

Scotland Excel

To: Executive Sub Committee

On: 18th September 2020

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

Update on the Contract Portfolio Review (during Covid)

1. Introduction

The purpose of this report is to provide an update on the actions taken by Scotland Excel to ensure contractual continuity during the current COVID 19 outbreak.

2. Background

In response to the current coronavirus (COVID-19) outbreak, the Scottish Government has issued specific procurement guidance by way of a number of Scottish Procurement Policy Notes ("SPPN"s), as follows:

- SPPN 4/2020 sets out further information about the procedures available and circumstances where modifications to contracts are permitted.
- SPPN 5/2020 describes the current outbreak of COVID-19 as unprecedented and as having a significant impact on businesses of all sizes, putting their financial viability, ability to retain staff and their supply chains at risk.
- SPPN 6/2020 notes that public bodies should take particular care over the coming months to keep their existing and forthcoming contracts under review to ensure that these remain practical. It recommends that steps are carried out to ensure that procurement procedures are not commenced that are not practical to deliver and to ensure the best use of resources at this time. It further advises that public bodies ensure that their staff and suppliers are using their resources as efficiently as possible and making the best use possible of the procurement procedures available. For example, it notes that they could use appropriate public procurement framework agreements that are already available to optimise resources.
- SPPN 8/2020 sets out supplier relief measures to ensure that transition out of 'lockdown' business restrictions are in line with the opening up of markets and the Scottish Government's Routemap through and out of lockdown. The guidance recommends that bodies should take steps to review their contract portfolio, taking into account strategic and reprioritisation needs on a case by

case basis, and that plans should include agreeing contract variations, where appropriate and necessary.

3. Actions Taken

In line with Scottish Government Policy Note (SPPN) 8/2020 Scotland Excel have taken steps to review our contract portfolio taking into account strategic and reprioritisation needs. As a result of this review and particularly taking account of impact on normal business practices resulting from the current Coronavirus/Covid-19 outbreak, Scotland Excel has deferred some projects and extended or is in the process of extending the current frameworks for Fostering, Vehicle Parts, Domestic Furniture, Education Furniture and Personal Protective Equipment.

As previously reported 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)

4. Proposed Action

Considering the on-going impact on normal business practices resulting from the current Coronavirus/Covid-19 outbreak, Scotland Excel proposes to extend an additional three frameworks within its portfolio, these being Outdoor Play Equipment, Energy Efficiency and Organic Waste. The extension periods will be for a maximum of 6 months.

These actions taken to date and the actions proposed within this report seek to ensure continuity of supply and reduce supplier burdens under those frameworks. This is essential in order to ensure that Scotland Excel members continue to have access to the goods and services they need to operate effectively, for both their routine operations and those circumstances where they may need to react rapidly in order to mitigate the impacts of the on-going health emergency.

5. Recommendation

Members are invited to note the actions taken to date 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) agree the proposed recommendations for contract extensions included Section 4 of this report.