

FALKIRK COUNCIL

Subject: SCOTLAND EXCEL CONTRACT PARTICIPATION
Meeting: EXECUTIVE
Date: 18 June 2013
Author: DIRECTOR OF CORPORATE & NEIGHBOURHOOD SERVICES

1. BACKGROUND

- 1.1 Falkirk Council as a member of Scotland Excel has access to a range of national Local Government Framework Agreements/Contracts.
- 1.2 The Director of Corporate and Neighbourhood Services has delegated authority to determine the best value procurement option for the Council i.e.: either procurement through Scotland Excel Framework Agreements/Contracts or through Falkirk Council Framework Agreements/Contracts.
- 1.3 Following an assessment of best value, this report seeks authority to participate in the following Scotland Excel Framework Agreements in accordance with Contract Standing Orders.

2. PARTICIPATION AND BENEFITS

Frozen Foods

- 2.1 On 31st May 2011, Policy and Resources Committee approved the Council's participation in the Scotland Excel framework for the Supply & Delivery of Frozen Foods to 30th June 2013. The contracted supplier of frozen foods is Brake Bros Ltd, Ashford, Kent. The contract is provided from 3 depots in Glasgow; Motherwell and Broxburn.
- 2.2 A new tendering exercise has recently been conducted by Scotland Excel to renew the Frozen Foods contract. This has now been concluded with the recommendation that sole supply across participating Councils be awarded to Brake Bros Ltd from 1st July 2013 to 30th June 2016. From benchmarking carried out from the new pricing available from Brake Bros Ltd it is anticipated that the Council will realise savings in the region of £20,000 per year on an annual estimated expenditure on frozen foods of approximately £460,000.
- 2.3 Given the savings to be realised from continued participation in the Scotland Excel Framework for Frozen Foods and the opportunity to continue with existing well established supply arrangements, it is recommended that best value would be achieved by Falkirk Council's continued participation in the Scotland Excel Framework from the 1st July 2013 through to 30th June 2016. The total estimated value of the contract over the 3 years is £1,380,000 and is contained within the Corporate & Neighbourhood Catering Services budget.

Educational Materials

- 2.4 Scotland Excel has established a 4 year Framework Agreement, 1st April 2013 to 31st March 2017, for the provision of Educational Materials and comprises 9 separate Lots. Details of the contracted suppliers for each lot are shown in Appendix 1, as included in the volume of appendices. The contract replaces the current Scotland Excel Educational Products contract approved by Policy and Resources Committee on 31st May 2011. The contracted suppliers shown in Appendix 1 are primarily those currently used and therefore existing supply arrangements can be maintained.
- 2.5 Falkirk Council's estimated annual spend on these educational materials is approximately £500,000pa.
- 2.6 It is anticipated that migration to the new Framework Agreement would achieve savings of approximately £40,000 per year when compared to current pricing. By participating in the new Framework Agreement, the Council would also not incur the costs of conducting its own tendering exercise and affords access to a fully compliant Framework Agreement.
- 2.7 Given the savings to be realised from participation in the Scotland Excel Framework for the supply of Educational Materials it is recommended that best value would be achieved by Falkirk Council's participation in the Framework from the 1st July 2013 through to 31st March 2017. The total estimated value of the contract over the 4 years is £2,000,000 and is contained within Education Service's budgets.

Educational and Office Furniture

- 2.8 Scotland Excel has established a 3 year framework agreement from 1st March 2013 to 29th February 2016 for the provision of Educational and Office Furniture and comprises 10 separate Lots. Details of the contracted suppliers for each lot are shown in Appendix 2, as included in the volume of appendices. The contract replaces the current Scotland Excel Educational Products contract approved by Policy and Resources Committee on 31st May 2011. The contracted suppliers shown in Appendix 1 are primarily those currently used and therefore existing supply arrangements can be maintained.
- 2.9 Falkirk Council's estimated annual spend across the contract lots is approximately £110,000.
- 2.10 It is anticipated that migration to the new Framework Agreement would achieve savings of approximately £9,000 per year when compared to current pricing. By participating in the new Framework Agreement, the Council would also not incur the costs of conducting its own tendering exercise and afford access to a fully compliant Framework Agreement.
- 2.11 Given the savings to be realised from participation in the Scotland Excel Framework for the supply of Educational and Office Furniture it is recommended that best value would be achieved by Falkirk Council's participation in the Framework from the 1st July 2013 through to 29th February 2016. The contract has an option to extend for up to 1 year to 28th February 2017.
- 2.12 The total estimated value of Falkirk Council spend on the framework over the initial 3 year period is £330,000 and is contained within Education Service's budgets.

3. CONCLUSION

- 3.1 The above noted Scotland Excel Framework Agreements afford the Council an opportunity to realise savings and in drawing spend together under national contracts, the Council will receive enhanced management and contract compliance information.
- 3.2 To secure the savings and benefits highlighted it is therefore considered best value for the Council to procure from Scotland Excel in respect of the above Framework Agreements.

4. RECOMMENDATION

It is recommended that Members:

- 4.1 **In accordance with Contract Standing Order 6.2(iv), approve Falkirk Council’s participation in the Scotland Excel Framework Agreements referred to in Section 2 above.**

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DIRECTOR OF CORPORATE & NEIGHBOURHOOD SERVICES

Date: 27 May 2013

Ref: AAP0613

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LIST OF BACKGROUND PAPERS

- 1. *Tender documents

* Item not for publication on the grounds that it involves the disclosure of exempt information as defined in, paragraph 10 of part 1 of Schedule 7A of the Local Government (Scotland) Act 1973.