

## **Scotland Excel**

**To: Joint Committee**

**On: 19 June 2020**

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

### **COVID-19 Update**

#### **1 Introduction**

This report provides an update to members of the impact of COVID-19 on the operational activity within Scotland Excel, including where emerging opportunities have been pursued to provide additional support within and out with the sector.

#### **2 Background**

2.1 In March 2020, The United Kingdom Government issued detailed guidance in relation to measures that should be taken to restrict the spread of the COVID-19 virus. These measures included restrictions on unnecessary travel and meetings and advice for specified groups of citizens who are seen as being at greater risk from infection.

2.2 On March 29, a report was agreed by the Executive Subcommittee which:

- delegated the authority to the Director, in consultation with the Chair and/or Vice Chair of the Executive Sub Committee the power to cancel, if necessary, the planned meeting of the Executive Sub Committee on 29<sup>th</sup> May 2020 and any subsequent meeting;
- Further delegated to the Director in consultation with the Chair and/or Vice Chair authority to make all decisions required relating to the functions of the Executive Sub Committee in advance of the next meeting of the Executive Sub Committee.
- Agreed to temporary associate membership at no fee to any public body or third sector organisation that the Director feels will benefit efforts to tackle the current crisis.

2.3 Scotland Excel is currently operating a full service via remote working for all employees in line with government guidance. Our specific focus is working with our suppliers to do everything we can to ensure that the goods and services required to support essential frontline services continue to be available to councils. Our teams are providing regular updates to councils in relation to supplier stock levels for essential items and advice on alternative sources of supply where possible. This is an ever-changing picture and our teams are doing everything they can to make sure council procurement teams have access to all information available at the time.

### **3 Account Management**

3.1 The account management team was established to work with Scotland Excel member organisations to:

- understand their needs and help optimise the use of the suite of contracts that are available
- address any key concerns and issues in terms of contract use and development
- identify any opportunities for growth and / or areas creativity and innovation

3.2 While the response to Covid-19 has brought about significant challenges in operating arrangements, account management activity has been adapted to respond to stakeholder needs. Much of the direct activity and relationship building has been adapted to online platforms. However, the basis of the support and relationship development activity remains the same.

3.3 Business review meetings continue on a regular basis, with council corporate procurement teams and the account management team increasingly using virtual meetings to conduct business. These meetings provide a collaborative platform to discuss the areas highlighted above, as well as a review of detailed spend and savings reporting from Scotland Excel contracts.

3.4 Current areas of collaborative work extends to working with councils to secure critical products in response to the Covid-19 pandemic. This has created some new challenges as the requirements and sourcing activity continue to align and evolve with scientific and medical advice. This will continue as the route map develops through its response phases.

### **4. Support of PPE provision**

4.1 The Covid-19 pandemic has resulted in a worldwide surge in demand for PPE and this has had a significant impact on global supply chains. This in turn has led to a challenging position for councils to secure and maintain stock levels of key equipment.

- 4.2 Scotland Excel's PPE service for councils began on Monday 4 May. A dedicated PPE team has been set up to work with councils in the forecasting and collation of their PPE demand, and to then liaise directly with suppliers to fulfil a consolidated demand plan. This excludes requirements for adult social care, which is supported by National Shared services (NSS), which is part of NHS Scotland.
- 4.3 The role of Scotland Excel in developing and delivering this service is endorsed by COSLA and SOLACE. To date, fourteen councils have purchased items through this system and those councils not currently participating can join the service at any time. Associate members also have access to the PPE framework suppliers.
- 4.4 Current requirements are being coordinated through the Scotland Excel PPE framework, which went live on 1 May 2017. All suppliers participating in the PPE framework are UK based, several of which are Scottish. Key products include: masks, goggles, visors, gloves, disinfectant and sanitiser, hand soap and hand sanitiser, aprons and overalls, surface wipes.
- 4.5 For service mobilisation during lockdown, Scotland Excel communicated the new PPE sourcing approach directly to councils and associate members. This was supported by updates issued via Scotland Excel's Covid-19 response newsroom and on appropriate social media channels.
- 4.6 Supplier engagement has remained a key priority, and weekly calls are undertaken with suppliers and, where appropriate, manufacturers of products. Health and Safety expertise and advice has been made available by member councils to ensure that product offerings comply with relevant specifications.
- 4.7 The phased approach to ease restrictions released by the Scottish Government, will see several council services resume; for example recycling centres will re-open and additional key community support services will resume. There will be greater direct contact for social work and support services with at-risk groups, and the construction sector will also restart. As restrictions ease, it is crucial that Scotland Excel remain engaged and in communication with both councils and the supply base to ensure the evolving PPE needs of council services are met.
- 4.8 Scotland Excel is currently liaising with councils and wider trade organisations across the public sector to ensure that solutions can be tailored appropriately in line with recovery plans for return to school or wider workplace. Emerging risk and opportunities include hand sanitisers for classrooms, marking tape, signage and high visibility garments for staff.

4.9 As lockdown restrictions ease, Scotland Excel will continue to work with councils to ensure our PPE offering includes some of the wider in-scope items to support effective service delivery across the sector.

## **5. Contract category updates**

### **5.1 Corporate & Education**

#### **5.1.1 Facilities Management Recovery Plan**

On Thursday 28th May, the Scottish Government published guidance to support implementation of a phased return to schools. This guidance outlines two key considerations that will affect how schools operate; these are increased separation and decreased interaction. More widely, additional infection prevention and control is required which will change hygiene measures within schools, both in terms of type of products used and frequency of cleaning schedules.

A review of this guidance is underway and, supported by a detailed analysis across the wider contract portfolio, a facilities management recovery plan will be developed that supports councils to reopen safely.

#### **5.1.2 Catering in Schools**

It is likely that the reopening of schools will affect catering operations within schools. Reasons for this include:

- Social distancing being observed in kitchens, affecting the types of food that can be prepared;
- Space within school settings being used for teaching, including dining halls/canteens;
- Social distancing being observed during lunchtime, affecting how food is served to children and where this is eaten. For example, packed lunch options being made available.

Scotland Excel will work with councils and food suppliers, sharing school opening schedules and supply constraints, to optimise deliveries and product availability. It may be necessary to consider short term changes to school menus, and ongoing support will be made available to ensure that this is effectively communicated and managed.

#### **5.1.3 Cleaning in Schools**

Additional hygiene measures in schools will affect both the frequency of cleaning and type of cleaning that is undertaken. Scotland Excel will work with suppliers and councils to understand the product requirements and availability. In addition, supply lines will be expanded to include signage and other materials to remind pupils of social distancing.

#### 5.1.4 Educational Provisions

Due to changes in class sizes, teaching methods, online learning and curriculum choices, it is possible that the types of educational products purchased for schools will change for next academic year. For example, items may no longer be shared between classes or pupils, meaning additional products need to be purchased. In addition, home learning may require different products. Scotland Excel will continue to support councils to purchase the required products through the Education Materials framework.

### 5.2 Environmental Services

5.2.1 Waste management workstreams have faced some of the largest challenges for Councils during the course of recent weeks, including the vital continuation of key frontline services such as household kerbside waste collections. This, combined with the need to temporarily close recycling centres has seen the sector face constraints in keeping the vital services available to the public. Throughout this period, the framework arrangements available within the Scotland Excel Environment Category have remained live and largely unaffected.

5.2.2 The UK Government granted waste industry workers “key-worker” status, and to date councils across Scotland have refined operational practices to ensure the safety of crews whilst maintaining an acceptable level of service. Whilst several councils have been successful in maintaining a ‘business as usual’ service, others have been forced to temporarily suspend less vital collections. Many suspended services have now been reinstated, whilst plans are being formulated to resume full services, including the introduction of bulk waste collections and organised reopening of recycling centres.

5.2.3 Scotland Excel has not received direct reports from service providers or suppliers of significant delay for delivery of goods or inability to service awarded contracts in line with agreed terms and conditions. Some waste streams are particularly at risk under the current constraints, particularly those that generate an income for councils. Scotland Excel regularly monitors common material market indices, and this will continue and be shared with councils.

5.2.4 Scotland Excel continues to support partner organisations including Zero Waste Scotland, with whom recent dialogue prompted the development of a set of guidance and contract documents which will support councils to engage and contract directly with external providers. Scotland Excel has been in discussion with Zero Waste Scotland to develop a framework for the provision of waste composition analysis. This enables councils to understand the content of waste streams in order to measure progress against policy objectives. This dialogue will resume later in the year.

5.2.5 The industry has reacted to this crisis and a number of policy interventions and support networks are assisting councils with maintaining continuity of service. For examples, the Scottish Government has delayed its planned

Deposit Return Scheme by one year and will now go live in July 2022. Scotland Excel will continue to keep abreast of related policy and support, disseminating to User Intelligence Group (UIG) members and influence where appropriate on behalf of the procurement community.

### **5.3 Construction Services**

- 5.3.1 Within the construction category Scotland Excel has continued to progress ongoing tendering/contract award activity. In some cases, short extensions have been proposed taking cognisance of the current market conditions and the impact this continues to have on suppliers and councils. Where extensions are to be exercised Scotland Excel will continue to communicate regularly with councils.
- 5.3.2 A number of Scottish Procurement Policy Notes (SPPN) have recently been issued as a consequence of the current COVID-19 outbreak. SPPN 4/2020 raises awareness on handling some procurement related issues, and SPPN 5/2020 sets out guidance for contracting authorities on payment to their suppliers to ensure service continuity. Construction Procurement Notice (CPN) 1/2020 relates to the impact of COVID-19 on Construction Contracts and CPN 2/2020 more specifically relates to Project Bank Accounts (PBAs). Most recently CPN 3/2020 sets out matters for contracting authorities to consider when making preparations in readiness to implement procurement procedures for new projects and reopen public construction sites which are currently closed due to restrictions for mitigating COVID-19 and CPN 4/2020 sets out information regarding the management of disputes and cashflow.
- 5.3.3 The Scottish Government has also published Coronavirus - construction sector guidance, which provides specific guidance on the operations of sites and associated works. Within this area Scotland Excel aims to help ensure framework processes take a responsible approach to the containment of COVID-19, while being in a position to respond to both critical and longer-term recovery requirements. This will help ensure that the construction sector retains the capability and capacity necessary to effectively recommence work and deliver current and future construction project pipeline.
- 5.3.4 Bodies representing construction and property professionals in Scotland have called for a gradual re-opening of non-essential building sites - within the parameters of health and safety requirements - as soon as possible.
- 5.3.5 The Royal Institution of Chartered Surveyors (RICS), Royal Incorporation of Architects Scotland (RIAS) and Chartered Institute of Building (CIOB) point out that urgent action is needed to avoid a long term, detrimental impact on the construction sector and the economy. They also state:

- that stasis is already taking hold of the sector in Scotland with many projects at significant risk and that unless measures are put in place now, outcomes will include long-term skills shortages, cost increases and reduced productivity.
- one of the biggest impacts of closed construction sites is that supply chains are now engaging in a comprehensive furlough of staff to the point that a state of paralysis is setting into the construction industry.
- many projects are in jeopardy, even at pre-construction phase, because the supply chain cannot submit quotes and prices.
- any delay in project planning and procurement will cause projects to be cancelled, and it could prolong the recovery.

5.3.6 All three professional bodies are members of the Construction Industry Coronavirus (CICV) Forum and Scotland Excel have joined the Clients/Commercial Subgroup to collaborate with the industry on recovery. Ongoing dialogue with councils will continue to help ensure that Scotland, both locally and nationally, retains a viable construction sector through these unprecedented times and that businesses emerge ready to resume work on existing projects and new opportunities.

## **5.4 Social Care**

5.4.1 The cost profile of social care services has continued to rise in recent years, and it is anticipated that the COVID-19 crisis will drive further cost increases. All of the services provided through Scotland Excel's social care frameworks have been challenged by the pandemic, particularly in relation to staff shortages, access to affordable PPE and the need to manage the associated risks to vulnerable people.

5.4.2 Scotland Excel is a member of the National Covid-19 Contingency Planning Group for care services, working with key partners to share information and guidance across the public sector. Recent work has included collaboration with COSLA to develop the Guidance for Commissioning Services COVID-19, as well as provision of market analysis and cost data to inform the recent national pay rise for social care staff.

5.4.3 The national Flexible Care and Support Services framework went live on 1st April with 78 providers offering 316 services. This framework offers care at home and supported living services. It was developed in consultation with key stakeholders and it reflects the Scottish Government's updated Health and Social Care Standards. Current pressures on both the local authority and care sector workforce have halted framework mobilisation, but this is expected to recommence shortly.

5.4.4 Over the past three years, Scotland Excel has worked with local authorities, COSLA and Scottish Care to develop a cost model to produce national rates

for council funded places in nursing and residential care homes. Although work is not yet complete on the 2020/21 model, negotiations around direct care costs were expedited so that care homes could meet the cost of annual increases in wages and salaries, property and supplies with effect from 6th April. This ensures that care workers and nursing staff looking after vulnerable older people during the Covid-19 crisis are put on a much surer financial footing.

- 5.4.5 The flexible framework for children's residential care supports councils to make placements within independent children's residential care, care and education, residential short breaks and day education services. Residential schools report that care and education services have continued as normal, although home schooling has replaced day education in some cases. There has been a significant reduction in demand for respite services.
- 5.4.6 With secure care services, the four specialist centres report to the Scottish Government COVID-19 Secure Care Resilience Group on a weekly basis. This group comprises senior representatives from each centre along with relevant senior staff from Scottish Government, Scotland Excel, the Care Inspectorate and Education Scotland. All secure care centres have robust service continuity and contingency plans in place, and these are updated when new information and guidance becomes available.
- 5.4.7 Through the fostering and continuing care framework, local authorities purchase fostering placements and continuing care placements from independent and voluntary providers as a supplement to their internal provision. The recent Scotland National Association of Fostering Providers Coronavirus Update report is very positive and states that children are coping well, and some are described as 'thriving'. In addition to this, their members have seen an increase in people applying to foster and are undertaking virtual interviews.
- 5.4.8 The Community Meals framework provides an efficient means for local authorities to arrange delivery of pre-prepared meals to people in their homes, as well as to community venues and council premises. Providers have confirmed that they have contingency plans in place to ensure continuity of supply to this vulnerable customer base.
- 5.4.7 The procurement of technology enabled care and ancillary monitoring services to maintain, promote, and support independent living is facilitated by the current framework. In partnership with the Digital Office, scoping of the provision of telecare supplies and services is underway, as demand for technology enabled care solutions is likely to increase in the coming months. In addition, the procurement activity to support the migration to digital telecare solutions will be accelerated.



## **6. The Academy**

- 6.1 When lockdown occurred and face-face teaching was no longer possible, The Academy team quickly consulted its learners to understand which online platforms each local authority organisation could access. All development programmes and workshops were then transitioned to online delivery, across thirteen active cohorts. Recognising an opportunity to sustain engagement across our national customer base, seventeen “Stay Connected” online workshops were launched, teaching specific topics online over a one hour duration. These workshops are delivered free to learners.
- 6.2 As online activity scaled, significant IT connectivity issues were experienced across our council organisations, resulting in the testing of five web conferencing/teaching software packages. The incompatibilities across our customers resulted in pausing the online delivery on the 01 May 2020. The team then evaluated some systems in detail and invested in Big Blue Button software to facilitate online delivery, video communication, screen sharing and online group work, using a dedicated server. The delivery of online programmes resumed on the 19 May 2020.
- 6.3 The Academy now has sixteen active cohorts being delivered online nationally. Similarly, 339 learners have signed up for the online Stay Connected workshops, across 38 organisations including 19 councils. These are being delivered throughout May – August 2020.
- 6.4 Some IT connectivity issues remain across council organisations, so platforms are alternated to accommodate as many learners as possible. However, delivery of an increased quantity of planned workshops is underway to include as many learners as possible.
- 6.5 As The Academy prepares to thrive in a post COVID-19 environment, collaborating on a national scale, sharing expertise and resources, will be crucial and therefore collaborative working will be sustained. Current examples include:
- Working with the Scottish Government, APUC and SEPA as a member of the Procurement and Climate Change Forum- People and Capability Work Stream
  - Co-chair the Scottish Government’s Professional Practice and Development working group, working with multiple national bodies on the development of our people
  - Continue to collaborate with the Improvement Service, co-creating and co-delivering the project management programme and the business analysis, decision making and innovation programme

- Continue to develop the Scottish graduate apprenticeship programme as a member of the Glasgow Caledonian University programme board
- Participate in the CIPD's Scottish Policy Forum

## **7. Project activity**

- 7.1 Generally, when lockdown occurred, and team members for all projects were required to work from home at short notice. The technology and ways of working were tested and additional focus was required to making sure the projects were still delivering. The effectiveness of the technology has provided the ability for the project teams to continue to work with partner organisations.
- 7.2 The Fife Programme has managed to continue to deliver, and for the most part remains on track to deliver. There has been a reduction in engagement with some areas as frontline teams have been diverted to essential and critical service delivery. As of 1st June, three of the sub-projects are completed and formally closed, with a further three entering their final tasks before completion. Daily contact with Fife Council colleagues continues to ensure full delivery of the programme.
- 7.3 It is recognised that Covid19 will change how organisations address improvement in coming months and years. Forecasting how global market conditions and the business environment will change has been a keen consideration for the Tayside Programme Board. The recommendations to the most recent meeting of the Board focused on how the programme should evolve to ensure key deliverable are achieved under the new conditions.
- 7.4 The East Renfrewshire programme has been able to continue the implementation of the majority of its projects during this period. A new benefits tracking process has been rolled out a number of tangible savings opportunities for the Council have been identified. A new business plan for Corporate Procurement has been drafted, work is well underway in the area of procurement training and communications across the Council, and proposals for Contract and Supplier Management are being developed for consideration.
- 7.5 The East Lothian improvement project has taken lower priority over the last couple of months as the procurement team has been attending to critical service delivery and Covid19 related emergencies such as supplier relief program and school hub supplies. The delay is recoverable over the duration of the programme, and related activities such as benefit tracking, savings generation as well as contract optimisation are gaining considerable momentum.

As the Council enters the recovery and renewal phase, much emphasis is given to digital transformation and digital service delivery. Recently increased engagement with the procurement plan is driving new ideas and a more collaborative approach to delivering these. The need to re-evaluate what good outcomes look like has also emerged with focus on value creation, local economy as well as ensuring a more resilient, flexible supply chain.

## **8. Conclusion**

Members are invited to note the content of this report and support the measures taken to continue operations during the COVID-19 pandemic.