

Scotland Excel

To: Executive Sub-Committee

On: 23 April 2021

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

Update on the Contract Delivery Plan

1. Introduction

This report provides a progress update on the 2021/22 contract delivery plan.

2. Progress to Date

The 2021/ 22 contract delivery plan comprises of new framework developments and renewals, framework extensions and frameworks with ongoing contract management only. These are detailed in appendices 1 – 4, as follows:

Appendix 1: New framework developments and renewals

Appendix 2: Flexible contracts with opportunities to include to new entrants

Appendix 3: Contracts with extension options

Appendix 4: Contracts with ongoing contract management activity only

There are 72 current frameworks in the Scotland Excel contract portfolio, with 6 further new frameworks to be added and 37 of these frameworks to be renewed before 31 December 2022.

A further 15 of the frameworks on the current portfolio have extension options that are likely to be exercised in 2021/22.

Overall, efficiencies delivered to date in 2021/22 are 2.9%, slightly above the forecast range. It is anticipated that the value of the Scotland Excel framework portfolio by 31 March 2022 will remain in the region of £2Billion.

A summary of spend and forecast savings per council between January 2020 and December 2020 can be found in appendix 5, with an average forecast efficiency of c.2.9%.

In addition to the activity detailed in Appendices 1 - 4, Scotland Excel is exploring the benefits of further collaborative procurement across high spend, critical service areas in the construction, corporate, ICT and social care teams.

The Fostering and Continuing Care framework has been in operation since 25 March 2017 and has performed well against expectations to date. The current framework was due to expire in March 2021. In view of the severe impact on normal business practices resulting from the current COVID 19 outbreak, Scotland Excel extended the framework

in accordance with Regulation 72 of the Public Contracts Regulations (Scotland) 2015. The agreed 3-month extension allows time for market recovery and stakeholder engagement in advance of any tender. The tender was released in March 2021 with the intention to award the contract in July 2021.

The New Build Residential Construction Framework has seen a substantial increase in activity following delays due to COVID-19 restrictions/impacts over the last year. To date, eight projects totaling £78 million have been awarded through the framework with a further 13 currently undergoing a direct award process or mini competition. Two projects are live and are already delivering substantial local benefits, with nearly £8 million being awarded to local subcontractors.

In relation to the Social Care Case Management System development, the framework went live with five service providers on the 12th March. Full mobilisation packs are now available to Council members via the Scotland Excel members area on the web site. Mobilisation meetings took place with service providers week commencing 29th March.

An understanding of current ICT system and applications in use across councils is being collected through Scotland's Technical Asset Management Platform (STAMP). All enhancements have now been applied to Scotland's Technical Asset Management Platform (STAMP) and testing of the system has now concluded. A further three councils have contributed information to STAMP; this information has now been cleansed and validated. It has been agreed that a cyber security penetration test be conducted on the system to ensure Council information is appropriately protected. This test will take place on 26th April.

The project for Artificial Intelligence (AI)/ Robotics Process Automation is ongoing in looking at potential collaborative contracting areas of opportunity across the councils. Two User Intelligence Group (UIG) meetings have taken place to establish the potential scope and requirements for a framework offering, and these are currently being circulated to ensure all requirements are captured. A draft procurement strategy will be developed during April and May.

The refresh of the Online School Payments framework, incorporating new elements of the catering management system, is going through the final stages of strategy development with technical input from member councils. It is expected that this will be tendered by April 2021 and go live is planned by August 2021.

Through the Scotland Excel/SEEMiS strategic partnership, a project was undertaken to procure a replacement solution for a module for supply teacher bookings, which is due to expire this year. Through UIG meetings the scope of this was expanded to include a more generic booking solution that might encompass a number of requirements. The award recommendation was approved at the March Executive Sub Committee and is currently in the legal standstill period. A mobilisation meeting has been arranged for 15 April.

The development of the Digital Technology Enabled Care Dynamic Purchasing System (DPS) is almost concluded, and in the coming weeks an invitation for applications to qualify for the DPS will be issued to interested suppliers via Public Contracts Scotland. It is anticipated that the recommendation for first participants will be presented to the July Executive Sub-Committee.

Several of the first-generation contracts within Scotland Excel's OSS (Operational Supplies and Services) portfolio are approaching the end of their four year framework period. Scotland Excel will be undertaking opportunity assessments for these contracts to understand how these frameworks have operated, for example their participation and spend profile. These opportunity assessments will be used to inform discussions with councils as to whether it is viable to renew each of these frameworks or, for example, if their scope should be changed. This will ensure that the contracts within the OSS team continue to meet council requirements.

The Care and Support Flexible Framework went live on 1 April 2020. The framework can be re-opened on a six-monthly basis throughout its four-year duration, dependent on circumstances and demand. The framework was re-opened 2 October 2020. Following this, it is proposed that 40 new providers (107 Services) will be added to the framework, which will bring the total number of framework providers to 110 (420 Services) from 1 April 2021. As noted at appendix 3, preceding any further reopening, a Prior Information Notice will be published to establish the levels of market interest. Coupled with this, mobilisation activities are ongoing with Councils/HSCPs who intend to adopt the framework, and to establish local demand. This will ensure there is the capability and capacity to deliver sustainable services to meet their local commissioning plans.

The Care Home for Adults with Learning Disabilities including Autism, second generation flexible framework, went live on 11 October 2019, with 24 Providers offering 57 Care Homes and 60 Services. The framework is designed to re-open periodically throughout its four-year duration to allow new providers to join. As noted at appendix 3, a survey was issued to Councils/HSCPs on September 2020 and highlighted that there is interest to re-open the framework. Further market research is planned prior to establishing an anticipated date for reopening, in order to ensure the framework continues to offer adequate choice of quality and value for money provision, for whom this type of Care Home support, and which is often complex, is the best way to meet people's needs.

3. Conclusion

Members are invited to note the progress made to date.

Appendix 1 – List of New or Renewal Contracts until December 2022

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
Electric Vehicle Charging Points	10,000,000	New Contract	Aug-20	May-21		Oct-21	5.5%		Plan delayed due to COVID-19
Lift Maintenance (OSS)	1,250,000	New Contract	Mar-20	Mar-21		Mar-22	5.5%		Project initially delayed due to COVID-19 discussions ongoing to confirm anticipated uptake and viability
Construction and Building Consultancy	10,000,000	New Contract	May-21			Jan-22	2% - 4%		Initially merged with Engineering Consultancy but delayed due to separate service offering. Strategy Consultation commenced
Waste Composition Analysis	750,000	New Contract	Jun-21				5.5%		Currently under Tender Evaluation
Digital Telecare	4,000,000	New Contract	Apr-21				5.5%		DPS being published by April
Supply Teacher Booking System	300,000	New Contract	Apr-21		Mar-21		5.5%	0.0%	Recommendations presented to Executive Sub Committee on 19 March 2021 - currently under standstill period
Online School Payments	3,000,000	Renew	Apr-20	Apr-21		Jul-21	2% - 4%		Plan delayed due to COVID-19
Domestic Furniture and Furnishings	26,000,000	Renew	Nov-20	Feb-21			2% - 4%	-3.20%	Framework live 02 March 2021
Vehicle Parts	12,000,000	Renew	Jan-21	Apr-21		May-21	2% - 4%		Framework to enter standstill period after approval.
Education and Office Furniture	5,000,000	Renew	Mar-21	May-21		Aug-21	2% - 4%		Plan delayed due to COVID-19
Outdoor Play and Sports Facilities	17,500,000	Renew	Mar-21			Dec-21	2% - 4%		Tender in development. Forecast date revised to reflect prioritisation of other work areas
Engineering and Technical Consultancy	17,125,000	Renew	Mar-21		Jan-21		2% - 4%	3.7%	Recommendations presented to Executive Sub Committee on 29 January 2021
Fostering and Continuing Care	34,000,000	Renew	Mar-21			Jul-21	N/A		Tender published March, recommendations to be presented to sub committee June 2021
Organic Waste	12,000,000	Renew	Apr-21			Jul-21	2% - 4%		Plan delayed due to COVID-19
Energy Efficiency Contractors	200,000,000	Renew	May-21			Nov-21	2% - 4%		Tender in development. Commencement date revised due to COVID 19
Frozen Foods	25,000,000	Renew	Jul-21			Mar-22	2% - 4%		Plan delayed due to COVID-19. Tender development underway.
Education Materials	17,500,000	Renew	Aug-21				2% - 4%		Currently out to tender.
Personal Protective Equipment	10,000,000	Renew	Mar-21			Nov-21	2% - 4%		Plan delayed due to COVID-19. Strategy in development

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
Laundry Equipment	1,100,000	Renew	Nov-21			Not being renewed	2% - 4%		Opportunity Assessment was undertaken and showed limited spend and participation to date. Framework will not be renewed.
Bottled Gas	2,000,000	Renew	Nov-21			Not being renewed	2% - 4%		Opportunity Assessment was undertaken and showed limited spend and participation to date. Framework will not be renewed.
Pest Control Services	1,500,000	Renew	Nov-21				2% - 4%		Opportunity Assessment to be undertaken to confirm requirements/spend
Steeplejack Services	1,750,000	Renew	Dec-21				2% - 4%		Opportunity Assessment to be undertaken to confirm requirements/spend
Heavy Vehicles	25,000,000	Renew	Jan-22				2% - 4%		Strategy in development
Tyres for Vehicles and Plant	6,500,000	Renew	Nov-21				2% - 4%		Strategy in development
Vehicle and Plant Hire	15,000,000	Renew	Nov-21				2% - 4%		Strategy in development
Recycle and Refuse Containers	8,000,000	Renew	Nov-21				2% - 4%		Strategy in development
Water Coolers	1,500,000	Renew	Jan-22				2% - 4%		Opportunity Assessment to be undertaken to confirm requirements/spend
Repair of Catering Machines	2,000,000	Renew	Jan-22				2% - 4%		Opportunity Assessment to be undertaken to confirm requirements/spend
Swimming Pool Chemicals	1,250,000	Renew	Jan-22				2% - 4%		Opportunity Assessment to be undertaken to confirm requirements/spend
Library Books & Textbooks	14,000,000	Renew	Feb-22				2% - 4%		Pending
Digital Publications and Services	1,000,000	Renew	Feb-22				2% - 4%		Pending
Trade Materials	10,000,000	Renew	Feb-22				2% - 4%		Pending
Milk	9,000,000	Renew	Mar-22				2% - 4%		Strategy in development
Children's Residential	105,400,000	Renew	Mar-22				2%-4%		Pending
Fire Safety Products	2,500,000	Renew	Apr-22				2%-4%		Opportunity Assessment to be undertaken to confirm requirements/spend
Roadstone	5,000,000	Renew	Jul-22				2%-4%		Pending
Salt for winter maintenance	16,250,000	Renew	Jul-22				2%-4%		Pending

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
Street Lighting Materials	35,000,000	Renew	Aug-22				2%-4%		Pending
Road Maintenance Materials	2,500,000	Renew	Sep-22				2%-4%		Pending
First Aid Materials	2,000,000	Renew	Sep-22				2%-4%		Opportunity Assessment to be undertaken to confirm requirements/spend
Washroom Solutions	14,000,000	Renew	Sep-22				2%-4%		Pending
Fresh Meats, Cooked Meats and Fresh Fish	40,000,000	Renew	Sep-22				2%-4%		Pending
Commercial Catering Equipment	4,000,000	Renew	Oct-22				2%-4%		Opportunity Assessment to be undertaken to confirm requirements/spend

Appendix 2 – Flexible Contracts until December 2022

Service	Estimated Annual Collaborative Contract Opportunity	Activity	Anticipated Re-Opening Date	Comments
Care and Support	£140,000,000	Flexible Framework Agreement	TBC	Award process underway. Ongoing mobilisation planning, and market consultation is required to establish demand.
Care Homes For Adults With Learning Disabilities Including Autism	£26,500,000	Flexible Framework Agreement	TBC	A survey issued to Councils/HSCPs suggest that, there is interest to reopen the framework. The anticipated reopening date to be confirmed, pending a market consultation.
Social Care Agency Workers	£20,000,000	Flexible Framework Agreement	TBC	Determined by the requirements of Purchasing Authorities. it is anticipated this will be reopened this year, date to be confirmed.
Bikeability Scotland Training Providers	£300,000	Dynamic Purchasing System (DPS)	N/A	New entrants may be approved at any point during the lifetime of the DPS
Recyclable and Residual Waste	£40,000,000	Dynamic Purchasing System (DPS)	N/A	New entrants may be approved at any point during the lifetime of the DPS

Appendix 3 – Contracts with extension options and contract management activity ongoing until December 2022

Contract Description	Est Annual Value
Asbestos	£12,000,000
Boiler Maintenance	£10,000,000
Grounds Maintenance Equipment	£6,000,000
Groceries and Provisions	£30,000,000
Fresh Bread Rolls and Bakery Products	£1,500,000
Fresh Fruit and Vegetables	£1,500,000
Hot Beverages (OSS)	£1,000,000
Energy Advice (OSS)	£1,000,000
Vending Machines (OSS)	£1,250,000
Cleaning Equipment (OSS)	£2,250,000
Alcoholic Beverages (OSS)	£1,250,000
Sheriff Officers (OSS)	£1,100,000
Technology Enabled Care	£6,300,000
Demolition Services	£18,000,000
New Build Residential Construction	£375,000,000

Appendix 4 - Contracts with no renewal or extension activity and contract management activity ongoing until December 2022

Contract Description	Est Annual Value	Contract Description	Est Annual Value
Audio Visual	£7,500,000	Plumbing and Heating Materials	£22,500,000
Bitumen Products	£12,000,000	Road Signage Materials	£1,250,000
Building and Timber	£15,000,000	Secure Care	£17,500,000
Catering Sundries	£6,000,000	Security Services and Cash Collection	£12,500,000
Community Meals	£4,000,000	Social Care Case Management Solutions	£7,000,000
Electrical Materials	£20,000,000	Vehicle Purchase RM6060	£10,000,000
Janitorial Products	£12,000,000	Waste Disposal Equipment	£1,250,000
Light and Heavy Plant	£10,000,000		

Appendix 5 – Expenditure summary per Council: Jan’20 – Dec’20

Member Organisation	Actual Spend	Forecast Spend	Variance	Estimated Saving	% of Total Actual Spend
The City of Edinburgh Council	£46,092,693	£34,794,000	132.50%	£757,592	7.62%
Fife Council	£42,122,120	£109,105,013	38.60%	£640,236	6.96%
Glasgow City Council	£39,395,910	£51,130,817	77.00%	£748,308	6.51%
South Lanarkshire Council	£33,492,445	£63,447,062	52.80%	£465,123	5.54%
Associate Members	£32,639,420	£53,737,512	60.70%	£484,506	5.39%
Aberdeenshire Council	£31,441,218	£38,847,066	80.90%	£536,711	5.20%
West Lothian Council	£26,005,269	£27,550,068	94.40%	£347,926	4.30%
Aberdeen City Council	£25,951,692	£35,314,399	73.50%	£442,747	4.29%
Falkirk Council	£25,301,995	£43,472,811	58.20%	£1,006,079	4.18%
The Highland Council	£23,191,273	£26,490,608	87.50%	£263,528	3.83%
West Dunbartonshire Council	£21,266,810	£25,361,380	83.90%	£485,326	3.51%
North Lanarkshire Council	£20,349,910	£52,974,654	38.40%	£514,812	3.36%
Dundee City Council	£20,066,496	£15,144,097	132.50%	£313,955	3.32%
North Ayrshire Council	£17,483,123	£48,807,480	35.80%	£242,570	2.89%
Renfrewshire Council	£17,408,594	£37,335,337	46.60%	£456,284	2.88%
East Ayrshire Council	£14,770,781	£15,266,365	96.80%	£297,632	2.44%
East Lothian Council	£14,554,640	£13,534,590	107.50%	£250,811	2.41%
Perth and Kinross Council	£13,817,305	£9,494,650	145.50%	£410,764	2.28%
Dumfries and Galloway Council	£13,275,418	£11,793,274	112.60%	£265,802	2.19%
South Ayrshire Council	£13,269,231	£18,455,597	71.90%	£227,865	2.19%
Argyll and Bute Council	£11,291,617	£10,100,943	111.80%	£282,873	1.87%
Scottish Borders Council	£11,115,614	£12,876,339	86.30%	£219,521	1.84%
The Moray Council	£10,918,464	£23,285,579	46.90%	£110,884	1.80%
Stirling Council	£10,349,873	£11,297,035	91.60%	£125,268	1.71%
Angus Council	£9,952,069	£16,471,963	60.40%	£202,998	1.64%
East Dunbartonshire Council	£9,821,058	£9,683,266	101.40%	£213,506	1.62%
Tayside Contracts	£9,202,030	£13,532,461	68.00%	£317,908	1.52%
Clackmannanshire Council	£9,023,216	£12,702,860	71.00%	£181,888	1.49%
East Renfrewshire Council	£8,962,969	£11,473,706	78.10%	£422,256	1.48%
Inverclyde Council	£8,412,843	£9,293,972	90.50%	£221,768	1.39%
Midlothian Council	£7,905,073	£11,646,086	67.90%	£127,574	1.31%
Shetland Islands Council	£2,398,657	£3,075,969	78.00%	£25,317	0.40%
Orkney Islands Council	£2,171,152	£2,474,440	87.70%	£32,438	0.36%
Comhairle nan Eilean Siar	£1,622,516	£5,170,384	31.40%	£109,871	0.27%
Total	£605,043,494	£885,141,783	N/A	£11,752,647	2.94%