

Scotland Excel

To: Scotland Excel Joint Committee

On: 27 November 2015

**Report
by
Director Scotland Excel**

Update On The Contract Delivery Plan

1. Introduction

The purpose of this report is to update the Committee on the progress against the 2015/2016 contract delivery plan.

2. Progress to Date on the 2015/16 Contract Delivery Plan

Appendices 1 – 3 outline the progress on a contract by contract basis in terms of renewals, new developments, framework extensions and frameworks with ongoing contract management.

The 2015/16 contract delivery plan established 12 new opportunities to be developed and provided for 6 contracts to be renewed. Additionally a further 10 contracts were to be considered for extension. With the delivery of the new contracts, contract renewals and contract extensions the value of the portfolio is expected to grow to £717m by March 2016.

Construction continues to be a key development area for Scotland Excel. Whilst there has been some positive progress it also continues to be the case that delivery predictability has been challenging due to a combination of resource availability and extended stakeholder consultation. A recent recruitment campaign has resulted in a small number of approved vacancies being filled that will allow further progress and appropriate on-going engagement with Councils to ensure contracts delivered are aligned to Councils requirements and priorities.

Both contract development and contract management within the ICT portfolio has progressed well in the last quarter. Following extensive liaison with a wide range of stakeholders including the Local Government ICT Board and the Joint Improvement Service an Invitation to Tender (ITT) process for a Customer Services Platform is underway. Additionally active contract management of the on-line school payments framework is resulting in increasing participation.

We are continuing to liaise with councils corporate procurement functions to establish future contract development opportunities and these will be the subject of a report at the next Joint Committee.

3. Conclusion

The Committee is asked to note the progress made to date.

Appendix 1 - List of contracts to be renewed

Service	Estimated Annual Collaborative Contract Opportunity	Activity	Forecast Date	Delivered Date	Forecast Savings Range	Delivered Savings Forecast	Comments
Community Meals	3,500,000	Renew	Jun-15	Jun-15	2% - 4%	-2.7%	Presented and approved at Exec Sub Committee 12/06/15
Plumbing Materials	21,000,000	Renew	Oct-15	Oct-15	2% - 4%	4.7%	Presented and approved at Exec Sub Committee 02/10/15
Groceries & Provisions	24,000,000	Renew	Mar-16		2% - 4%		Evaluation to be completed after Tender close 10/11/15
Electrical Materials	11,500,000	Renew	Mar-16		2% - 4%		Strategy UJG took place 04/09/15 and Tender process underway.
Waste Disposal Equipment	1,500,000	Renew	Mar-16		2% - 4%		Technical panel & UJG approved strategy and Tender process is underway.
Fostering	24,000,000	Renew	Mar-17		n/a		The scope of the fostering framework is currently under review and will determine when the framework is re-tendered. The current framework includes an extension option which would enable the framework to continue until March 2017 however the outcome of the current review may mean the framework is renewed earlier in 2016.

Appendix 2 – List of new contracts to be developed and delivered in 2015/16

Service	Estimated Annual Collaborative Contract Opportunity	Activity	Forecast Date	Delivered Date	Forecast Savings Range	Delivered Savings Forecast	Comments
Care Homes for Adults With Learning Disabilities	31,000,000	New contract	May-15	May-15	N/A	N/A	Presented and approved at Exec Sub Committee 15/05/15
Building Related Engineering Consultancy	10,000,000	New contract	Jul-15	Aug-15	2% - 4%	TBC	Presented and approved at Exec Sub Committee 28/08/15
Demolition	16,000,000	New contract	Jun-15	Oct-15	2% - 4%	TBC	Presented and approved at Exec Sub Committee 02/10/15
Street Lighting Installation and Maintenance	20,000,000	New contract	Apr-16		2% - 4%		Following re-allocation of staff and further to a full review of the project and documentation the Tender process is underway.
Customer Services Platform	3,000,000	New contract	May-16		2% - 4%		ITT process underway.
Energy Efficiency Contractors	40,000,000	New contract	Jun-16		2% - 4%		A comprehensive stakeholder mapping exercise has been undertaken following. Various discussion and feedback to this exercise indicate that this remains a priority for Councils and the potential value could be significantly greater than original forecasts.
Architectural Services	12,000,000	New contract	Jul-16		2% - 4%		Council stakeholders have requested this project be brought forward to support the City Deal initiatives. To allow for this re-prioritisation Surveying and Construction Management has been re-scheduled.
Playground Equipment & Artificial Surfaces	17,000,000	New contract	Jul-16		2% - 4%		Following a review of the scope and detailed market analysis Playground Equipment and Artificial Surfaces will be tendered as a single project.
Surveying and Construction Management	8,000,000	New contract	Mar-17		2% - 4%		In line with Council requirements Surveying and Construction Management is scheduled to commence following delivery of Architectural Services.

Appendix 3 – Contracts with extension options and contract management activity ongoing in 2015/16

Contracts with extension options in 2015/16

Contract Description	Est Annual Value
Bitumen Products	£ 16,500,000
Catering Sundries	£ 3,000,000
Domestic Furniture and Furnishings	£ 32,000,000
Education & Office Furniture	£ 5,000,000
Engineering Consultancy	£ 15,000,000
Library Books & Textbooks	£ 14,000,000
Organic Waste	£ 2,000,000
Personal Protective Equipment	£ 7,500,000
Trade Materials	£ 7,666,571
Vehicle Parts	£ 10,000,000

Note: Shading indicates extension completed

Contracts with no renewal or extension activity but with ongoing contract management in 2015/16

Contract Description	Est Annual Value
Agency Workers Social Care	£ 20,000,000
Asbestos	£ 8,000,000
Building and Timber Materials	£ 15,200,000
Children's Residential Care	£ 75,000,000
Educational Materials	£ 17,400,000
Frozen Foods	£ 13,000,000
Grounds Maintenance Equipment	£ 12,500,000
Heavy Plant	£ 12,500,000
Heavy Vehicles	£ 33,750,000
Household WEEE	£ -
Janitorial Products	£ 9,000,000
Light Vehicles	£ 25,000,000
Meats - Fresh, Prepared and Cooked (incl. Fresh Fish)	£ 7,000,000
Milk	£ 9,000,000
Online School Payments	£ 2,500,000
Presentation and Audio Visual Equipment	£ 6,000,000
Recyclable & Residual Waste	£ 25,000,000
Recycle/Refuse Containers	£ 8,000,000
Road Maintenance Materials	£ 2,500,000
Roadstone	£ 35,000,000
Salt for Winter Maintenance	£ 15,375,000
Secure Care	£ 20,000,000
Security Services & Equipment	£ 18,000,000
Signage Materials	£ 2,000,000
Street Lighting Materials	£ 35,000,000
Telecare & Telehealth Technologies	£ 3,400,000
Tyres	£ 6,000,000
Vehicle & Plant Hire	£ 20,000,000
Washroom Solutions	£ 3,500,000