

To: Joint Committee

On: 07 December 2018

**Report
by
Director Scotland Excel**

Update on the Contract Delivery Plan

1. Introduction

This report provides a progress update on the 2018/ 2019 contract delivery plan.

2. Progress to Date

As detailed in Appendices 1 – 3, the 2018/ 2019 contract delivery plan comprises framework renewals, new developments, framework extensions and frameworks with ongoing contract management only.

There are 63 current frameworks in the Scotland Excel contract portfolio, with six of these frameworks to be renewed before 31 March 2019 (Appendix 1).

As detailed in Appendix 1, both the road signage materials and technology enabled care frameworks were delivered ahead of schedule in October 2018. The strategy for the dynamic purchasing system for the treatment of recyclable and residual waste was approved by the executive sub committee in September and is forecast to be in place for February 2019.

The delivery date for a renewal framework for asbestos surveys, removal and disposal, and analytical services has been moved from November to July to allow for a re-tender required by an emerging issue relating to professional indemnity insurance.

As part of Scotland Excel's partnership agreement with Crown Commercial Services (CCS) for light vehicles, the renewal CCS vehicle purchase framework (RM6060) has completed its standstill period and is now live.

The Scotland Excel framework for Online School Payments has now expired. It was agreed with Council Colleagues that as late adoption had taken place, it would be worthwhile delaying the renewal of a replacement framework with work due to begin on renewal in Spring 2019. The scope of this project would be widened to incorporate additional requirements such as cashless catering.

The remaining renewal frameworks in 2018/ 2019 are currently on track with the forecast schedule.

Scotland Excel plans to add a further three new frameworks to its contract portfolio by 31 March 2019 (Appendix 2). The three planned first-generation

frameworks include two being coordinated through the operational supplies and services team. An opportunity assessment been conducted for vocational training service providers and this will now no longer be tendered by Scotland Excel.

A further ten of the frameworks on the current portfolio have extension options that are likely to be exercised in 2018/ 2019 with eight of these extensions already approved (Appendix 3).

Overall, efficiencies delivered to date in 2018/ 2019 are 4.4%, which is above the 2-4% forecast savings range.

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 of adult social care and construction.

Scotland Excel has finalised the procurement strategy for care and support services. In 2018-2019, Scotland Excel will continue to work with a range of partners to implement the procurement strategy.

In 2018/ 2019, Scotland Excel will also deliver a new sourcing strategy for care home services for older people. This strategy, again co-produced with stakeholders, will build on current best practice and complement local strategic commissioning plans.

The first generation new build residential construction framework is progressing well. The framework will support councils to deliver new affordable houses in line with Strategic Housing Investment Plans (SHIPs). A strategy has now been agreed with councils and the first of a two-stage tender procedure is scheduled to be issued on 30th November 2018. The procurement exercise remains on course for going live in August 2019.

Scotland Excel, working in partnership with the Digital Office, released a prior information notice (PIN) for market engagement across a range of projects to drive digital transformation across Scotland. A further Prior Information Notice was subsequently released to notify the market place regarding a replacement Social Work Case Care Management System. A Technical panel comprising of ICT colleagues from within councils has been derived and two meetings have now taken place to work on the ITT specification requirements. It is anticipated that this ITT will be released early January 2019.

3. Conclusion

Members are invited to note the progress made to date.

Appendix 1 - List of contracts to be renewed

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
Treatment Of Recyclable & Residual Waste	25,000,000	Renew	Jun-18	Oct-18		Feb-19	2% - 4%		Strategy approved at Executive Sub Committee on 28 September 2018
Street Lighting Materials	35,000,000	Renew	Jul-18		Aug-18		2% - 4%	13.0%	Framework is live
Salt	16,250,000	Renew	Jul-18		Jun-18		2% - 4%	-11.1%	Framework is live
Road Maintenance Materials	2,500,000	Renew	Jul-18		Aug-18		2% - 4%	2.0%	Framework is live
Roadstone	5,000,000	Renew	Jul-18		Jun-18		2% - 4%	13.3%	Framework is live
Social Care Agency Workers	20,000,000	Renew	Aug-18		Jun-18		2% - 4%	N/A	Framework is live
Fresh Meat, Cooked Meats & Fresh Fish	10,000,000	Renew	Oct-18		Jun-18		2% - 4%	2.3%	Framework is live
Washroom Solutions	3,500,000	Renew	Oct-18		Aug-18		2% - 4%	0.0%	Framework is live
Asbestos	12,000,000	Renew	Nov-18			Jul-19	2% - 4%		Strategy in development
Audio Visual Equipment	7,500,000	Renew	Apr-19				2% - 4%		Evaluating
Online School Payments	2,500,000	Renew	Dec-18			Dec-19	2% - 4%		Plan delayed to incorporate additional requirements
Road Signage Materials	1,250,000	Renew	Dec-18		Oct-18		2% - 4%	16.0%	Recommendations presented to Executive Sub Committee on 26 October 2018
Vehicle Purchase RM6060	15,000,000	Renew	Dec-18		Dec-18		2% - 4%	N/A	Framework awarded by Crown Commercial Services
Technology Enabled Care	6,300,000	Renew	Jan-19		Oct-18		2% - 4%	9.1%	Recommendations presented to Executive Sub Committee on 26 October 2018
Light & Heavy Plant	5,000,000	Renew	Mar-19				2% - 4%		Tender released
Ground Maintenance Equipment	5,000,000	Renew	Mar-19				2% - 4%		Tender released
Janitorial Products	12,000,000	Renew	Mar-19				2% - 4%		Evaluating

Appendix 2 – List of new contracts to be developed and delivered in 2018/2019

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
Vocational Training Service Providers	2,500,000	New Contract	Mar-18	Dec-18		N/A	5.5%		Opportunity assessment concluded that there is a limited appetite for a collaborative contract
Power Tools	625,000	New Contract	Jun-18		Apr-18		5.5%	5.8%	Framework is live
Boiler Maintenance	10,000,000	New Contract	Jul-18		Sep-18		5.5%	5.8%	Framework is live
First Aid Materials	2,000,000	New Contract	Sep-18		Aug-18	Oct-18	5.5%	15.0%	Framework is live
Commercial Catering Equipment	4,000,000	New Contract	Oct-18		Sep-18		5.5%	9.9%	Framework is live
Care Home Services for Older People	450,000,000	New Contract	Jan-19			Apr-19	N/A		Strategy in development
Hot Beverage Machinery & Supplies	1,000,000	New Contract	Jan-19				5.5%		Recommendations to be presented to Executive Sub Committee on 7 December 2018
Energy Advice Services	1,000,000	New Contract	Jan-19				5.5%		Recommendations to be presented to Executive Sub Committee on 7 December 2018

Appendix 3 – Contracts with extension options and contract management activity ongoing in 2018/2019

Contracts with extension options in 2018/19

Contract Description	Est Annual Value
Bitumen Products	£ 12,000,000
Buildings Related Engineering Consultancy	£ 10,000,000
Education Materials	£ 17,500,000
Electrical Materials	£ 14,000,000
Fostering & Continuing Care	£ 25,000,000
Frozen Foods	£ 25,000,000
Outdoor Play Equipment and Artificial Surfaces	£ 17,500,000
Personal Protective Equipment	£ 10,000,000
Plumbing & Heating Materials	£ 20,621,122
Waste Disposal Equipment	£ 1,250,000

Contracts which are shaded have been approved for extension

Contracts with no renewal or extension activity and contract management activity ongoing in 2018/19

Contract Description	Est Annual Value
Bottled Gas	£ 2,000,000
Building And Timber Materials	£ 15,200,000
Care Homes for Adults (LD)	£ 31,000,000
Catering Machines	£ 2,000,000
Catering Sundries	£ 6,000,000
Children's Residential Care	£ 105,000,000
Community Meals	£ 4,000,000
Customer Service Platform	£ 3,750,000
Demolition	£ 16,000,000
Digital Publications and Services	£ 1,000,000
Domestic Furniture and Furnishings	£ 20,000,000
Education And Office Furniture	£ 9,000,000
Energy Efficiency Contractors	£ 200,000,000
Engineering Consultancy	£ 17,000,000
Fire Fighting & Rescue Services	£ 2,500,000
Groceries & Provisions	£ 30,000,000
Heavy Vehicles	£ 40,000,000
Laundry Equipment	£ 1,100,000
Library Books & Textbooks	£ 14,000,000
Milk	£ 9,000,000
Organic Waste	£ 12,000,000
Pest Control Services	£ 1,500,000
Recycle And Refuse Containers	£ 12,500,000
Secure Care	£ 20,000,000
Security Services and Equipment	£ 18,000,000
Steeplejack Services	£ 1,750,000
Street Lighting Bulk Renewal of Luminaires	£ 5,000,000
Swimming Pool Chemicals	£ 1,250,000
Trade Materials	£ 10,000,000
Tyres for Vehicles & Plant	£ 6,500,000
Vehicle & Plant Hire	£ 15,000,000
Vehicle Parts	£ 12,000,000
Water Coolers	£ 1,500,000