



# ANNUAL PROCUREMENT REPORT 2021-2022

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**Aberdeenshire**  
COUNCIL



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# INTRODUCTION

The Aberdeenshire Council Annual Procurement Report 2021-2022 covers the Council's procurement activity from 1 April 2021 to 31 March 2022. The report includes anticipated future procurement activity over the next two financial years – 1st April 2022 to 31st March 2024. The annual report records and publicises the Authorities performance and achievements in delivering its procurement strategy. This report has been produced in accordance with the guidance issued by the Scottish Government.

Aberdeenshire Council's Procurement Unit is part of a shared service agreement with Aberdeen City Council and The Highland Council, - the Commercial & Procurement Shared Service (C&PSS). A joint Procurement Strategy 2017-2022 was published in November 2017, as required by the Procurement Reform (Scotland) Act 2014.

The high-level strategic priorities of the joint procurement strategy focus on key themes of **Efficiency, Governance** and **Improvement** which underpin all procurement activity.

- **Support the delivery of financial savings and non-financial efficiencies** through leverage of a combined contract portfolio.
- **Deliver value and innovation** by effective use of category and commercial management techniques and utilisation of spend analytic tools to enable smarter decision-making; identify collaborative opportunities and provide sector-specific market intelligence to inform decision making.
- **Support the local economy** by representing the North and East region as a single voice at national framework user intelligence groups to ensure the needs of the communities considered; maximise opportunities for the local supply chain, SMEs and third sector organisations
- **Increased collaboration and standardisation** without compromising governance or legislative compliance, the approach allows increased focus on:
  - Savings capture.
  - Market management.
  - Effective negotiation.
  - Exploration of new business models/opportunities; and
  - Social value

The Commercial & Procurement Shared Service offers a range of strategic services with dedicated teams providing these services to the partners to the Shared Service agreement, the teams include:

- Category & Commercial Management Team covering Strategic Category Management supported by Category Managers and Senior Procurement Specialists, a dedicated data team offering cross functional high-quality data analysis, commercial team covering revenue opportunities and Community Benefits and Sustainable Procurement guidance & support.
- Commissioning, Procurement and Contracts (Social Care) Team

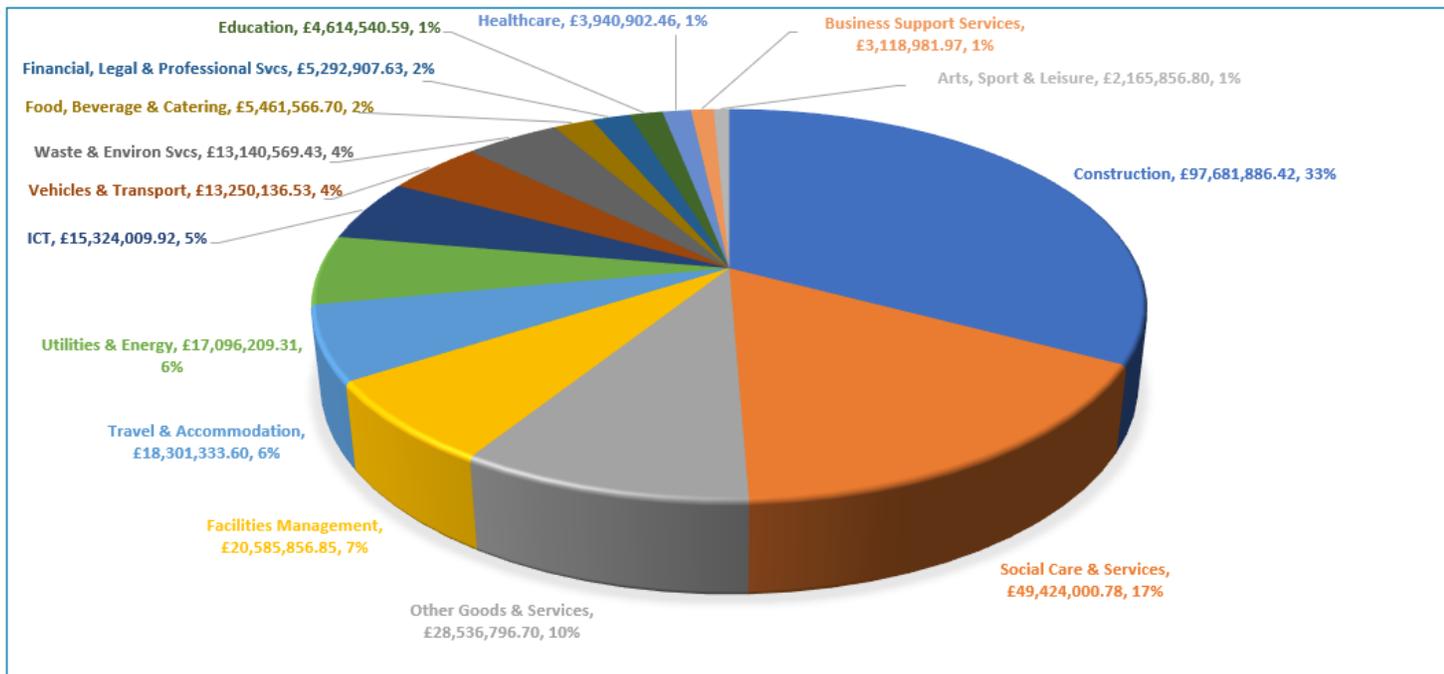
## Category & Commercial Management Team

The primary role of the Category & Commercial Management Team is to enable the partner councils to achieve their strategic objectives through the delivery of goods, works and services procured externally and to deliver improved value/increased revenue opportunity.

The strategic services provided by the team are:

- Data management, performance, analytics and insight.
- Procurement strategy, legislation, policy and advice.
- Category Management (for all strategic categories of spend).
- Commercial Management – covering revenue opportunities

The below graphic shows the annual expenditure by Category area excluding Social Care.



A breakdown of the categories included in Other Goods & Services can be found below:

Category	Spend	Category	Spend
Economic Development	£ 15,963,400.42	Purchasing Services	£ 234,258.51
Public Sector Bodies	£ 6,553,123.11	Community Development	£ 192,853.86
Animals & Farming	£ 2,483,343.53	Laboratory Equipment & Services	£ 82,767.42
Not Classified	£ 1,095,786.97	Clothing & Footwear	£ 58,000.59
Manufacturing & Machinery	£ 604,093.38	Charitable & Religious Activity	£ 36,268.90
Retail & Wholesale	£ 472,950.28	Personal Care Products	£ 20,602.82
Marketing & Media	£ 453,778.75	Personal Care Services	£ 3,932.31
Stationery & Office Products	£ 281,635.85		

## Commissioning, Procurement and Contracts (Social Care) Team

Because of the complex nature of health and social care services, procurement and contract management are carried out by a dedicated Commercial and Procurement Shared Service team – the Commissioning, Procurement and Contracts (Social Care) Team.

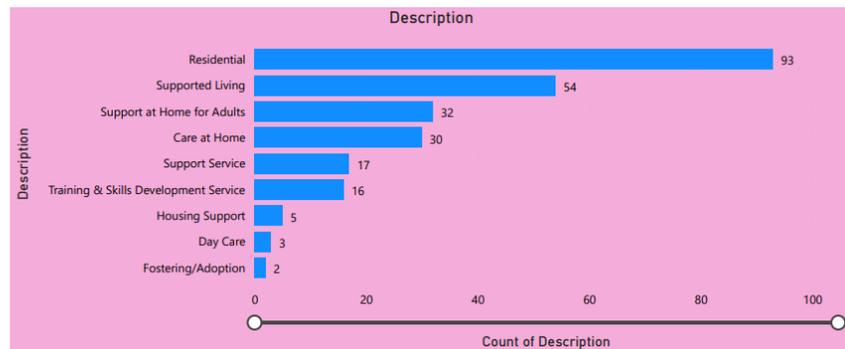
The remit of the team is:

- Commissioning – supporting customers to develop and implement strategic commissioning plans
- Procurement – tenders; direct awards; compliance with governance
- Contract management – contract administration; routine monitoring; non-compliance activity; supplier relationship management

Social Care procurement of services is driven by strategic commissioning intentions for services listed under Schedule 3 – Social and Other Specific Services, of the Public Contracts (Scotland) Regulations 2015. Together with Aberdeen City & Aberdeenshire' Health and Social Care Partnerships the shared service social care team has established Commissioning and Procurement boards to create a clearer link between the programmes of work, the associated budgets, and the procurement work plan, in line with the Commissioning Cycle. Collaboration is central to the work of the social care team.

Similarly, the shared service social care team supports and manages the commissioning and strategic procurement of social care services for Aberdeen City and Aberdeenshire Council's Children's Services, Housing Services, and some Education provision.

The social care team's aim is to deliver innovative, cost effective and high-quality strategic procurement services that maximise best value from all commercial relationships, exploiting new opportunities, while ensuring a robust and effective governance framework in support of the wider strategic, financial, and operational needs of the individual Councils and their partners. The Social Care team manages 252 Aberdeenshire contracts spread across ten different functions. The dashboard below shows the split:



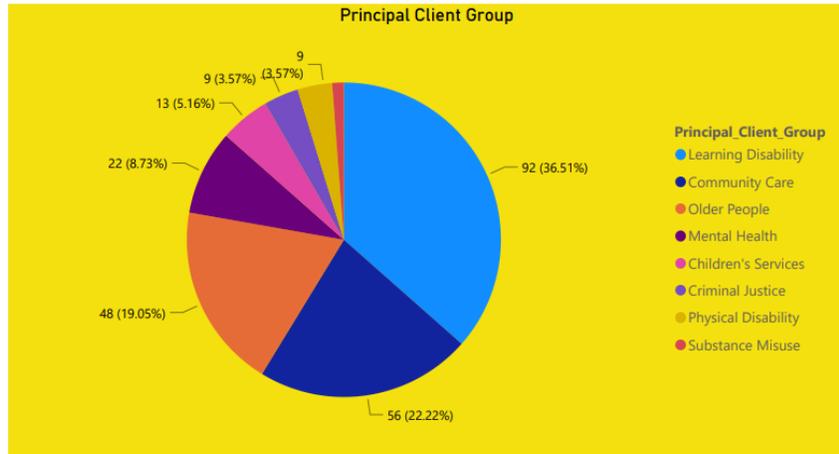
The below graphic details the client groups for the 161 contracts – the majority are LD and Older People which then reflected in the spend (see below):

Total Value of Aberdeenshire Contracts

**£332.28M**

Total Number of Aberdeenshire Contracts

**252**



In this dashboard, you can see the split of the total contract value spend of £564m:

Total Value of Aberdeenshire Contracts

**£332.28M**

Total Number of Aberdeenshire Contracts

**252**

**TOTAL SPEND**

Description	Count of Description	Total_Contract_Value
Care at Home	30	£60,509,884.00
Day Care	3	£1,644,603.00
Fostering/Adoption	2	£1,546,022.00
Housing Support	5	£2,891,484.00
Residential	93	£126,639,650.81
Support at Home for Adults	32	£383,089.00
Support Service	17	£11,422,183.64
Supported Living	54	£123,542,655.86
Training & Skills Development Service	16	£3,702,022.84
<b>Total</b>	<b>252</b>	<b>£332,281,595.15</b>

**Strategic Procurement Board**

The Shared Service is overseen by the Strategic Procurement Board, the board is comprised of Senior Leaders from across the 3 Councils and has responsibility for:

- Oversight of the delivery of the services set out in the Service Level Agreement (SLA) between the partners to the joint arrangement.
- Reviewing the performance of the service using Key Indicators (such as the following) and providing scrutiny and challenge, where appropriate:
  - Local Supplier Spend.
  - Collaborative Spend.
  - Community Benefits.
  - % of spend on and off contract.
  - Savings flowing from the joint arrangements.
- Oversight of a programme of digitisation of as many procurement processes as possible across the shared arrangement.
- Providing oversight of the roll out of a procurement capability programme across the shared arrangement.

## Covid Impact

The COVID-19 pandemic has continued to have an impact on the Council's supply chain, as have the ongoing impacts of Brexit and more recently the impact of the invasion of the Ukraine. The effects on the global economy and financial markets have made for another challenging year for the Council and its supply chain.

The Commercial & Procurement Shared Service have worked collaboratively with Services and Suppliers throughout the reporting period, identifying ways to address challenges as they have arisen. Ensuring that vital frontline services could continue to be delivered whilst looking to maintain sustainability for our supply chain.

## Covid-19 Pandemic – Supplier Relief

The social care team continued to respond to the need of managing “Supplier Sustainability” for the shared service. Guidance and support terms further developed and aligned to the Scottish Government's national policy.

Reconciliation of all claims up to Period 22 (March 2022) identified that there has been a total of 1803 claims received split between Aberdeenshire and Aberdeenshire Councils. Funding expenditure is currently £7m for completed claims. The following table is a breakdown of the financial position for Aberdeenshire Council:

SUPPLIER SUSTAINABILITY APPLICATIONS - SHIRE

Period Number	Completed Claims			In Progress Claims			Total Claims		
	No. of Completed Shire	Total amount paid Shire	Total paid for completed claims	No. In Progress Shire	Total amount in Progress Shire	Total amount for claims in progress	Total Received Shire	Total amount claimed Shire	Total Amount
Period 1	64	1,333,038.18	1,333,038.18	1	26,897.36	26,897.36	65	1,359,935.54	1,359,935.54
Period 2	60	976,048.09	976,048.09	1	1,506.11	1,506.11	61	977,554.20	977,554.20
Period 3	55	398,803.10	398,803.10	-	-	-	55	398,803.10	398,803.10
Period 4	53	368,514.80	368,514.80	2	2,736.99	2,736.99	55	371,251.79	371,251.79
Period 5	44	269,562.21	269,562.21	11	184,427.80	184,427.80	55	453,990.01	453,990.01
Period 6	47	322,529.78	322,529.78	4	21,617.28	21,617.28	51	344,147.06	344,147.06
Period 7	39	402,472.28	402,472.28	9	123,870.61	123,870.61	48	526,342.89	526,342.89
Period 8	37	341,292.99	341,292.99	14	231,655.70	231,655.70	51	572,948.69	572,948.69
Period 9	37	365,580.47	365,580.47	14	95,634.94	95,634.94	51	461,215.41	461,215.41
Period 10	44	607,490.72	607,490.72	11	88,761.43	88,761.43	55	696,252.15	696,252.15
Period 11	34	287,642.07	287,642.07	13	223,271.08	223,271.08	47	510,913.15	510,913.15
Period 12	33	198,587.26	198,587.26	12	259,698.58	259,698.58	45	458,285.84	458,285.84
Period 13	25	161,836.28	161,836.28	12	335,326.53	335,326.53	37	497,162.81	497,162.81
Period 14	36	231,045.77	231,045.77	13	176,151.74	176,151.74	49	407,197.51	407,197.51
Period 15	30	164,688.41	164,688.41	10	138,830.89	138,830.89	40	303,519.30	303,519.30
Period 16	28	207,209.05	207,209.05	14	189,063.58	189,063.58	42	396,272.63	396,272.63
Period 17	25	134,215.84	134,215.84	14	193,854.88	193,854.88	39	328,070.72	328,070.72
Period 18	31	197,354.60	197,354.60	5	31,997.93	31,997.93	36	229,352.53	229,352.53
Period 19	8	58,557.64	58,557.64	13	121,028.83	121,028.83	21	179,586.47	179,586.47
Period 20	2	7,427.98	7,427.98	10	110,224.16	110,224.16	12	117,652.14	117,652.14
Period 21	-	-	-	9	74,765.76	74,765.76	9	74,765.76	74,765.76
Period 22	-	-	-	7	41,720.02	41,720.02	7	41,720.02	41,720.02
	<b>732</b>	<b>7,033,897.52</b>	<b>7,033,897.52</b>	<b>199</b>	<b>2,673,042.20</b>	<b>2,673,042.20</b>	<b>931</b>	<b>9,706,939.72</b>	<b>9,706,939.72</b>

A system of efficient and consistent communication with providers was developed along with an open book policy for requesting evidence. Positive feedback has been received on this process acknowledging the hard work of the team, and there has been a positive contribution to the community.

## SECTION 1 – SUMMARY OF REGULATED PROCUREMENTS

Section 18(2)(a) of the Procurement Reform (Scotland) Act 2014 requires organisations to include: “a summary of the regulated procurements that have been completed during the year covered by the report”

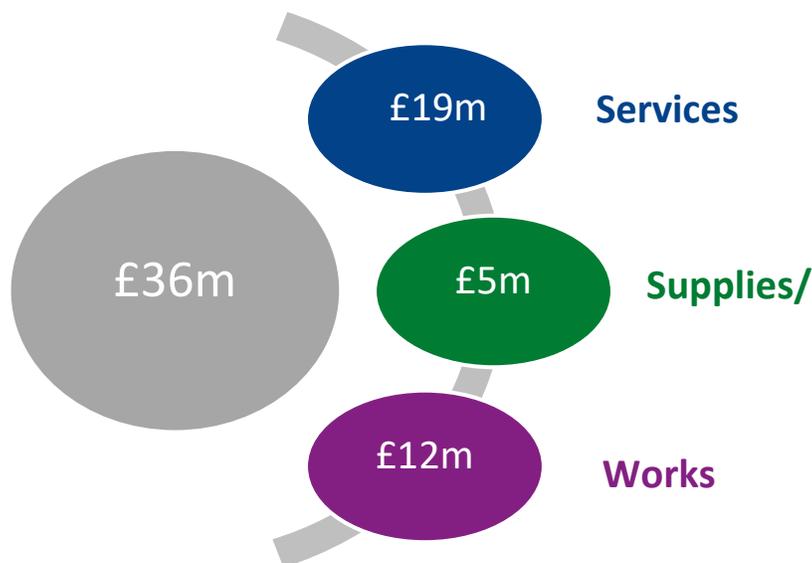
Regulated procurements are any procurement for goods and services with a value above £50,000 and works contracts with a value of above £2 million. A summary of the regulated procurements awarded within financial year 1 April 2021 and 31 March 2022 is provided in the table below.

The information contained in the infographics below includes the award of mini-competitions or call-offs from established frameworks. The Council use several national framework providers including Scotland Excel and Scottish Government.

The Council maintains and publishes a contract register of contracts awarded on its website. The contract register provides information on current contracts and can be viewed by suppliers to identify any future opportunities they may be interested in.

***A detailed list of the regulated procurements can be found in Appendix 1 – Details of Regulated Procurements.***

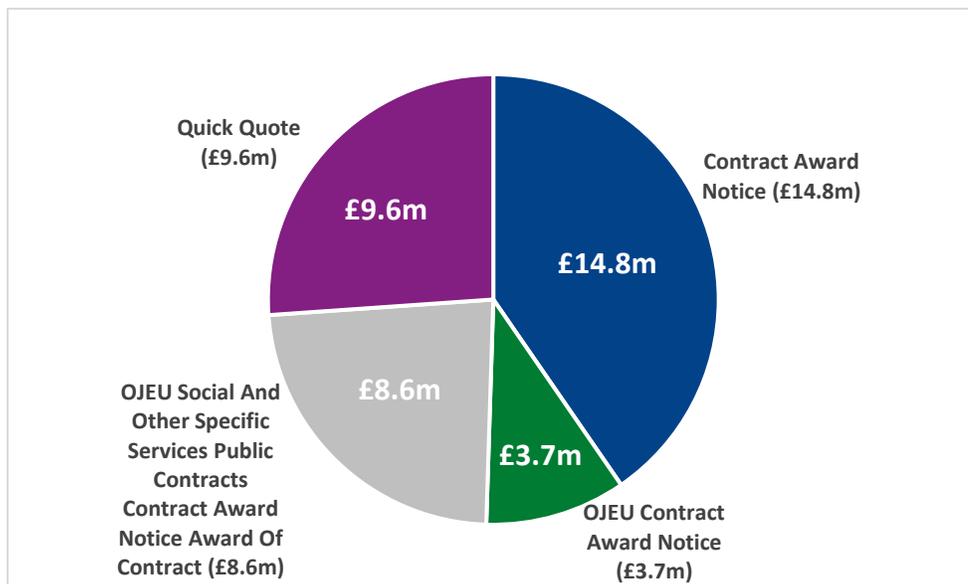
***Value of Regulated Procurements Awarded by Category 1<sup>st</sup> April 21 – 31<sup>st</sup> March 22***



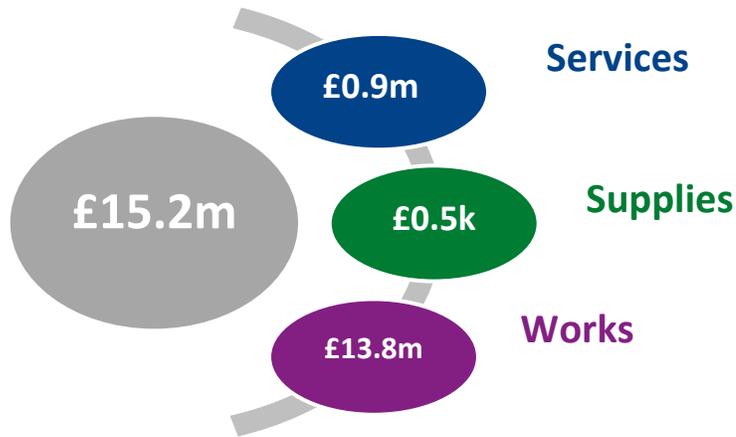
**Number of Regulated Procurements Awarded by Category 1<sup>st</sup> April 21 – 31<sup>st</sup> March 22**



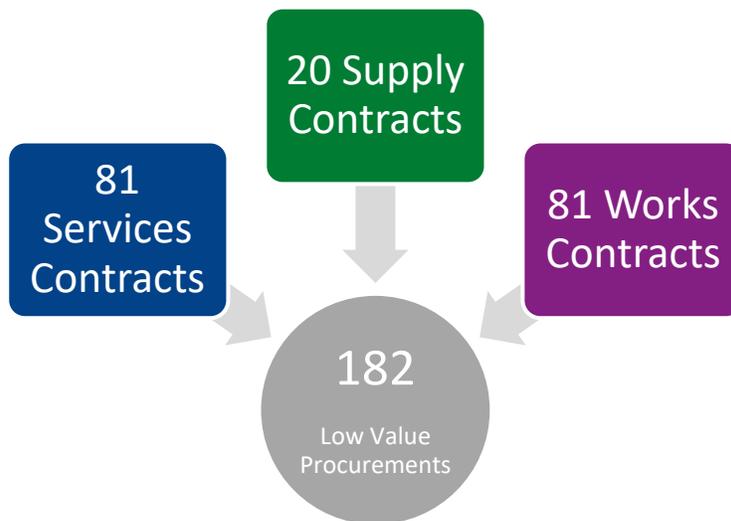
**Value of Regulated Procurements Awarded by Notice Type 1<sup>st</sup> April 21 – 31<sup>st</sup> March 22**



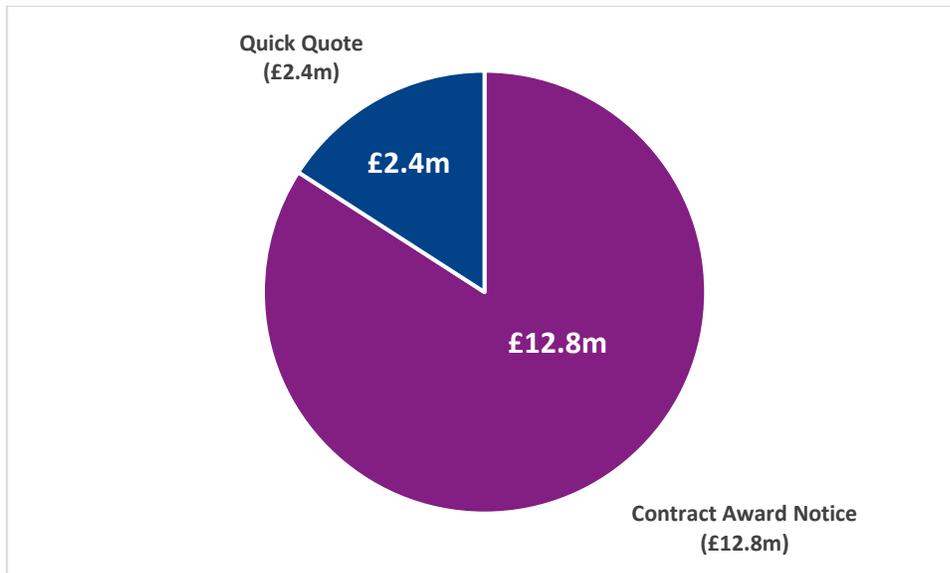
**Value of Low Value/Non-Regulated Procurements Awarded by Category 1st April 21 – 31st March 22**



**Number of Low Value/Non-Regulated Procurements Awarded by Category 1st April 21 – 31st March 22**



**Value of Low Value / Non-Regulated Procurements Awarded by Notice Type 1st April 21 – 31st March 22**



**External Framework Use (Scotland Excel Membership) 1st April 21 – 31st March 22**

Management information from Scotland Excel at the end of Q4 21/22 shows that Aberdeenshire Council participated in 56 out of 68 (82%) of the available framework agreements.

Local suppliers being available for use across these frameworks on 31st March 2022 are as shown below:



Total spend with these local suppliers under the frameworks from all Scottish Local Authorities and associate members of Scotland Excel was £6,000,000 in the reporting period, with Aberdeenshire Council spend accounting for 47.9% of the overall total.

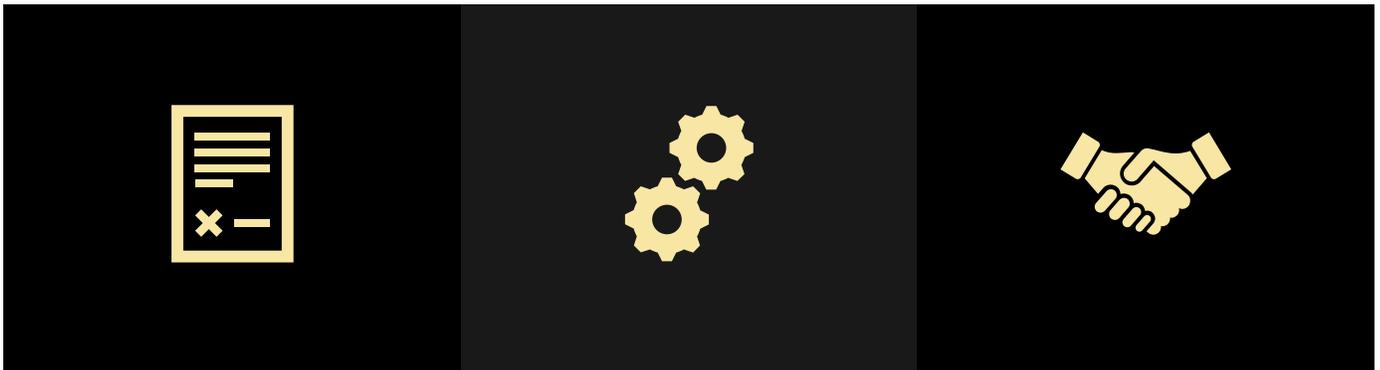
## SECTION 2 – REVIEW OF REGULATED PROCUREMENT COMPLIANCE

Section 17 of the Procurement Reform (Scotland) Act 2014 requires that regulated procurements be carried out in accordance with the organisation's procurement strategy, so far as reasonably practical. Section 18(2) states that an annual procurement report must include, at 18(2)(b), "a review of whether those procurements complied with the authority's procurement strategy" and, at 18(2)(c), "to the extent that any regulated procurements did not comply, a statement of how the authority intends to ensure that future regulated procurements do comply".

The Strategy includes high level strategic priorities, which focus on key themes of Efficiency, Governance and Improvement which underpins all procurement activity: -

- Support the delivery of financial and non-financial efficiencies.
- Deliver value and innovation.
- Support the local economy.
- Increased collaboration and standardisation.
- Support the delivery of financial and non-financial efficiencies

C&PSS worked with Council Services and Suppliers to deliver cashable and non-cashable savings for the Council through delivery of new contracts, reduction of supply base; consolidation of spend; product rationalisation.



### Financial efficiencies

During period 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022, the following were achieved in terms of financial efficiencies:

- Procurement Savings £1,644,733 was delivered across projects, tender activity and review of existing contracts.

## **Non-financial efficiencies**

The Report covers this within Section 3 – Community Benefit Summary.

## **Deliver Value and Innovation and increased collaboration and standardisation**

C&PSS enables a greater level of collaboration and standardisation across the 3 partner councils in the following areas: -

- Collaborative Intelligence Groups are established covering key commodity areas i.e. Fleet & Waste, (groups include representatives across partner Councils and Commercial & Procurement Shared Service).
- Identification of consolidation and aggregation of spend opportunities to generate best value.
- Identification of product rationalisation and alternatives to generate best value.
- Sharing of best practice and processes to identify standardisation, consistency, efficiency and effectiveness.
- Identification of commercial opportunities (including income generation)
- Maximising the benefits of digital technology for example purchase to pay processes, electronic tendering, e-auctions and dynamic purchasing systems.

## **Review of regulated procurement compliance**

All regulated procurement in the Council is undertaken in accordance with a legal and procedural framework which ensures that each procurement is compliant with the Strategy. Legal requirements are set out in the Council's Procurement Regulations. Procedural requirements are set out in the Scottish Government Procurement Journey (for general procurement best practice) and through our Procurement Manual (used in conjunction with the internal Procurement Regulations/Scheme of Governance).

During the reporting period the Council identified areas for improvement in compliance with regulated procurement legislation, and in summary were around identification of aggregated expenditure across council to ensure compliance with thresholds for regulated procurements and compliance with internal governance, review and recording of existing contracts to ensure an accurate and up to date contract register. Within the continuous improvement section are details of improvement actions carried out and future planned activity.

## **Social Care Contact Monitoring 2021/2022**

2021/2022 saw the full implementation of the contract monitoring framework trialled in 2020/2021. The following details the outcomes from the contract monitoring:

Each report covered the following areas:

- Appropriate insurance in place
- Emergency Response/Business Continuity (ER/BC)
- Fire Risk Assessment Letter provided (for residential services only)
- Real Living Wage (RLW) being paid to all staff delivering care and support
- RLW Accreditation
- Community Benefits

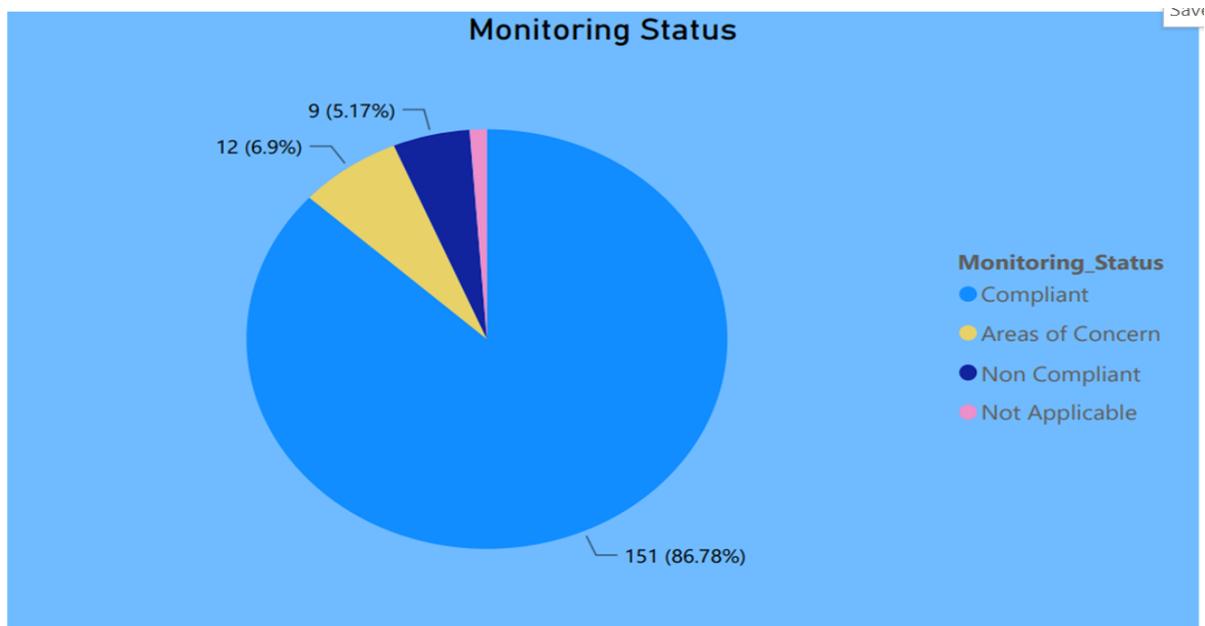
Data was collected using the following service descriptors: Residential; Care at Home & Supported Living (Support at Home); Day Care; Training & Skills Development; Fostering & Adoption; Support Service; and Housing Support

### Contract Description

In total, **174 Aberdeenshire contracts were included in this monitoring cycle**. Although we have 252 current contracts in the portfolio, a number were excluded for example, contracts with zero spend or where they were deemed too new in 2021/2022. The following are highlights from the full report, which is available, on request:

### Monitoring Status

The monitoring status of the contract tells us if there are any outstanding/current issues with the provider. These issues will be reported to the service managers who are the purchasers of services to inform their placing decisions.



As you can see from the above, we have the following information:

- Almost 86.78% of contracts are deemed "compliant". This means the Contract Manager is assured that all reporting and all checks (including a credit check) have come back with no concerns. This suggests a solid working relationship between purchasers and providers. There are no current issues
- Twelve contracts (6.9%) are deemed areas of concerns.

## Real Living Wage (RLW) being paid to staff delivering care and support

Over the last couple of years, there has been support from the Scottish Government, the local authority, the IJB, and the Social Care team to encourage providers to pay care staff at least the Living Wage which has been positively received and implemented by providers as shown below, the figure of 98% is an increase of 23% from the financial year 2020-2021.



## **Continuous Improvement**

The Commercial & Procurement Shared Services are continually driving improvement, through innovative approaches to delivery of projects and provision of comprehensive guidance and training, all members of staff involved in procurement activity across Aberdeen City Council are required to be approved to a certain Delegated Procurement Authority (or DPA) level, depending on the procurement tasks they perform - from low level purchases to full competitive tenders. Please see below for continuous improvement highlights for financial year 2021-22.

## **Go Award**

The GO Awards Scotland set out to recognise the achievement and successes of procurement teams from all aspects of the public, private and third sector organisations. The Commercial & Procurement Shared Service team were finalists in three categories for the event held on 19 April 2022 (delivery of projects/work FY 2021-22):

- Social Value Award – City Region Deal Gigabyte Framework  
Award recognising the crucial role that public procurement across the UK can play in delivering better social outcomes through the procurement function.

- COVID-19 Outstanding Response Award - Public Sector Organisations – Social Care Commissioning Team  
Award recognising the support provided by Public Sector Organisations throughout the pandemic.
- Procurement Team of the Year – Category & Commercial Management Team  
Award recognising the efforts of procurement teams in Scotland.

Everyone involved in the City Region Deal Gigabyte Framework\* were delighted to win the award for Social Value, which was a great result demonstrating the power of collaboration and what can be achieved in terms of social value. #abzdeal

*\*Aberdeen City Council, Aberdeenshire Council, NHS Grampian and NEOS Networks.*

### **Other highlights of 2021/22 for the Category & Commercial Team include:**

A programme of improvement actions was developed within the Category and Commercial Team with all actions completed within the period 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022, actions included:

- Introduction of Procurement Compliance reporting to the Senior Leadership team on a quarterly basis
- Development of a Communication Plan for engagement with delegated procurers to provide ready access to procurement updates/guidance
- Work to introduce a Commercial Strategy and Toolkit
- Inclusion of climate criteria in business case and procurement documents
- Development of a C&PSS Website which will have both an external facing and internal facing section.
  - External facing – aimed at suppliers/public
  - Internal facing – delegated procurers within the 3 Councils

### **Overview of highlights of 2021/22 for the Social Care Team include:**

- Implementation of contract management framework
- Advising practitioners on how the Scotland Excel's (SXL) residential, education, and short breaks framework operates and commenced development work with children's services to improve practitioners' understanding of the Scotland Excel frameworks
- Part of the SXL Short Life Working Group for the recommissioning of the residential, education, and short breaks framework. Involvement in SXL's National Care Home Contract Reference Group and UIG
- Acted as the catalyst for addressing the long-standing issue of a lack of parity between adult care services and housing support services regarding Real Living Wage. The outcome being that additional funds are now available for housing services to increase

the value of the contracts to ensure that staff in commissioned services who deliver housing support can get Real Living Wage uplifts like those in adult social care commissioned services.

- Continued support and advice to providers and oversight groups and local fora during the Pandemic, and in support of sustainability and resilience in care at home
- Activity linked to the commissioning of services for adults with complex needs and the Coming Home agenda
- Participation in Large Scale Investigation processes
- Market engagement and service review activity to inform service specification and commissioning arrangements for Training, Skills and Development Services
- Support at home mobilisation

## **Quality Assurance**

The Social Care Contracts Team is in the process of developing a quality assurance system to ensure that the team continues to procure high quality services in a way which complies with procurement regulations and to contribute to the aims of Aberdeenshire Council and the Aberdeenshire Health & Social Care Partnership. The aims of the quality assurance system are:

The necessary infrastructure is in place for the team to function effectively; team members are suitably trained and motivated to do their jobs and feel job satisfaction; the system offers meaningful opportunities for team members to contribute; all policies and procedures are kept up to date; work undertaken by the team complies with policies and procedures; the system offers meaningful opportunities for customer engagement; and the system can become a model of good practice.

Work undertaken so far:

- Established two 'streams' of auditing work: quality control in all aspects of the commissioning cycle; and team development in terms of skills and team plan to ensure alignment with the wider CPSS strategic plan.
- Completed three audits: a peer review for another local authority which has affected some change; a review of contract expiry dates on BOrganised which revealed a high degree of accuracy (only 16 out of 426 contracts had inaccuracies); and the final one was an audit of a recent tender carried out by the team. Overall, these audits have allowed us to make improvements to our internal processes.
- Discussed the audits with an Auditor from the Council's Internal Audit Service who provided some useful insights and has offered to continue doing so

**A look ahead to objectives for delivery in financial year 2022-23:**

- Development and implementation of a system to capture Community Benefits, Fair Work Practices, Sustainability and Climate data
- A comprehensive review and revision will be completed of the Procurement Manual, including a revision of all associated templates.
- Comprehensive review of the procurement strategy will be undertaken
- A programme of events will be developed in conjunction with the Supplier Development Programme to facilitate involvement of the local supply chain
- Supplier Relationship Management procedures will be implemented across the organisation, improving upon the current Contract Management procedures
- The Commercial & Procurement Shared Service will launch the C&PSS website following completion of testing
- Social Care team - further development of the quality assurance process commenced in financial year 2021/22

### **Support the local economy - Statutory Performance Indicators**

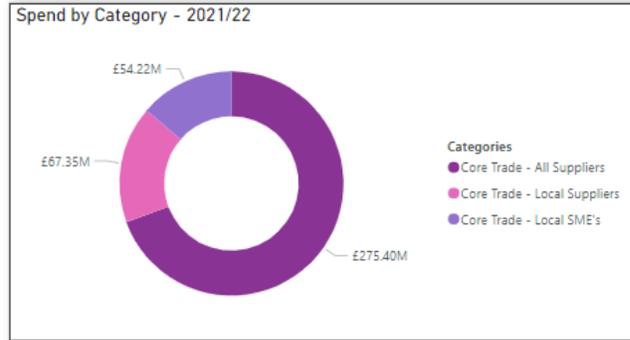
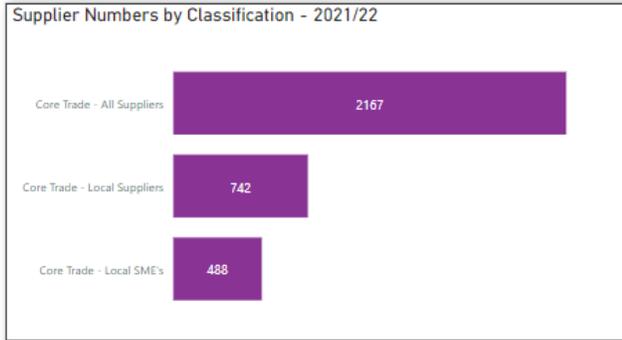
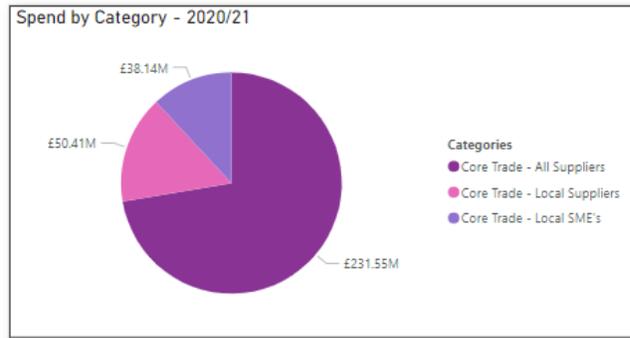
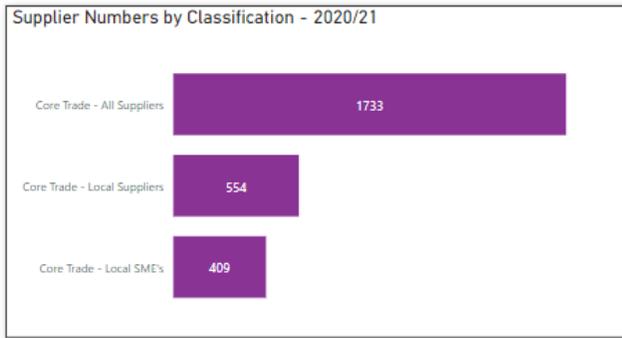
The Accounts Commission (the public spending watchdog for local government) has a statutory power to specify information that councils must publish about their performance. They do this through statutory performance indicators (SPIs). Each Council collects and publishes its information.

The remit for SPI reporting requirement was amended during 2018-19; with a request that all local authorities report on spend with Core Trade suppliers only. Core Trade being defined as: Suppliers with whom over £1000 has been spent in a 12-month period, that have also been classified as a health, social care, arts, political, religious or trading organization.

Two SPIs relevant to the local economy and procurement related spend are - spend with local suppliers and local SMEs.

The data is obtained from Spikes Cavell (Scottish Procurement Hub for publication of annual procurement related spend) and is based on locality and size of business.

The table below shows a comparison of core trade spend with local businesses and SME's in financial year 2021-22 and 2020-21:



Categories	20/21 (£)	21/22 (£)	20/21 (% of Total Spend)	21/22 (% of Total Spend)
Core Trade - All Suppliers	£231,549,394	£275,395,028	100%	100%
Core Trade - Local Suppliers	£50,411,789	£67,348,303	22%	24%
Core Trade - Local SME's	£38,142,149	£54,216,766	16%	20%

SME definition as per Spikes is:

Legend	Details
Small	Less than 50 employees, regardless of turnover, or, if the number of employees is unknown, then turnover of less than £5.6m will be taken as an indicator that it is a small enterprise.
Medium	Between 50 and 249 employees, regardless of turnover, or, if the number of employees is unknown, then turnover of greater than or equal to £5.6m and less than £22.8m will be taken as an indicator that it is a medium enterprise.
Large	Greater than or equal to 250 employees, regardless of turnover, or, if the number of employees is unknown, then turnover of greater than or equal to £22.8m will be taken as an indicator that it is a large enterprise.

Spend in the annual report is based on spend by local authority area based on core trade creditors only; the Local authority areas as defined by the ONS (Office of National Statistics); Core-Trade: Suppliers with whom over £1000 has been spent in a 12 month period, that have also been classed as a trading organisation or as a non-trade social care provider.

## **Supplier Development Programme**

The Supplier Development Programme (SDP) was established in 2008, and is a partnership of Local Authorities, Scottish Government and other public bodies that works together to bring free support in all aspects of tendering to Scottish-based SMEs, Aberdeenshire Council have participated in or been supported in hosting the below events by the Supplier Development Programme in the period 01 April 2021 – 31 March 2022.

Talking Tenders with Aberdeenshire, Aberdeen City and Highland Councils (11 May 2021) - a specific event hosted by the Supplier Development programme allowing for suppliers both locally and across the country to engage with the three Councils. There were approx. 85 attendees on the day from companies across a range of Business Sectors.

Meet the Buyer (08 June 2021) – this event allows suppliers to hear from Scotland's local authorities, government agencies and contractors about upcoming work in Scotland's public sector, as well as opportunities right across the UK's public sector, 2071 suppliers were booked on to participate across a range of Business Sectors.

Meet the Buyer North (07 September 2021) – this event allows suppliers to hear from local authorities and public sector bodies in the North of Scotland. 1045 suppliers were booked on to participate across a range of Business Sectors.

The Supplier Development Programme established the Highlands and Islands Networking Together (HINT) Group which is currently chaired by a member of the Commercial & Procurement Shared Service.

The Group was set up to continue the networking of public sector bodies in the Highlands and Islands and Aberdeenshire Council is a member along with a significant number of other public sector bodies in the North East of Scotland.

Its purpose is to discuss and facilitate the drive for best practice of procurement activity, share key documents and to improved visibility of contracts, key projects and opportunities for supplier engagement to aid economic recovery. Attendees share best practice, discuss new and existing Scottish Government policies and their impact upon local businesses in the North of Scotland, give practical advice on creating procurement reports, and participate in discussion on procurement barriers and how to overcome them, as well as participate in general networking with the various public sector bodies in the region.

In addition to the specific tender events were held to engage with the market in respect of the development of the Hard FM contract(s), the events were well attended and received by the market.

## SECTION 3 – COMMUNITY BENEFIT SUMMARY

### Statutory Requirement

Section 18(2) (d) of the Procurement Reform (Scotland) Act 2014 requires annual procurement reports to contain: “a summary of any community benefit requirements **imposed** as part of a regulated procurement **that were fulfilled** during the year covered by the report”.

### Interpretation

“**Imposed**” has been interpreted to mean community benefit requirements **included** within regulated procurements published in the reporting period. Reporting is intended to capture community benefit inclusion at all stages of incorporation, implementation and fulfilment.

The point at which community benefit requirements are “**fulfilled**” can be a matter of interpretation. Some community benefits outcomes can take a period of years to complete. “Fulfilled” has been interpreted to include community benefits “**underway**” and “**in process.**” Maximum flexibility is offered to suppliers as to when community benefit requirements commence and are ultimately “fulfilled”. Community benefit requirements and quantities are commonly designed in terms of the total number of outcomes to be delivered over the entire contract term. Suppliers are held to their total community benefit commitments (imposed and volunteered) over the life of the contract.

### Reporting Period

In the reporting period, the approach to community benefits within procurement activity has been guided by the commitments and aspirations expressed in our Joint Procurement Strategy. Our “Mission Statement” commits to delivery of:

“ethical and sustainable value for money solutions that support the operational needs and wider strategic aims of the councils and the communities they serve to further local and national priorities to the fullest extent possible.”

Beyond mandatory (£4M) and regulated thresholds (£50K for goods and services/£2M for works) the partner councils routinely seek:

“leverage opportunities (including social, economic and environmental value) aligned to the needs and priorities of our communities”

Our themed approach to community benefits continues to evolve and improve in close alignment with the following local and national priorities, As detailed in the Community Benefits Analysis Summary as an organisation we have included, in process or delivered a total of 847 Community Benefits in this period 01 April 2021 – 31 March 2022.

In total, **847** community benefit outcomes were imposed or delivered during the reporting period

**477 Community Benefit Outcomes were imposed in 23 regulated contracts published in the reporting period**

**370 Community Benefit Outcomes were delivered during the reporting period**



**21 of 23 regulated contracts (91%) included requirements relating to Fair Work Practices (including Real Living Wage)**



**22 of 23 regulated contracts (96%) included community benefit requirements**

**477** Community Benefit Outcomes were imposed in 23 regulated contracts published in the reporting period (2021 / 2022)

800 hours of community support to Aberdeenshire based 3<sup>rd</sup> sector organisations committed

£20,000 of donations committed to Aberdeenshire based charitable causes

Commitment to 8 collections for Aberdeenshire foodbanks over a 4 year period

**108** Fair

Work Practices (Real Living Wage)



**17** Jobs Created (including Apprenticeships)



**26** Work Experience Placements



**31** Development of the Workforce

**7** Local Economic Measures

**10** School, Further / Higher Education

**18** Further / Higher Education  
**10** Employability Engagement Activities

**4** Schools mentoring Programme

**8** Skills Campaigns



**106** Environmental wellbeing measures, carbon reduction, fuel poverty & Climate Literacy

**8** Communities, Community Groups & Projects (including **800** + hours

**8** Collections for local foodbanks

**1** Fundraising to local Charities

**5** Promotion of Adopting & Fostering

**1** Equalities

**14** Case Studies (Innovation)

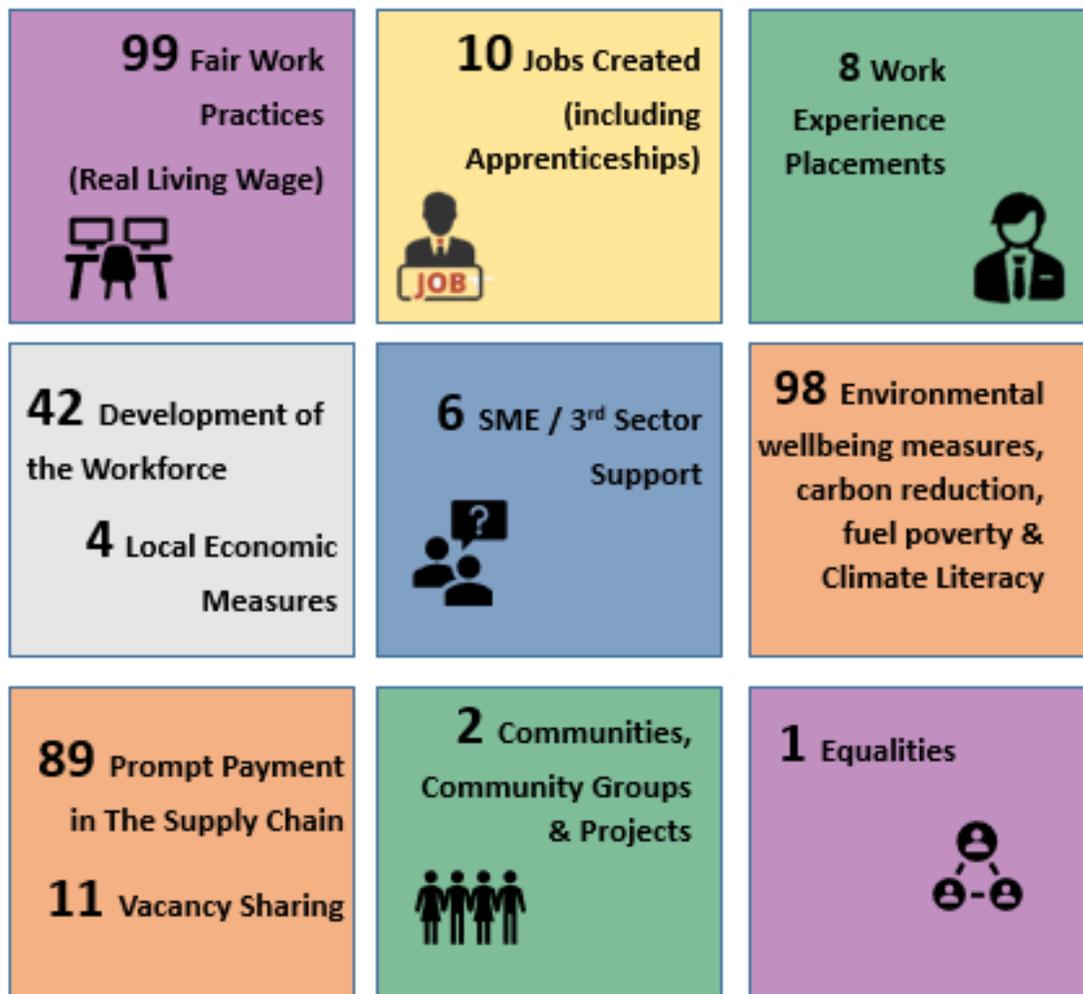


**94** Prompt Payment in The Supply Chain

**1** Vacancy Sharing

## 370 Community Benefit Outcomes were delivered during the reporting period (2021 / 2022)

A rebate of £3,248 was donated by a food industry framework supplier in 2021/22. The Council directed the funds towards the SCARF "Heat and Eat" programme to alleviate food and fuel poverty and cost of living socio-economic impacts at a local level. The fund was increased to £5,000 by SCARF and the Council donated a further £20K towards the fund. The total fund of £25,000 is anticipated to provide vital assistance to around 500 Aberdeenshire residents/families experiencing acute food and fuel poverty and related challenges. A modest supplier contribution unlocked significant additional funding and strong relationships of trust have been fostered as a direct result of the initiative.



## **Social Care Community Outcomes Summary 2021/22**

The below provides details of the outcomes delivered and information as to how our communities have benefitted from the regulated Social Care procurements in 2021/2022:

**Housing Support contract for adults:** Up to 350 clients a month can be receiving support. Service user outcomes are measured using the Outcome Star tool and reviewed every six weeks as a minimum. This demonstrates visually how much the service user has progressed achieving their goals and boosting their confidence in their own journey. Outcomes for closed cases: Successful move on – 130; Full support needs met – 115

**Housing Support contract for young people:** 124 Young People have been supported during the first six months of the contract. Out of eighteen closures, ten were positive outcomes. The support journey is tracked using our Outcomes Star measuring tool with reviews of personal action plans being held every three months. Four became independent and no longer required support; three moved in with family or friends thereby resolving their homeless situation which is a positive outcome; and three moved out of the Aberdeenshire area 56% of the young people are in positive destinations, working across a wide range of sectors, five are still at school and fourteen are at college. Six are on training course including REACH, Princes Trust, Barnardos and CSCS.

**Mental Health Pathways to Recovery:** Penumbra's new service, "Well Aberdeenshire" commenced 1 April 2022 – replacement for My Life Dynamic, run by SAMH. New service developed in partnership with Community Mental Health Team and in conjunction with local needs

**Support at Home Services:** Provided under a multi-supplier framework agreement anticipates the delivery of the objectives of the Independent Review of Adult Social Care in Scotland whilst also responding to the aims of the AHSCP's Strategic Plan and Strategic Delivery Plan developed in response to Covid-19. Outcomes that are to be reported on and measured over the duration of the framework are detailed in each contract.

**Training & Skills Development:** Activity linked to supplier sustainability objectives, and re-mobilisation and procurement activity has supported the continuance of Training and Skills Development services for over 130 adults that help in the development of skills and independence, build on the interests of the individuals, and promote community connections and social inclusion. The provision meets strategic and individual outcomes that include both progression and maintenance outcomes. Performance measures to assess the impact of spend in 2022/23 have been coproduced to inform new contractual arrangements and will seek to capture the lived experience of individuals using services alongside numerical data about activity.

## SECTION 4 – SUPPORTED BUSINESSES SUMMARY

### Statutory Requirement

Section 18(2) (e) of the Procurement Reform (Scotland) Act 2014 requires annual procurement reports to contain: “a summary of any steps taken to facilitate the involvement of supported businesses in regulated procurements during the year covered by the report”.

### Related Duties

- Engaging with those affected by our procurements;
- Ensuring regulated procurements contribute to the carrying out of our functions/achieving our purposes;
- Acting in a transparent and proportionate manner;
- Policy on the use of community benefit requirements;
- Compliance with the sustainable procurement duty.

Details of the contracts with supported businesses in the reporting period is shown below.



### **Contract with Passion4Social:**

### **IT services website design**

*(\*Contract for services to the Commercial & Procurement Shared Service covering Aberdeen City, Aberdeenshire, Highland Councils)*

The definition of a Supported Business as per Scottish Government:

“Supported businesses are social enterprises whose main aim is to integrate disabled or disadvantaged people socially and professionally. Their workforce must be at least 30% disabled or disadvantaged.”

It is Scottish Government policy that every public body should have at least one contract with a supported business.



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## Section 5 – Future Regulated Procurement Summary

### Appendix 1 – Regulated Procurements - 1 April 2021 to 31 March 2022

PCS Document ID / Contract ID	Description	Contract Type	Category Type	Total Value	Supplier Name	Award Date	Start Date	End Date
000-AVBL9612	Outreach Housing Support Service for Young People (lot 1 of the procurement)	Services	C	£761,898 (£1,269,830 incl. extensions)	Aberdeen Foyer	24/09/2021	01/10/2021	30/09/2026 (inclusive of two, one-year optional extensions)
000-DWNC5915	Outreach Housing Support Service for Adults (lot 2 of the procurement)	Services	C	£1,638,000 (£2,730,000 incl. extensions)	Salvation Army	24/09/2021	01/10/2021	30/09/2026 (inclusive of two, one-year optional extensions)
Various	Support at home in	Services	C	£167million  2+1+1 duration	31 current suppliers	22/11/2021	01/04/2022	31/03/2026
000-ACWQ9492	Out of Area Care at Home	Services	C	£182,451	Blackwood	27/08/2021	01/04/2022	31/03/2026
Various	Training & Skills Development	Services	C	£6,360,357	13 current suppliers	24/03/2022	01/07/2022	30/09/2026
000-VDFT9729	Out of area supported living service	Services	C	£223,067	Richmond Fellowship	19/05/2022	01/10/2021	30/09/2025
000-XHXX9324	Cross border placement (Residential)	Services	C	£1,344,599	Platinum Care	23/02/2022	01/03/2022	28/02/2026

PCS Document ID / Contract ID	Description	Contract Type	Category Type	Total Value	Supplier Name	Award Date	Start Date	End Date
000-DNFH5243	Singleton supported living service (Peterhead)	Services	C	£1,454,801	Community Integrated Care	14/02/2022	01/06/2022	31/03/2026
Various	Extension of 35 contracts for residential services for older people under the National Care Home Contract	Services	C	£25,700,356	Various	18/02/2021	06/04/2021	03/04/2022
000-WMNG7799	Direct Award for residential services for adults with mental health issues (continuation of current placements)	Services	C	£2,444,668	Carers Ltd – Allandale House	18/02/2021	01/04/2021	31/03/2024
000-BWYU8366	Direct Award for residential services for adults with mental health issues (continuation of current placements)	Services	C	£659,857	The Richmond Fellowship Scotland – Alford Care Service	31/03/2024	01/01/2021	31/03/2024
Various	Extension of 15 learning disability residential contracts	Services	C	£15,819,985	Various	31/03/2024	01/04/2021	31/03/2024
000-VDVY5762	LD Residential Respite service	Services	C	£216,693	Inspire	18/02/2021	01/04/2021	31/03/2022
000-FKMQ3149/ 000-EDEQ3398	Sensory Support Services	Services	C	£97,113	Deaf Action and RNIB Scotland	18/02/2021	01/04/2021	31/03/2022
000-XLYK5937	Advocacy Services	Services	C	£276,743	Advocacy North-East	21/07/2021	01/04/2021	31/03/2022

PCS Document ID / Contract ID	Description	Contract Type	Category Type	Total Value	Supplier Name	Award Date	Start Date	End Date
000-UYLC1937	Dementia Support	Services	C	£100,004	Alzheimer Scotland	21/07/2021	01/04/2021	31/03/2022
683958	CDM for Revenues and Benefits	Services	C	£167,000.00	Civica UK Limited	18/02/2022	01/02/2022	01/02/2027
683554	Removal of Existing Symons Crusher the Supply and Installation of a New Cone Crusher to Craighash Quarry	Supplies	C	£315,161.00	Duo Group (U.K) Ltd	16/02/2022	28/02/2022	28/04/2022
683552	Supply and Installation of a new Dryer Drum to Pitcaple Quarry	Supplies	C	£119,889.00	NSM LOGISTICS LTD	16/02/2022	28/02/2022	28/03/2022
681848	A939 New Gairnshiel Bridge	Works	C	£3,816,864.71	Wills Bros Civil Engineering Ltd	03/02/2022	01/02/2022	01/02/2023
681897	Award of Legal Case Management Software	Services	C	£201,200.00	Civica UK Limited	03/02/2022	02/02/2022	02/02/2027
681695	Award of NEC Contract Management Software	Services	C	£169,330.00	Built Intelligence Ltd	02/02/2022	12/01/2022	11/01/2024
680436	Mental Health Pathways Support Service	Services	C	£1,550,378.00	Penumbra / Penumbra	21/01/2022	01/04/2022	01/04/2025
656622	Aberdeenshire Transportation - Dynamic Purchasing System	Services	C	£800,000.00	Aj&m Milne / A&I Coaches Ltd / AJS Contract Cars Ltd Central Taxis (abdn) Ltd / Central Taxis (North East) Limited / Classy Taxis Ltd / DEVERON COACHES LIMITED / DMS Taxis / Elmbank taxis / Falcon Coach Hire Ltd / G's Taxi Cabs / J & J WATT / J J TAXIS MACDUFF /	14/01/2022	05/01/2021	05/07/2024

PCS Document ID / Contract ID	Description	Contract Type	Category Type	Total Value	Supplier Name	Award Date	Start Date	End Date
					kenny's taxis / Kininmonth Cabs Ltd / KP Taxis / Portsoy Taxis Limited / Premier Coaches (Kintore) Limited / Riverside Garage / RS Coaches / Safedrive Taxis Ltd / Watermill Coaches Ltd / WESTHILL TAXIS / L & B TAXIS / Bains Coaches / SHEARER OF HUNTLY LTD			
679296	Supply & Installation of 2 Electric Traversing Roll Packer Compaction Units for Recycling Centres	Supplies	C	£176,594.00	Pakawaste.co.uk	12/01/2022	04/01/2022	04/04/2022
677638	Award of Route Map to 2030 Development	Services	C	£94,800.80	Arcadis Consulting (UK) Limited	17/12/2021	22/11/2021	29/04/2022
677318	Bus RTPI System Support & Maintenance plus Supply and Maintenance of Bus Timetable Software	Supplies	C	£303,573.00	21st Century Passenger Systems	15/12/2021	01/10/2021	01/10/2023
677244	Supply and Installation of Bus Stop Infrastructure	Supplies	C	£400,000.00	Commutaports Limited	15/12/2021	15/06/2021	15/06/2024
677211	Civitas Portis 2ABZ2 E-Paper Display Project	Supplies	C	£100,694.00	Pindar Travel Information Systems Ltd (Trading as: Pindar Creative)	15/12/2021	01/04/2020	01/04/2025
676861	Treatment and Processing/Composting of Green Waste	Services	C	£1,917,764.00	Keenan Recycling	10/12/2021	01/12/2021	01/12/2024
676849	Treatment and Processing/Composting of Food Waste	Services	C	£2,510,816.00	Keenan Recycling	10/12/2021	01/12/2021	01/12/2024
673967	One off upgrade of Oracle E-Business Suite from version 12.1.3 to 12.2.10	Services	C	£270,000.00	Version 1	16/11/2021	01/10/2021	01/05/2022

PCS Document ID / Contract ID	Description	Contract Type	Category Type	Total Value	Supplier Name	Award Date	Start Date	End Date
673965	Managed Services Support for Oracle E-Business Suite	Services	C	£108,589.00	Version 1	16/11/2021	08/04/2019	08/04/2022
673956	Corporate Finance System - Award Notice	Services	C	£362,860.00	Oracle Corporation UK Ltd.	16/11/2021	05/04/2019	05/04/2022
671515	Destruction of Confidential Waste	Services	C	£240,000.00	Restore Datashred Limited	11/11/2021	08/10/2021	08/10/2023
670560	Cycle Parking for Aberdeenshire Council Schools	Supplies	C	£55,906.00	LockIt Safe Ltd	14/10/2021	11/10/2021	11/02/2022
670273	Award of Contract - Software Value Added Reseller NP5016/17 - HR Management Software	Supplies	C	£1,104,000.00	Softcat Plc	12/10/2021	28/09/2021	28/09/2026
668538	Invitation to Tender for the Treatment & Recycling/Recovery of Wood Waste from Household Recycling Centres	Services	C	£94,435.00	SUEZ Recycling and Recovery UK Ltd	30/09/2021	01/10/2021	01/10/2022
668355	Outreach Housing Support Services	Services	C	£3,999,830.00	Aberdeen Foyer / The Salvation Army	28/09/2021	01/10/2021	01/10/2024
667759	Stock Management and Logistics system for the Joint Equipment Centre	Services	C	£100,605.00	Ethitec	20/09/2021	20/09/2021	20/09/2023
666052	Sports Equipment Inspection, Repairs & Maintenance	Services	C	£92,489.56	SportsafeUK	03/09/2021	01/09/2021	01/09/2023
662700	Supply of a mobile tracked cone crusher to Pitcaple Quarry	Supplies	C	£300,000.00	Blue Machinery (Scotland) Ltd	05/08/2021	31/01/2018	28/02/2018

PCS Document ID / Contract ID	Description	Contract Type	Category Type	Total Value	Supplier Name	Award Date	Start Date	End Date
661466	Learning Pathways Plus	Services	C	£1,456,000.00	Gillian Frost Reflexology / Tracey O'Neill	26/07/2021	28/10/2019	28/10/2021
661504	Rural Roadside Verge Maintenance	Services	C	£1,238,720.00	A Henderson / W & P Milne / GJ Services / k&f thomson / The Firm of Alexander Ingram / r & I lamb / James A McDonald	23/07/2021	01/06/2021	01/06/2024
661497	Provision of Memorial Stone Stabilisation	Services	C	£350,000.00	Allan Smith Masonry	23/07/2021	12/07/2021	12/07/2024
659603	Award of Social Care Case Management System	Services	C	£1,188,000.00	OLM Systems Limited	05/07/2021	30/06/2021	30/06/2023
659562	Supply of Fruit & Vegetables	Supplies	C	£2,086,762.00	TPS Fruit & Veg Ltd	05/07/2021	28/06/2021	28/06/2023
653888	Pre-paid Cards	Services	C	£63,000.00	PFS Prepaid Financial Services	14/05/2021	13/02/2021	13/02/2024
651153	Award of Treasury Managment Services - Further competition	Services	C	£57,600.00	Link Treasury Services	19/04/2021	30/04/2021	29/04/2024

## Appendix 2 – Future Regulated Procurements 1 April 2022 to 31 March 2024

Contract Name	Type of Contract	Estimated Contract Notice Publication Date	Estimated Contract Value	Comments
Children's Services – Barnardos Aberdeenshire Youth Offending Initiative	Services	Autumn 2023	Current contract is £575,000	Going out to tender may or may not be the chosen option.
Children's Services (Wrap Around Care)	Framework	Autumn 2023	Current average annual value is £490,165	Likely to be a tender exercise as this type of service is not offered in-house.
Children's Services (Care at Home)	Framework	Autumn 2023	Current annual value is £130,000	Likely to be a tender exercise as this type of service is not offered in-house.
Advocacy Services	Services	Autumn 2022	£1,589,150	Likely tender
SDS & ISF Management Service	Services	Autumn 2022	£1,400,000	Tender
Day Service for Young Adults	Services	Autumn 2022	TBC	Tender
Dementia Support Service	Support Service	October 2022	£500,000	PIN will determine market interest and procurement strategy
Sensory Impairment Service	Support Service	October 2022	£475,000	PIN will determine market interest and procurement strategy
Alcohol and Drugs Support Service	Support Service	October 2022	£2m	Changes in requirement of statutory service provision of drugs and alcohol services will inform future commissioning requirement and estimated contract value will be calculated accordingly.
National Care Home Contract	Residential Service	N/A	£27m	Figure is the annual value

<b>Contract Name</b>	<b>Type of Contract</b>	<b>Estimated Contract Notice Publication Date</b>	<b>Estimated Contract Value</b>	<b>Comments</b>
Learning Disability Residential Respite Service	Residential Service	October 2022	£1m	PIN will determine market interest and procurement strategy
Window Cleaning for Sheltered Housing	Renewal	Sep-22	£1,750,000	
Housing Trades - Electricians	New Procurement	Jun-23	£6,000,000	
Housing Trades - Joiners	New Procurement	Jun-23	£3,000,000	
Housing Trades	New Procurement	Jun-23	£3,000,000	
Housing Trades	New Procurement	Jun-23	£3,000,000	
Housing Trades	New Procurement	Jun-23	£3,000,000	
Deeside Way Works	New Procurement	Sep-22	£300,000	
Energy Efficiency Works	Renewal	Apr-22	£3,000,000	
HIP2	New Procurement	Jun-23	£160,000,000	
Waste Blacksmith Framework	New Procurement	Feb-22	£1,450,000	

<b>Contract Name</b>	<b>Type of Contract</b>	<b>Estimated Contract Notice Publication Date</b>	<b>Estimated Contract Value</b>	<b>Comments</b>
E-Committee new system	New Procurement	Sep-22	£50,000	
Security Operations Centre and Managed Security Service Provider	New Procurement	Jul-22	£50,000	
Roads Winter Bureau Services	Renewal	Dec-22	£240,000	
Aberdeenshire Transport DPS	Renewal	Dec-22	£26,800,000	
Telematics	Renewal	Aug-22	£326,625	
Translation Services	New Procurement	May-22	£220,000	
Provision of Foundation Apprenticeships	New Procurement	Jun-22	£7,500,000	
Early Years Training	New Procurement	Jun-22	£2,300,000	
Provision of Circular Economy Support and Advice (Business Gateway)	New Procurement	Jun-22	£100,000	
Provision of Procurement Support	New Procurement	Jun-22	£50,000	
Employee Assistance Programme /Mental Wellbeing Platform	New Procurement	Aug-22	£560,000	

Contract Name	Type of Contract	Estimated Contract Notice Publication Date	Estimated Contract Value	Comments
Pool Gas	New Procurement	Jun-22	£55,000	
Aberdeenshire Fire & Security Alarm Call Service	Renewal	Mar-22	£16,068	
Indigent burial and cremation	New Procurement	Sep-22	£40,000	
Recycling of Street Sweepings & Gully Waste	New Procurement	Jun-22	£568,000	
Soil	New Procurement	Mar-23	£138,000	
Rubble	New Procurement	Mar-23	£148,000	
Bulky Waste Treatment	New Procurement	Aug-22	£325,000	
Glass recycling	New Procurement	Aug-22	£368,300	
Scrap and Lead acid batteries	Renewal	Aug-22	£1,254,240	
Mixed Fibres	New Procurement	Jan-23	£875,000	
Mixed Containers	New Procurement	Jan-23	£2,900,000	