,000	Street Lighting Bulk Renewal of Luminaires	£5,000,000
Energy Advice (OSS)	£1,000,000	Tyres for Vehicles and Plant	£6,500,000
Fostering	£25,000,000	Vehicle and Plant Hire	£15,000,000
Fresh Bread, Rolls and Bakery Products	£1,500,000	Vehicle Purchase RM6060	£15,000,000
Fresh Fruit and Veg	£6,000,000	Vending Machines (OSS)	£1,250,000
Fresh Meat, Cooked Meats and Fresh Fish	£10,000,000	Washroom Solutions and Sanitary Products	£3,500,000
Groceries and Provisions	£30,000,000	Waste Disposal Equipment	£1,250,000
Heavy Vehicles	£40,000,000		

Appendix 4 – Proposed extensions to current frameworks

Service	Current Expiry Date	Proposed Actions	Comments
Fostering	24/03/2021	3 months extension	Current contract to be extended by 3 months
Vehicle Parts	31/12/2020	3 months extension	3 month extension for renewal by 1 April 2021
Domestic Furniture	31/10/2020	3 months extension	3 month extension as contractors would not be in a position to respond within current timescales
Education Furniture	28/02/2021	3 months extension	ITT to be re-scheduled
Personal Protective Equipment	28/02/2021	6 months extension	6 month extension as contractors would not be in a position to respond within current timescales

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

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