



November 2022

**Scottish Local Government
Annual Value Report 2021-22
Aberdeen City Council**



Contents

| | |
|---|----|
| Introduction..... | 3 |
| 1 Scotland Excel Overview | 5 |
| 2 Aberdeen City Council at Q4 2021/22..... | 6 |
| 2.1 Aberdeen City Council Overview | 6 |
| 2.2 Arms-Length Organisations and Associate Members in Aberdeen City Council Area | 7 |
| 3 Scotland Excel Value Proposition | 8 |
| 3.1 Savings | 8 |
| 3.2 Rebates..... | 8 |
| 3.3 New Opportunities 2022/23..... | 8 |
| 3.4 Participation | 9 |
| 3.5 Cost Avoidance | 9 |
| 3.6 Contract and Supplier Management | 10 |
| 4 Local Suppliers..... | 12 |
| 5 Community Benefits | 13 |
| 6 Living Wage and Fair Work Practices | 14 |
| 7 Scotland Excel Academy | 15 |
| 8 Scotland Excel Annual Conference 2022..... | 16 |
| 9 Procurement and Consultancy Services | 17 |
| 10 Value of Membership..... | 18 |
| 11 What Next..... | 19 |
| Appendix A Framework Participation and Utilisation..... | 20 |

Introduction

Welcome to the third annual value report detailing the savings and benefits that Scotland Excel delivers to your council.

Scotland Excel is a leader of change. Since 2008 we have helped to establish public procurement as an effective driver for local and national economic growth and wellbeing. Our services are designed to help our members deliver the sustainable services that every community needs as well as a host of social, economic and environmental benefits.

Post pandemic recovery, international conflict and economic turbulence all contribute to the unprecedented challenges facing public services throughout Scotland. These challenges have had and will continue to have an impact on our communities. Local government has demonstrated the key role it has in supporting our communities. Scotland Excel's contracts are designed to help members deliver better public services in the face of these significant challenges and ongoing budget pressures. Embracing a sustainable procurement approach, our frameworks also act as a powerful driver of community wealth building.

Through The Academy, we use our expertise and experience to help our members enhance their procurement skills and get the most from their spend. Our services also allow organisations to flex their procurement resources during busy periods.

This report is designed to provide a detailed view of the value derived from membership of Scotland Excel by your council. Value manifests itself in many forms and this report provides a range of measures relevant to your organisation. In 2022 we launched our Value Project to consider what you value, how we can grow this and how to report and evidence this.

The report starts with an infographic summarising several key national value measures across the 32 councils. It then moves on to provide a number of specific financial value indicators for your council.

Recognising that value is not purely financial, the report provides updates on areas such as community benefit, local spend and support for local economies. The Scotland Excel Academy provides a range of people development services to your organisation and your level of participation in this is provided.

2023 will see the launch of our new 5-year strategy after considerable consultation with our members and stakeholders. The strategy, in conjunction with our annual operating plans, will focus on five major goals that underpin all our activities. These are:

- Journey towards a net zero Scotland by 2045
- Financial sustainability of public services
- Community wellbeing
- Development of resilient supply chains
- Advancement of skills to deliver Scotland's economic transformation

We hope you find the report interesting, and that it demonstrates the value Scotland Excel provides to your council.

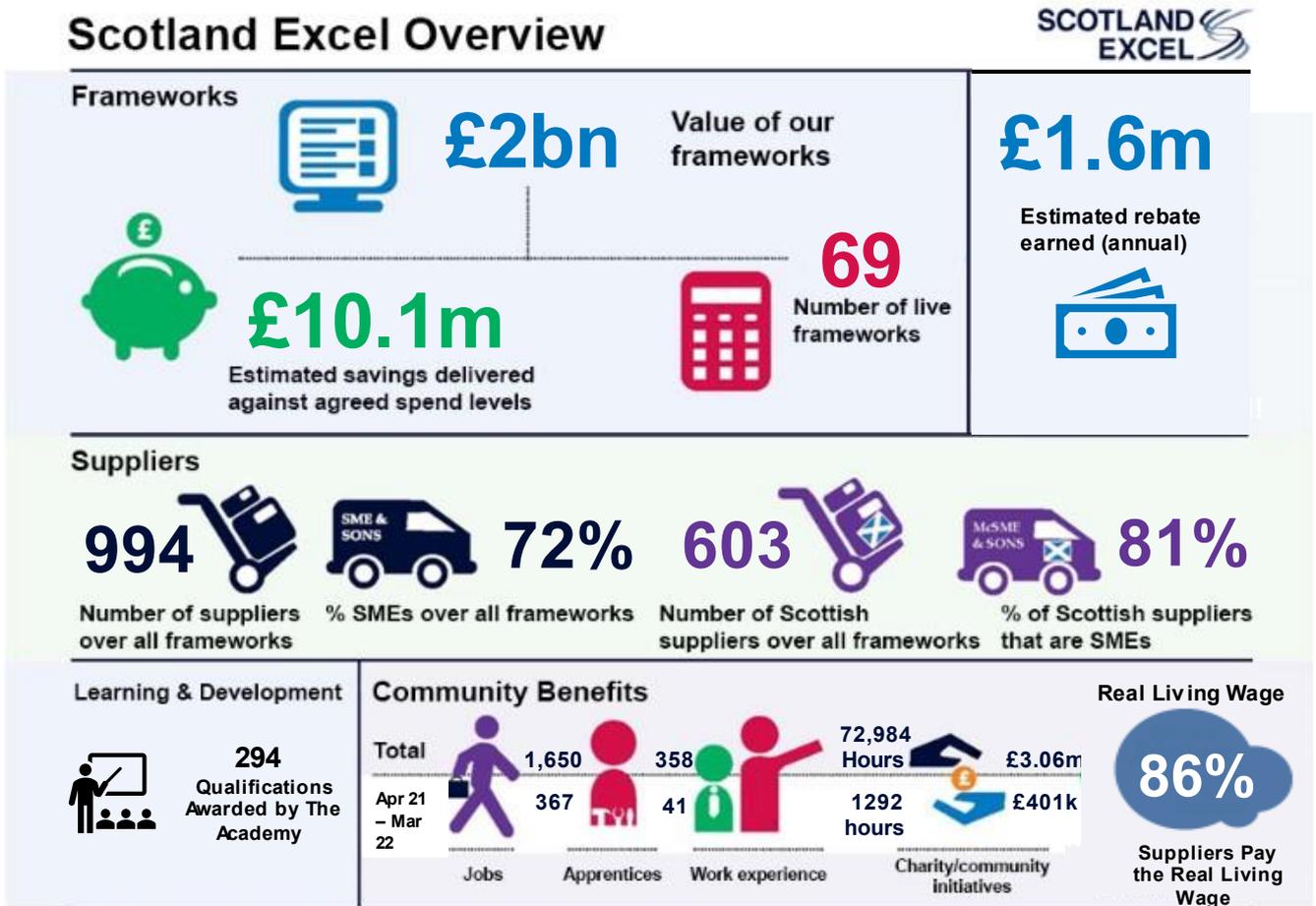


Julie Welsh

Chief Executive
Scotland Excel

1 Scotland Excel Overview

The following infographic provides an overview of services provided to all Scotland Excel members for the period 1st April 2021 to 31st March 2022.



Framework info at Q4 21/22 | savings figure doesn't include social care services/w's | rebates for 20/21 | L&D refers to accredited courses since 2016 | Community Benefits: Total = Apr 13 to Mar 22 | Living Wage is reflective of the status at point of SKL 21-22 Annual Procurement Report

Scotland Excel's methodology for calculating and recording savings is in line with the Best Practice Indicators (BPI's) for Public Procurement Guidance and was approved by the Joint Committee.

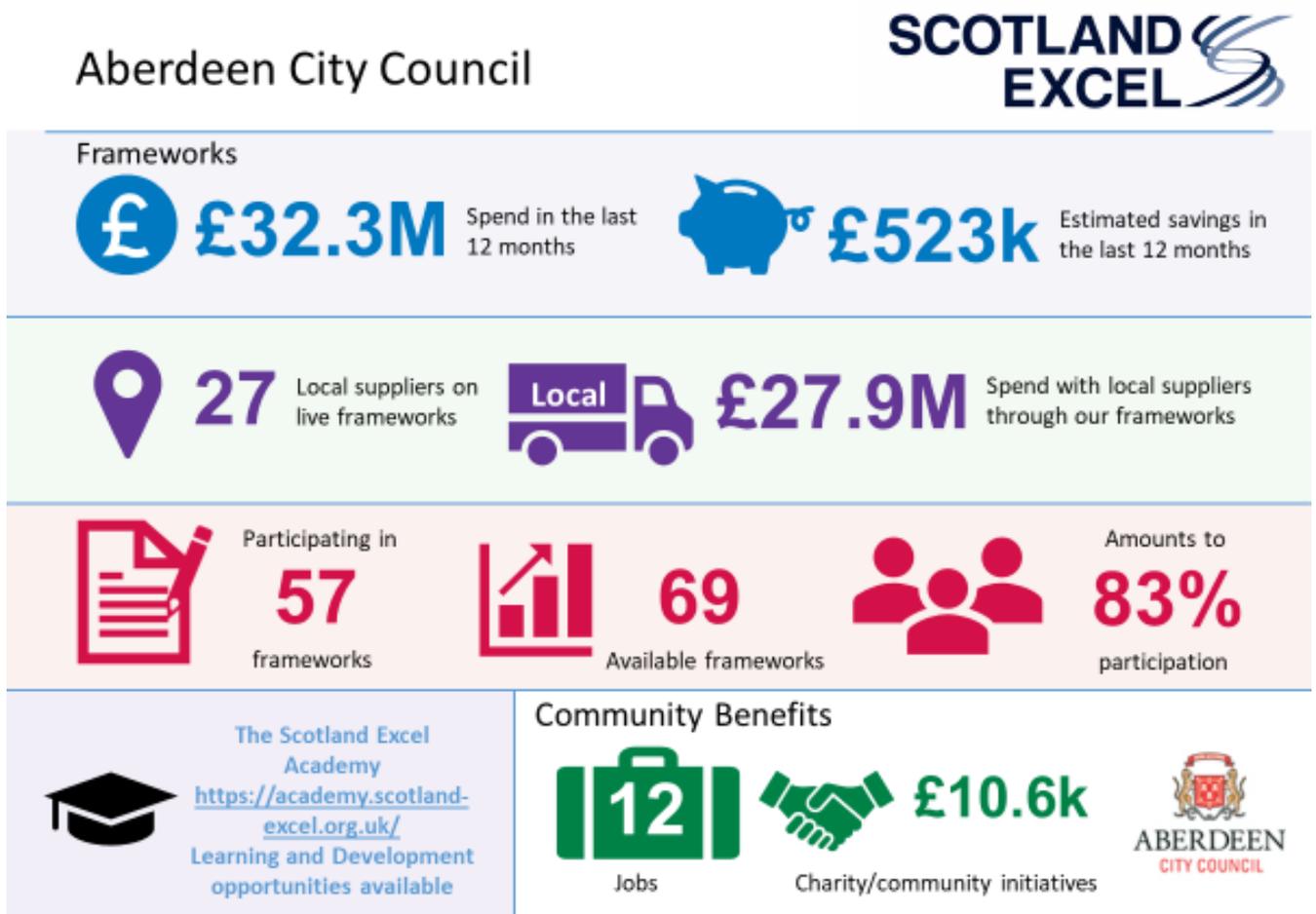
2 Aberdeen City Council at Q4 2021/22

2.1 Aberdeen City Council Overview

The following infographic provides an overview of services provided to Aberdeen City Council for the period 1st April 2021 to 31st March 2022.

It's important to note that whilst Aberdeen City Council has committed to participate in 57 out of 69 frameworks available to the council (83%), actual spend has only been reported against 48 frameworks (70%) which has impacted on the resulting savings. Further details of this can be found in section 3.4.

The savings figures listed below are not intended to represent cashable/bankable customer savings, but an estimate of the benefits that may be accrued through use of the contract. Responsibility for calculating a precise measure of cash savings achieved lies with each individual local authority with support from Scotland Excel.



*Framework information at Q4 2021/22; estimated savings figure does not include social care service frameworks; community benefits for 2021/22

2.2 Arms-Length Organisations and Associate Members in Aberdeen City Council Area

Scotland Excel operates an associate membership programme to allow a wide range of Scottish public service and third sector organisations to access its frameworks and services. Applications can be made for associate membership by organisations such as council arm's length organisations, community groups, charities, housing associations and voluntary organisations that engage in activities of a public nature.

Although associate members have access to frameworks, they do not have the opportunity to influence the future contract delivery schedule which is reserved for the full local authority members.

Associate membership supports the wider aims of Scotland Excel by increasing overall spend against frameworks, providing additional income and supporting the goals of promoting excellent public procurement across Scottish organisations.

Table 1 below highlights the associate members based in Aberdeen City Council area that also benefit from being a member of Scotland Excel.

Table 1: Associate Members based in Aberdeen City Council Area

| Associate Members Based in Aberdeen City Council Area |
|---|
| Sport Aberdeen |
| Grampian Housing Association Ltd |
| Bon Accord Care |
| University of Aberdeen |
| North East Transport Partnership (NESTRANS) |

Please contact Scotland Excel if you have an organisation in your area that you believe will benefit from associate membership.

3 Scotland Excel Value Proposition

3.1 Savings

Aberdeen City Council had a spend of £32,321,476 on Scotland Excel frameworks in 2021/22, with estimated savings of £522,792 based upon spend across 48 frameworks (70%).

The spend information reported above is actual spend on Scotland Excel contracts, based on invoice date as reported by suppliers. The percentage saving that is applied is the savings figure that is agreed at the time of contract award.

3.2 Rebates

During 2020/21, seven of Scotland Excel frameworks offered customer rebates either through retrospective accumulative spend, sole supply or non-core rebates. During this period Aberdeen City Council accrued £71,063 in rebates from seven frameworks.

3.3 New Opportunities 2022/23

Scotland Excel continues to review the range of frameworks offered and the composition of the contract portfolio. During 2022/23 three first generation frameworks will be delivered; a contractual development to support a national alarm receiving centre supporting people receiving care in their homes, a range of repair and maintenance services for the management of property and a new grouping of professional services relating to the construction of buildings. The Social Care team have begun work on gathering intelligence on the commissioning options for residential rehabilitation. This workstream was added to the plan at the request of the Scottish Government.

A renewal framework was delivered in 2022 for Personal Protective Equipment (PPE). The structure of this framework changed significantly compared to previous generations for these products. This change reflected the huge shift in the PPE market resulting from the higher demand for a range of pandemic response items. The framework expanded the range of smaller businesses and new entrants to the market.

In addition to these new developments, enhancements to existing arrangements are developed to strengthen the response to difficult market conditions. Construction Materials is a new framework structure which will be available in early 2023. This framework merges five established frameworks, using the rich pool of data compiled over more than 10 years of facilitating the sourcing of materials. The knowledge of this market, buying patterns and supplier services means we are now able to simplify the sourcing of material by offering a consolidated approach.

The redesign process of the National Care Home Contract (NCHC) will continue in order to encapsulate guidance and legislation that has a direct impact on the contract. Working across multiple agencies introduces a level of complexity which may have an impact on the projected timeline of March 2023 for completion. This will continue to be monitored and assessed by Scotland Excel.

Scotland Excel has been consulting with key stakeholders in relation to future plans for the national framework for Children's Residential Care & Education. The renewal tender was published in May 2022 and the new framework award recommendations were approved at the Executive Sub Committee in

August 2022. The renewal framework creates a streamlined process that reduces the administrative burden on providers whilst increasing the information sharing and transparency around services and fees. This renewal also features continuing care services, which reflects the policy direction of supporting children and young people in placements over a longer time period, where that is appropriate.

In addition, 26 frameworks will be renewed before June 2023. Scotland Excel is also exploring the benefits of further collaborative procurement across high spend, critical service areas in the construction, corporate, ICT and social care teams.

The estimated forecast value of the Scotland Excel framework portfolio by 31 March 2023 will be approximately £2Billion. Overall, savings efficiencies delivered to date in 2022/23 are 2.09%, which is within the forecast range.

3.4 Participation

At the end of Q4 2021/22, Aberdeen City Council confirmed participation in 57 out of 69 frameworks (83%) and spend has been reported on 48 frameworks (70%). Further detail can be found in Appendix A.

Table 2 below highlights the council’s participation and utilisation of the frameworks over the last five years:

Table 2: Council’s participation and utilisation of frameworks

| Year (at Q4) | Contract Availability | Contract Participation | Participation % | Contract Utilisation | Utilisation % |
|--------------|-----------------------|------------------------|-----------------|----------------------|---------------|
| 2017/18 | 59 | 53 | 90% | 44 | 75% |
| 2018/19 | 65 | 60 | 92% | 48 | 74% |
| 2019/20 | 71 | 69 | 97% | 48 | 68% |
| 2020/21 | 72 | 61 | 85% | 51 | 71% |
| 2021/22 | 69 | 57 | 83% | 48 | 70% |

Note: Utilisation includes any framework with council spend over the life of the framework.

Scotland Excel believes there is a strong correlation between framework participation, utilisation and financial savings. In the current challenging climate, maximising council framework utilisation and optimising framework usage to obtain best value are therefore key objectives. Reasons for non-participation in a suitable framework must be explored further by both member councils and Scotland Excel. Reasons of non-suitability must also be explored to seek further resolution. Framework participation and utilisation is a key focus for Scotland Excel.

The Scotland Excel Account Manager meets every two weeks with the CPSS Strategic Procurement Managers to review contract spend and participation and identify areas for improvement to ensure the council maximises the benefits of the frameworks.

3.5 Cost Avoidance

The Scottish Government estimate that each public procurement exercise costs on average £12,000 to complete. Therefore, through participation in Scotland Excel frameworks, cost avoidance can be achieved.

Cost avoidance* for the last five years for Aberdeen City Council is outlined in table 3 below. These figures represent the average efficiency saving in the financial year through participation in Scotland Excel frameworks instead of running individual tendering exercises.

COVID-19 had a significant impact on the contract delivery plan for 2020/21 with many suppliers either closed or on furlough and not in a position to tender. Tendering activity has since increased with a full contract delivery plan due to be delivered for 2022/23.

Table 3: Cost Avoidance

| Financial Year | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 | Total |
|-----------------------------------|----------|----------|----------|----------|----------|----------|
| Cost Avoidance Per Council | £228,491 | £250,038 | £157,574 | £127,800 | £117,900 | £881,803 |

*Cost Avoidance calculation - the number of new and renewed Scotland Excel frameworks that went live in the financial year is multiplied by the average number of councils participating in those frameworks then multiplied by £12,000. This sectoral figure is then allocated evenly across the 32 local authorities.

At Scotland Excel we use our insight and experience to shape policy and meet the challenges of future public service delivery by providing innovative and transformative solutions. The Scottish Government's estimate of £12,000 to complete a procurement exercise does not accurately reflect the development costs of some of our more strategic frameworks, particularly in the areas of social care and construction. These can be extremely complex requiring extensive stakeholder and supplier engagement, in-depth market research, technical input, documentation, and contract management resulting in a longer process that requires additional procurement and technical resource.

3.6 Contract and Supplier Management

At Scotland Excel we have a well-established contract and supplier management programme which prioritises activity based on the level of risk and spend. The focus of contract and supply management (CSM) activity is always to enhance the value available to councils and associate members when using our frameworks. Value will be delivered through a range of measures including price management, supply security, enhancing social and environmental impacts and growing the capability of our supply base to service public contracts.

Scotland is experiencing challenging market conditions, created by global economic disruption following the pandemic, Brexit and the invasion of Ukraine.

Scotland Excel has collated market information on the impact of this disruption on our public contracts and shared this with our sector. Price variation and management has been an area of significant turbulence and the approach we take to assessing requests for price variation has been applied rigorously. This alongside the tracking of indices to ensure a good understanding of how volatile market conditions impact on the cost drivers in each of our frameworks is core to our contract management work. By using the commercial and market intelligence through this modelling, we have been able to reject or reduce proposed price increase requests from suppliers.

We continually review how suppliers are meeting their contractual obligations as part of the due diligence we apply to contract delivery. Regular checks on payment of the Real Living Wage in our supply base, obligations to deliver Community Benefits and reviewing insurance levels all form part of this

diligence. Most critically, the commercial terms are reviewed in line with framework terms and our teams apply their commercial acumen in price negotiations with framework suppliers. This aspect of management ensures councils continue to receive the best prices, while maintaining productive relationships with suppliers.

In recent times a newer aspect of CSM which has emerged has focused on security of supply during the pandemic and since to ensure goods and services continue to be provided promptly and at best terms available. During the summer of 2021 this meant engaging with national forums set up to managing the scarcity of construction materials and advocating on behalf of our sector.

Our category teams also support our members to optimise the best value delivered when adopting frameworks. Analysis of line level management information reports, in collaboration with council service departments, can monitor price accuracy, optimise the use of core lines and validate call offs to ensure the best possible value from the use of the framework is being achieved. Looking forward Scotland Excel is now exploring how the wealth of data and experience gathered since 2008 can be used to set out options for managing financial challenges by reducing money spent on contracted activities.

4 Local Suppliers

Scotland Excel recognises the importance of local businesses to individual council areas and the wider Scottish economic recovery. Where possible, all frameworks are structured to remove barriers that might prevent local SMEs from bidding for frameworks. This can include lotting structures that are aligned to marketplace structures, geographical lotting and supply only lots that allow purchasing from small local suppliers via a larger distributor. Suppliers can select which council area(s) they can service without penalty or detriment to their tender score. A local supplier being awarded onto a Scotland Excel framework allows them access to potential spend from all 32 local authorities and associate members across Scotland.

Scotland Excel recognises the importance of community wealth building and the role this plays in Scotland's economic recovery post COVID-19.

At the end of Q4 2021/22 Aberdeen City Council:

- Had 27 unique local suppliers on 28 Scotland Excel frameworks
- £28m spend was reported with the local suppliers during 2021/22
- Aberdeen City Council spend with the local suppliers was £4,984,026 with a further £22,927,252 in spend coming from outside of the Aberdeen City Council area

This is summarised in table 4 below:

Table 4: Suppliers based in Aberdeen City Council Area on Scotland Excel Frameworks

| Year (at Q4) | No of Local Suppliers | Total Spend with Local Suppliers | Aberdeen City Spend with Local Suppliers | %Aberdeen City Spend with Local Suppliers |
|--------------|-----------------------|----------------------------------|--|---|
| 2017/18 | 26 | £26,327,675 | £5,143,111 | 19.5% |
| 2018/19 | 30 | £29,848,546 | £4,624,270 | 15.5% |
| 2019/20 | 29 | £26,526,917 | £4,526,930 | 17.1% |
| 2020/21 | 28 | £22,548,855 | £3,349,243 | 14.9% |
| 2021/22 | 27 | £27,911,278 | £4,984,026 | 17.9% |

Examples of suppliers that are based in Aberdeen City on Scotland Excel frameworks:

- Aberdeen Association of Social Services is a large provider on both the children's residential and secure care frameworks. During 2021/22 they reported £4.1m spend from six councils.
- Instock Disposables, a medium sized business based in Dyce, was successfully awarded on to three frameworks: janitorial products, catering sundries and commercial catering equipment. They reported £6.4m of spend in 2021/22 from 23 councils and associate members.
- Gordon McWilliams (Aberdeen) Ltd is a small business based in Aberdeen on the fresh meat, cooked meat & fresh fish framework. They have supplied products to two councils and associate members to the value of £1.1m in 2021/22.
- William Wilson is a large supplier on the plumbing and heating materials framework. During 2020/21 they reported spend of £4.7m from 17 councils and associate members.

5 Community Benefits

Scotland Excel continually strives to be innovative in its approach to community benefits. We recognise that community benefits have a considerable social, environmental and economic impact within local communities and we continue to encourage and grow awareness in this regard.

Our approach to community benefit has been developed to advance the commitments made by suppliers and to facilitate a robust process for the collection of data. When embarking on new procurement exercises, Scotland Excel uses a points and menu approach which encourages suppliers and providers to deliver community benefits within the awarding local authority area.

The following community benefits have been delivered to Aberdeen City Council through the Scotland Excel frameworks. This is summarised in table 5 below:

Table 5: Community Benefits Delivered for Aberdeen City Council

| Year | Community Benefit Type | | | | | |
|---------|---------------------------|-------------------------|---------------------------|-----------------------|--------------------------|--|
| | Number of New Apprentices | Number of New Employees | Number of Work Placements | Hours of Volunteering | Hours of Work Experience | Monetary Value of Other Community Benefits |
| 2017/18 | 0.5 | 5.3 | 0.3 | | 177 | £3,475 |
| 2018/19 | 0.15 | 6.5 | 4.2 | | | £13,301 |
| 2019/20 | 0.4 | 21.7 | 1.6 | 27 | | £18,875 |
| 2020/21 | | 26 | 1 | 7 | | £14,727 |
| 2021/22 | | 12 | | 5 | 64 | £10,647 |

For example, for the period 2021/22 this includes:

- The Furnishing Service employed six additional staff during 2021/22
- Keenan Recycling, a supplier on the organic waste framework, provided a career ready mentoring programme which included a four-week work placement for two students
- ASA International, a supplier on the social care agency workers framework donated £1,653 to Charlie House
- 364 books donated by Scholastic on the library books and textbooks framework to Aberdeen City Council valued at £4,859
- Community products (UK) Ltd, a supplier on the education and office furniture provided a double sand and water play system worth £690 free of charge

As part of the Scotland Excel framework for groceries and provisions Brakes offer councils a community benefits rebate of 0.7% of spend which can be used on community benefits in the council area. From 1st May 2021 to 30th April 2022, Aberdeen City Council earned £4,921.81 as a community benefit rebate.

6 Living Wage and Fair Work Practices

Scotland Excel commenced formal consideration of Fair Work Practices (including the Real Living Wage) within tenders in early 2015. In February 2022 the Scotland Excel Executive Sub Committee were invited to note an update on matters relating to the payment of the Real Living Wage in which Scotland Excel confirmed intent to seek means of improving the level of commitment suppliers make to paying the Real Living Wage and to mandate wherever legally possible.

Of the 213 suppliers appointed to Scotland Excel framework agreements between 1 April 2021 and 31 March 2022, 84% notified they pay the Real Living Wage.

By June 2022 Scotland Excel had 958 unique suppliers appointed to framework agreements, of which 86% are paying the Real Living Wage and a further 4% committed to paying the Real Living Wage within two years. The breakdown of the status of these suppliers is summarised in table 6 below.

Table 6: Real Living Wage Status

| Living Wage Status | No. of Suppliers at Dec 2019 | % of Suppliers at Dec 2019 | No. of Suppliers at Jun 2022 | % of Suppliers at Jun 2022 |
|--|------------------------------|----------------------------|------------------------------|----------------------------|
| Accredited | 170 | 18.4% | 211 | 22.0% |
| Progress towards accreditation | 42 | 4.5% | 56 | 5.8% |
| Committed to gaining accreditation over the first 2 years of the framework | 87 | 9.4% | 89 | 9.3% |
| Not accredited but paying the Real Living Wage | 469 | 50.7% | 467 | 48.7% |
| Not accredited or paying the Real Living Wage but committed to doing so within 2 years | 36 | 3.9% | 38 | 4.0% |
| Neither accredited nor paying the Real Living Wage | 122 | 13.1% | 97 | 10.1% |

63% of the Scotland Excel suppliers based in the Aberdeen City area are either Living Wage accredited, committed to gaining accreditation or pay the Real Living Wage.

The Real Living Wage policy for commissioned social care services in the third and independent sector for adults is funded by Scottish Government. All adult social care providers awarded to the care and support framework, care homes for adults with learning disability framework and the national care home contract are therefore required to pay the Real Living Wage. Going forward, the Scotland Excel annual uplift process will be guided by the Scottish Government policy review.

Scotland Excel continues to monitor and encourage the implementation of fair working practices and to work closely with suppliers to review their progress in this area.

7 Scotland Excel Academy

Scotland Excel delivers accredited and non-accredited programmes through a blend of face-face workshops, online and self-directed learning through The Academy. This suite of learning and development includes development programmes and workshops on:

Accredited:

- Procurement
- Management and Leadership
- Coaching and Mentoring
- Project Management
- Business Analysis and Innovation
- Chartered Manager

Non-accredited:

- Stay Connected workshops
- Scottish Government Procurement & Commercial Training Framework
- Customer bespoke development programmes and workshops
- eLearning
- Serious Organised Crime Prevention workshops
- Evolve Workshops

The work-based-learning programmes are accredited by the Scottish Qualifications Authority (SQA); the Chartered Management Institute (CMI) and the Chartered Institute of Procurement and Supply (CIPS), along with licensed content from the Association of Project Management (APM).

Aberdeen City Council has three active learners on the CIPs Practitioner programme. There are four active learners on the Project Management programme and one active learner on the Business Analysis programme. Since The Academy started in 2016, six learners from Aberdeen City Council have passed their PDA in Project Management.

Aberdeen City Council attended seven online Stay Connected sessions and 27 participants from the Commercial and Procurement Shared Service attended a bespoke procurement training programme delivered by The Academy.

8 Scotland Excel Annual Conference 2022

Scotland Excel's Annual Conference was held over two days on 18th and 19th May 2022. Recognising positive feedback from the 2021 event, activity on Day 1 was held online and was open to colleagues from across the public sector. The event focussed on Green Economic Recovery, supporting climate change and sustainability objectives as we move to a Net Zero Scotland. Speakers included Alan Russell, Chief Executive of Renfrewshire Council, Roddy Yarr, Head of Sustainability at Strathclyde University, Louise McGregor, Head of Customer Service and Support, Zero Waste Scotland, and Georgina Laverack, Assistant Director – Cartels from the Competition and Markets Authority.

A total of 271 individuals booked a session(s) across the day, culminating in 920 sessions attended. All 32 councils were represented, along with Scotland Excel associate members and partners such as the Improvement Service, Crown Commercial Service, SEEMiS, NHS Scotland and Scottish Government. Delegates also attended from across the public sector, representing further education establishments, housing associations and various public bodies such as Forestry and Land Scotland, Registers of Scotland, Highland and Islands Enterprise, Scottish Legal Aid Board, SEPA, the Scottish Parliament and the Cabinet Office. Sessions for Day 1 were recorded and are now available to access via The Academy.

Activity on Day 2 took the form of a small, bespoke in-person event held at the Radisson Blu Hotel, Glasgow for Corporate Procurement Managers, bringing together this community for the first time in two years. Tailored sessions were aimed at providing support in an extremely challenging operating environment. Speakers included Angela Scott, Chief Executive of Aberdeen City Council, Timur Wolf, Head of Performance Insight from Crown Commercial Services and Nigel Percy from the Art of Brilliance.

Thirteen delegates from Commercial and Procurement Shared Service attended the online event. Aberdeen City Council was also represented at the in-person event in Glasgow.

9 Procurement and Consultancy Services

In June 2018, the Joint Committee approved a new funding model to reduce reliance on council requisitions and increase revenue generated by associate fees, rebates and project income. Work continues to deliver new, relevant, and cost-effective procurement and consultancy services with the overall goal of minimising the level of member requisitions with around 20% of our operating costs now coming from non-requisition income.

Scotland Excel continues to develop its range of services around three main areas: procurement services, consultancy services and The Academy. Each has several facets that offer members and associates a range of specific services of which a number are also provided at no additional charge and as part of members requisition.

- **Procurement Services**
 - Collaborative Contracts
 - Framework Efficiency Review
 - Further Competition
 - Flexible Procurement
 - Community Wealth Building

- **Consultancy Services**
 - Transformational Programmes
 - Organisational Development
 - Early Learning and Childcare

- **The Academy**
 - Accredited Programmes
 - Non-accredited Programmes

Details on each of the above can be found on [Scotland Excel's website](#). Further information can also be obtained directly from your dedicated account manager.

The organisation is making good progress in income generation via additional income streams whilst also using tools, lessons, and exemplars to further benefit the wider local government sector.

A number of [case studies](#) are available and in development which provide a great insight into activity such as tailored training and development packages, success in realising savings, efficiency and social value within transformation programmes, along with how we deliver key procurement projects via our flexible procurement services function.

It is the goal of Scotland Excel to continue to seek new ways to harness the power of procurement with its members and associates to achieve our common goals. We are keen to discuss with members on how the above services and any additional services can support this aim.

10 Value of Membership

This report provides an overview of the range of services provided by Scotland Excel and the benefits realised by being a member.

In summary, table 7 below shows the spend and savings figures for Aberdeen City Council for the last five years together with the requisition fees and cost avoidance. The figures below are the most up to date figures and include late returns and adjustments for previous years.

Table 7: Return on Investment

| Year | Actual Spend | *Estimated Savings | Requisition Fee | **Savings ROI | Cost Avoidance | ***Total ROI |
|----------------|--------------|--------------------|-----------------|---------------|----------------|--------------|
| 2017/18 | £26,335,407 | £696,484 | £140,607 | 4.95 | £228,491 | 6.58 |
| 2018/19 | £27,724,390 | £626,662 | £140,311 | 4.47 | £250,038 | 6.25 |
| 2019/20 | £28,000,981 | £702,991 | £142,125 | 4.95 | £157,574 | 6.05 |
| 2020/21 | £25,070,939 | £341,357 | £146,388 | 2.33 | £127,800 | 3.20 |
| 2021/22 | £32,321,476 | £522,792 | £149,800 | 3.49 | £117,900 | 4.28 |

*From 2018 estimated savings figure does not include social care service frameworks

**Savings ROI (Return on Investment) represents savings vs requisition fees

***Total ROI (Return on Investment) represents savings and cost avoidance vs requisition fees

11 What Next

Scotland Excel is committed to delivering continued value to its members. Should you have questions or require further details on the information enclosed within this report, we are happy to provide this. We are particularly keen to hear of any new ways that you feel Scotland Excel could deliver value.

We will publish a sector wide version of this report which can be used to compare how your council is performing in relation to the wider local government sector.

Every council has a dedicated Account Manager who meets with your procurement team on a regular basis to share the enclosed information and identify opportunities to deliver more for your organisation.

Scotland Excel would be delighted to present a summarised version of this report in person to council members, committees and colleagues at your convenience.

You can contact us or find out more online via the following routes:

Email: Contactus@Scotland-Excel.org.uk

Web: www.Scotland-Excel.org.uk

LinkedIn: <https://www.linkedin.com/company/scotland-excel/>

Twitter: @ScotlandExcel

Appendix A Framework Participation and Utilisation

| Frameworks Not Participating In | Rationale |
|---------------------------------|--|
| Bikeability | No requirement, parent provision in the City |
| Care and Support | Own arrangement in place |
| Cleaning Equipment | Own contract in place |
| Energy Advice | Use SCARF, collaborative contract with Aberdeenshire |
| Fire Safety Products | Covered by local contract |
| Fresh Bread and Rolls | Not currently using but may in future |
| Online School Payments | ACC plan to use the SXL framework |
| Organic Waste | Own contract with Suez Recycling until 2025 |
| Sheriff Officers | Own contract in place |
| Social Care Case Management | ACC has a contract with Microsoft to develop a solution. |
| Telecare DPS | Service delivered by Bon Accord Care |
| Waste Disposal Equipment | Own contract with Suez Recycling until 2025 |

| Frameworks With No Spend To Date | Rationale |
|----------------------------------|---|
| Alcoholic Beverages | Started using SXL framework in Mar 22. Delayed due to COVID. |
| Boiler Maintenance | Recently awarded using SXL framework |
| Energy Efficiency Contractors | Recently renewed |
| Heavy Vehicles | Recently renewed |
| Hot Beverages | Using Caber Coffee but no spend has been reported. SXL chasing missing spend. |
| Recyclable and Residual Waste | Own contract with Suez Recycling until 2025 however the council might use the framework for skips for Building Services |
| Repair of Catering Machines | Not using at present but may be an option in future |
| Tyres | Recently renewed |
| Vending Machines | Not using at present but may be an option in future |