

Scotland Excel

To: Joint Committee

On: 9 December 2016

**Report
by
Director Scotland Excel**

Update On The Contract Delivery Plan

1. Introduction

This report provides a progress update on the 2016/2017 contract delivery plan.

2. Progress to Date

As detailed in appendices 1 – 3, the 2016/2017 contract delivery plan comprises framework renewals, new developments, framework extensions and frameworks with ongoing contract management only.

Contract delivery remains very active, with seven contracts delivered so far, and another 11 planned by March 2017. In addition, 11 contracts have been extended so far, with a further two planned by March. As such, the value of the portfolio is expected to grow to around £800m by March 2017. The forecast value for the framework for Energy Efficiency Contractors has been maintained at £40m at this stage; however, it is likely that this will increase.

The key growth area is construction, where delivery predictability has been constrained in the past due to a combination of resource availability and extended stakeholder consultation, and efforts will continue to ensure that we engage with the appropriate local authority representatives to ensure that contracts delivered align with council requirements. In addition, we will continue to ensure that focus is maintained on the high priority areas, supported as appropriate with additional resources, contained within the current budget.

In parallel to the contract delivery plan, Scotland Excel continues to provide procurement and contract management care home services for older people, the details of which are the subject of a separate report. Efficiencies delivered to date are in line with the targets set at 5%.

3. Conclusion

Members are invited to note the progress made to date.

Appendix 1 - List of contracts to be renewed

2016/17

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
Groceries & Provisions	24,000,000	Renew	Mar-16		Mar-16		2% - 4%	8.3%	Presented and approved at Exec Sub Committee 04/03/16
Electrical Materials	14,000,000	Renew	Mar-16		Mar-16		2% - 4%	5.1%	Presented and approved at Exec Sub Committee 04/03/16
Waste Disposal Equipment	1,250,000	Renew	Mar-16		Mar-16		2% - 4%	5.0%	Presented and approved at Exec Sub Committee 04/03/16
Catering Sundries	6,000,000	Renew	Sep-16		Sep-16		2% - 4%	7.0%	Presented and approved at Exec Sub Committee 16/09/16
Domestic Furniture	20,000,000	Renew	Sep-16		Sep-16		2% - 4%	0.1%	Presented and approved at Exec Sub Committee 16/09/16
Vehicle Parts	12,000,000	Renew	Nov-16				2% - 4%		ITT published 19th Sept, closed 17th October
Personal Protective Equipment	7,500,000	Renew	Jan-17				2% - 4%		ITT in development, due to be published imminently
Bitumen	15,000,000	Renew	Mar-17				2% - 4%		ITT in development, due to be published imminently
Fostering	25,000,000	Renew	Mar-17				n/a		ITT published 7th Sept, closed 26th Oct
Education & Office Furniture	9,000,000	Renew	Mar-17				2% - 4%		Technical group currently assessing requirements with feedback being collated.
Education Materials	10,000,000	Renew	Mar-17				2% - 4%		ITT in development, due to be published November 2016
Engineering Consultancy	17,000,000	Renew	Mar-17				2% - 4%		Tender Released - closes 1st December 2016
Secure Care	20,000,000	Renew	Mar-17				n/a		ITT published 19th Sept, closed 25th Oct

Appendix 2 – List of new contracts to be developed and delivered in 2016/17

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
Customer Services Platform	3,750,000	New contract	May-16		May-16		2% - 4%		Presented and approved at Exec Sub Committee 13/05/16
Street Lighting (Bulk Renewal of Luminaires)	5,000,000	New contract	May-16		May-16		2% - 4%		Presented and approved at Exec Sub Committee 17/06/16
Demolition	16,000,000	New contract	Mar-15	Dec-15		Dec-16	2% - 4%		Timeline delayed due to legal challenge. After successful outcome, Exec Sub Committee approved recommendations on 18th Nov with a contract start date expected by mid Dec 2016.
Energy Efficiency Contractors	40,000,000	New contract	Mar-14	Dec-16		Mar-17	2% - 4%		Ongoing. Technical UfG approved lots and working towards completion of ITT
Playground Equipment & Artificial Surfaces	17,000,000	New contract	Mar-15	Dec-16		Mar-17	2% - 4%		ITT published Fri 7th Oct. Closes 28th Nov
Surveying & Construction Management	8,000,000	New contract	Mar-15	Mar-16		TBA	2% - 4%		ON HOLD - Subject to resource. Priority given to council requirement for Energy Efficiency.
Adult Supported Living	30,000,000	New contract	Dec-12	Mar-16		TBA	N/A		ON HOLD - Subject to funding, project schedule & timeline can be defined

Appendix 3 – Contracts with extension options and contract management activity ongoing in 2016/17

Contracts with extension options in 2016/17

Contract Description	Est Annual Value
Meats - Fresh, Prepared and Cooked (incl. Fresh Fish)	£ 7,000,000
Trade Materials	£ 7,667,000
Road Maintenance Materials	£ 2,500,000
Vehicle and Plant Hire	£ 20,000,000
Street Lighting Materials	£ 35,000,000
Tyres	£ 6,000,000
Roadstone	£ 35,000,000
Heavy Vehicles	£ 33,750,000
Agency Workers Social Care	£ 20,000,000
Asbestos	£ 8,000,000
Telecare & Telehealth Technologies	£ 3,400,000
On Line School Payments	£ 2,500,000
Signage	£ 2,000,000

Contracts with no renewal or extension activity but with ongoing contract management in 2016/17

Contract Description	Est Annual Value
Building and Timber Materials	£ 15,200,000
Children's Residential Care	£ 75,000,000
Frozen Foods	£ 13,000,000
Grounds Maintenance Equipment	£ 12,500,000
Heavy Plant	£ 12,500,000
Janitorial Products	£ 9,000,000
Light Vehicles	£ 25,000,000
Milk	£ 9,000,000
Recyclable & Residual Waste	£ 25,000,000
Recycle/Refuse Containers	£ 8,000,000
Salt for Winter Maintenance	£ 15,375,000
Security Services & Equipment	£ 18,000,000
Washroom Solutions	£ 3,500,000
Community Meals	£ 3,500,000
Plumbing Materials	£ 20,621,122
Organic Waste	£ 2,000,000
Library Books & Textbooks	£ 14,000,000
Care Homes for Adults with LD	£ 31,000,000
Presentation & Audio Visual	£ 6,000,000
Building Related Engineering Consultancy	£ 10,000,000