

Scotland Excel

To: Executive Sub Committee

On: 26 April 2019

**Report
by
Director Scotland Excel**

Update on the Contract Delivery Plan

1. Introduction

This report provides a progress update on the 2019/ 2020 contract delivery plan.

2. Progress to Date

As detailed in Appendices 1 – 3, the 2019/ 2020 contract delivery plan comprises framework renewals, new developments, framework extensions and frameworks with ongoing contract management only.

There are 68 current frameworks in the Scotland Excel contract portfolio, with 13 of these frameworks to be renewed before 31 March 2020 (Appendix 1).

The previous security services and equipment renewal framework has been split into two separate framework agreements. This will allow Scotland Excel to conduct further stakeholder engagement to consult on selection criteria and specifications for extended scope encompassing fire suppression, fire detection and sprinklers. The delivery date for the renewal framework for security services has been adjusted to September and the fire and security equipment framework is forecast to be delivered in October.

The forecast delivery date for building and timber has been adjusted to June to allow for Scotland Excel to conduct post tender negotiation to ensure best value delivered through fourth generation framework.

Scotland Excel plans to add a further eight new frameworks to its contract portfolio by 31 March 2020 (Appendix 2). The eight planned first generation frameworks include four being coordinated through the operational supplies and services team.

A further sixteen of the frameworks on the current portfolio have extension options that are likely to be exercised in 2019/ 2020 with two of these extensions already approved (Appendix 3).

The estimated forecast value of the Scotland Excel framework portfolio by 31st March 2020 will be approximately £1.9Billion.

Overall, efficiencies delivered to date in 2018/ 2019 are 4.2%, 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 2019/ 2020, Scotland Excel will continue to work with a range of partners to implement the procurement strategy.

In 2019/ 2020, 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. Scotland Excel took over operational contract management of care home services for older people from COSLA on 1 April 2019.

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). The second stage of the two-stage tender procedure was issued in March 2019. The procurement exercise remains on course for going live in August 2019.

Work continues in conjunction with the Digital Office, to procure a replacement Social Work Care Case Management system. Working alongside council and social work colleagues, a detailed output specification has been developed. Consultation has also taken place with Scottish Government colleagues and suggested amendments have been incorporated to include The Public Bodies (Joint Working) Act 2014 which is a key piece of legislation, requiring Health Boards and Local Authorities to integrate their health and social care services and the strategy document now takes cognisance of self-directed support (SDS) which is a major change to the way people with social care needs are supported. The tender documents will be released for publication by the end of April 2019.

3. Conclusion

Members are invited to note the progress made to date.

Appendix 1 - List of contracts to be renewed in 2019/20

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
Asbestos	12,000,000	Renew	Apr-19	Jul-19			2% - 4%		Evaluating
Online School Payments	2,500,000	Renew	Dec-18	Dec-19			2% - 4%		Plan delayed to incorporate additional requirements
Security Services and Cash Collection	12,500,000	Renew	Apr-19	Aug-19		Sep-19	2% - 4%		Tender development
Fire and Security Equipment	7,500,000	Renew	Oct-19				2% - 4%		Tender development
Building & Timber	15,000,000	Renew	Apr-19			Jun-19	2% - 4%		Evaluating
Care Homes For Adults With LD Inc Autism	12,500,000	Renew	May-19			Sep-19	2% - 4%		Strategy in development
Demolition	16,000,000	Renew	Aug-20				2% - 4%		Strategy in development
Community Meals	4,000,000	Renew	Sep-19				2% - 4%		Tender released
Plumbing and Heating Materials	20,000,000	Renew	Dec-19				2% - 4%		Strategy in development
Engineering Consultancy	17,000,000	Renew	Mar-20				2% - 4%		Strategy in development
Secure Care	20,000,000	Renew	Apr-20				N/A		Strategy in development
Electrical Materials	14,000,000	Renew	Apr-20				2% - 4%		Strategy in development
Waste Disposal Equipment	1,250,000	Renew	Apr-20				2% - 4%		Strategy in development

Appendix 2 – List of new contracts to be developed and delivered in 2019/2020

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
Care Home Services for Older People	450,000,000	New Contract	Jan-19		Apr-19		N/A	N/A	Scotland Excel took over operational contract management from COSLA on 1 April 2019
Cleaning Equipment (OSS)	2,500,000	New Contract	Apr-19		Mar-19		5.5%	7.5%	Recommendations approved at Executive Sub Committee on 22 March 2019
Vending Machines (OSS)	1,250,000	New Contract	May-19		Mar-19		5.5%	6.0%	Recommendations approved at Executive Sub Committee on 22 March 2019
Social Care Case Management Solutions	8,500,000	New Contract	Nov-18	May-19		Oct-19	5.5%		Strategy in development
Swimming Pool Contractors (OSS)	2,000,000	New Contract	Oct-19				5.5%		Strategy in development
Care and Support	102,250,000	New Contract	Aug-19			Jan-20	N/A		Strategy in development
Alcoholic Beverages (OSS)	1,250,000	New Contract	Aug-19				5.5%		Tender released
Bikeability Scotland Training Providers (OSS)	300,000	New Contract	Aug-19				N/A		Strategy approved
New Build Residential	375,000,000	New Contract	Sep-19				5.5%		Tender released
Bread and Rolls (OSS)	2,000,000	New Contract	Oct-19				5.5%		Strategy approved
Building Related Professional Services	20,000,000	New Contract	Mar-20				2% - 4%		Strategy in development

Appendix 3 – Contracts with extension options and contract management activity ongoing in 2019/2020

Contracts with extension options in 2019/20

Contract Description	Est Annual Value
Bitumen Products	£12,000,000
Bottled Gas (OSS)	£2,000,000
Catering Machines (OSS)	£2,000,000
Digital Publications and Services	£1,000,000
Education & Office Furniture	£9,000,000
Education Materials	£17,500,000
Energy Efficiency Contractors	£200,000,000
Frozen Foods	£25,000,000
Laundry Equipment (OSS)	£1,100,000
Library Books & Textbooks	£14,000,000
Outdoor Play Equipment and Artificial Surfaces	£17,500,000
Personal Protective Equipment	£10,000,000
Pest Control (OSS)	£1,500,000
Steeplejacks Services (OSS)	£1,750,000
Swimming Pool Chemicals (OSS)	£1,250,000
Water Coolers (OSS)	£1,500,000

Contracts which are shaded have been approved for extension

Contracts with no renewal or extension activity and contract management activity ongoing in 2019/20

Contract Description	Est Annual Value	Contract Description	Est Annual Value
Boiler Maintenance	£10,000,000	Organic Waste	£12,000,000
Buildings Related Engineering Consultancy	£10,000,000	Power Tools	£681,818
Catering Sundries	£6,000,000	Recyclable & Residual Waste	£40,000,000
Children's Residential	£105,400,000	Recycle and Refuse Containers	£12,500,000
Commercial Catering Equipment (OSS)	£4,000,000	Road Maintenance Materials	£2,500,000
Customer Service Platform	£3,750,000	Road Signage Materials	£1,250,000
Domestic Furniture and Furnishings	£20,000,000	Roadstone	£5,000,000
Energy Advice (OSS)	£1,000,000	Salt for Winter Maintenance	£16,250,000
Fire Safety Products (OSS)	£2,500,000	Social Care Agency Workers	£20,000,000
First Aid Materials (OSS)	£2,000,000	Street Lighting Bulk Renewal of Luminaires	£5,000,000
Fostering	£25,000,000	Street Lighting Materials	£35,000,000
Fresh Meat, Cooked Meats & Fresh Fish	£10,000,000	Technology Enabled Care	£6,300,000
Groceries & Provisions	£30,000,000	Trade Materials	£10,000,000
Heavy Vehicles	£40,000,000	Tyres for Vehicles & Plant	£6,500,000
Hot Beverages (OSS)	£1,000,000	Vehicle & Plant Hire	£15,000,000
Janitorial Products	£12,000,000	Vehicle Parts	£12,000,000
Light and Heavy Plant	£10,000,000	Vehicle Purchase RM6060	£15,000,000
Milk	£9,000,000	Washroom Solutions and Sanitary Products	£3,500,000