

# Purchasing power



Julie Welsh, Director, Scotland Excel.

Scotland's local authorities spend a combined total of £11bn every year on the goods and services that help communities to function and thrive. From resurfacing roads to providing social care for those in need, their purchasing power also supports Scottish businesses. But how do councils ensure they get best value for the budgets they have, while simultaneously driving agendas as complex and diverse as local economic development, environmental sustainability, social inclusion and fair work practices?

Established in 2008, Scotland Excel is Scotland's Centre of Procurement Expertise for local government, funded by the nation's 32 councils plus a growing number of public sector associate members who enjoy expert support from the organisation.

The Procurement Reform (Scotland) Act 2014 was a turning point for public procurement, broadening its scope far beyond savings and into the realms of shaping, influencing and benefiting society in its broadest sense.

In the intervening years, Scotland Excel's portfolio of frameworks – national arrangements used by councils to contract with suppliers – has grown to be worth more than £1.5bn annually, generating savings of some £20m for local authorities over the past five years.

The £1.5bn New Build Residential Construction framework launched by Derek Mackay, Cabinet Secretary for Finance, Economy and Fair Work, in October, is a really good example of how frameworks operate.

Scotland Excel spent 18 months analysing supply and demand in social housing, working with councils, housing associations and contractors to support their plans for building 40,000 new homes by 2024.

Julie Welsh, Director of Scotland Excel, said, "We saw that organisations were spending months going through procurement processes that were often creating bottlenecks for contractors and delaying the start of developments.

"We set out to create a framework where most of the work on specifications, terms and conditions had already been agreed upfront, thereby shortening the period required to engage a contractor."

Through a process of competitive tendering, 19 construction companies are now on the framework, 12 of which are Scottish small-medium enterprises (SMEs). Between now and 2024, it is anticipated that the New Build Residential Construction framework will



New Build housing event

serve councils and housing associations around £5m a year, helping to address a shortage of social housing and providing comfort and security to thousands of families.

## Building a brighter future

Scotland Excel is building foundations for a brighter future in all sorts of other ways.

The organisation is supporting a commitment from Scottish Government and local authorities to nearly double Early Years and Childcare entitlement from 600 to 1140 hours per year for all three and four-year-olds, and eligible two-year-olds.

This ambitious programme, designed to give every child in Scotland the best start in life, will be a complex process to administer and Scotland Excel has worked with a range of partners to provide guidance for local authorities and childcare providers.

As ever, providing contractors (in this case, parents and children) with a quality and seamless experience is at the heart of this guidance.

Sustainable procurement also has obligations to deliver economic, social and environmental benefits for local areas.

The introduction of community benefits to public contracts has proved to be a powerful lever in generating education, training and employment opportunities, and delivering innovative collaborations between the public, private and third sectors that enhance the lives of people in Scotland's communities.

Over the past six years, Scotland Excel frameworks have created 821 jobs and supported 275 apprenticeships.

Julie Welsh, continues, "Public sector procurement is very different to what it was 10 years ago. Our

frameworks are about more than getting the best price. We help local authorities to manage contracts, so they get best value for the economy, for society and for the environment too.

"I'm enormously proud of what we have achieved over the past 11 years including becoming an accredited Living Wage employer. We encourage suppliers to use our frameworks to pay the Living Wage to their employees, and more than 83% of them do."

## Agile Academy

To keep pace with changes in public procurement, Scotland Excel has its own Academy which offers a range of work-based learning tailored to the public sector. It delivers accredited and non-accredited programmes through a blend of face-to-face workshops, online and self-directed study.

Ian McNaught is its Strategic Organisational Development Manager at Scotland Excel says, "We are living in a time when councils are trying to reconcile squeezed budgets with growing demand for services. Developing your staff can help unleash the innovation that is required to square that circle."

The Academy's work was recently recognised at the Public Service Awards in the Scottish Parliament. A partnership between the Academy and the Improvement Service to develop project management skills within local government triumphed in a strong field to scoop the Employee Development and Skills Award.

Ian McNaught adds, "This is a great example of Scotland Excel collaborating with partners to deliver a programme that will help council staff manage transformation projects more effectively, with obvious benefits to the communities they serve."



Scotland Excel Academy workshop

## #SupplierExcellence2020!

Currently, more than 900 businesses supply goods and services through Scotland Excel frameworks – almost double the figure in 2015 when the organisation held the first ever Supplier Excellence Awards to recognise suppliers who go the extra mile to support the delivery of public services.

Entrants to the 2020 Supplier Excellence Awards demonstrate the quality and diversity of the work being delivered through Scotland Excel's frameworks to provide the range of services the public expects.

There are eight categories in the awards – Community Benefits, Customer Service, Environmental Practices, Innovation, Partnership Working, Small Business & Third Sector, Value for Money and Workforce Development – with judges currently deliberating on who will take home the honours at an awards ceremony in Glasgow in February.

Included in the shortlist are a company that provides the parts that keep ambulances on the road, one that supplies fresh Scottish haddock to Scottish schools and a supported business that employs veterans to produce signs for a variety of settings.

The Supplier Awards aside and as we approach mid-winter, it may comfort people to know that Scotland Excel has been working behind the scenes to make sure councils have sufficient staff for the roads through their Salt for Winter Maintenance framework and that people in social housing have warm, energy efficient homes. The Energy Efficiency framework is just one of the ways Scotland Excel works to help deliver on the Scottish Government's National Outcomes.

The Energy Advice framework also plays into policies to reduce fuel poverty as well as carbon emissions. The framework gives councils and housing associations access to trained advisers who can deliver face-to-face guidance in people's homes, looking at energy efficiency measures, metering issues, tariff options and help with bill payments.

For more information about Scotland Excel, or the Scotland Excel Academy visit [scotland-excel.org.uk](http://scotland-excel.org.uk). Tickets for the Supplier Excellence Awards can be booked at [supplierexcellenceawards.holyrood.com](http://supplierexcellenceawards.holyrood.com)