

Aberdeen City Council Annual Procurement Report



1st April 2021 – 31st March 2022



Contents

Introduction	3
Section 1 – Summary of Regulated Procurements	9
Section 2 – Review of Regulated Procurement Compliance	13
Section 3 – Community Benefit Summary & Community Outcomes.....	23
Section 4 – Supported Businesses Summary.....	30
Section 5 – Future Regulated Procurements Summary.....	32
Appendix 1 – Regulated Procurements - 1 April 2021 to 31 March 2022	32
Appendix 2 – Future Regulated Procurements 2022 - 2024.....	36

Introduction

The Aberdeen City 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 2021 to 31st March 2023.

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.

Aberdeen City Council's Procurement Unit is part of a shared service agreement with Aberdeenshire 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/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
- Commercial Legal Team
- Shared Insurance Service

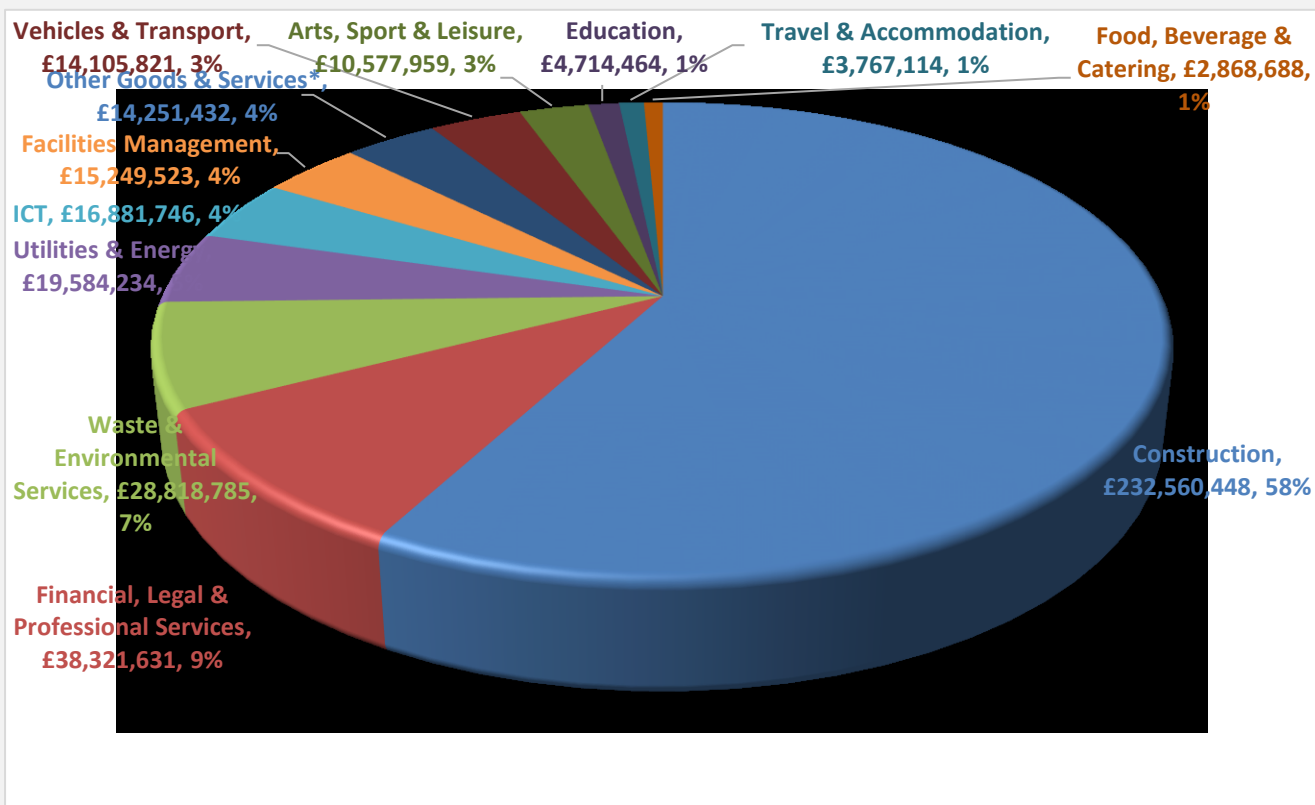
Category & Commercial Management Team

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.



*Breakdown of Other Goods & Services

Category	Spend
Business Support Services	£2,743,418
Charitable & Religious Activity	£131,921
Clothing	£59,255
Community Development	£259,256
Economic Development	£5,128,025
Laboratory	£260,040
Manufacturing & Machinery	£626,635
Marketing & Media	£1,172,849
Other Categories	£911,621
Personal Care	£83,247
Public Sector Bodies	£2,136,517
Purchasing Services	£96,977
Retail & Wholesale	£345,053
Stationery & Office Products	£296,618
Grand Total	£14,251,432

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.

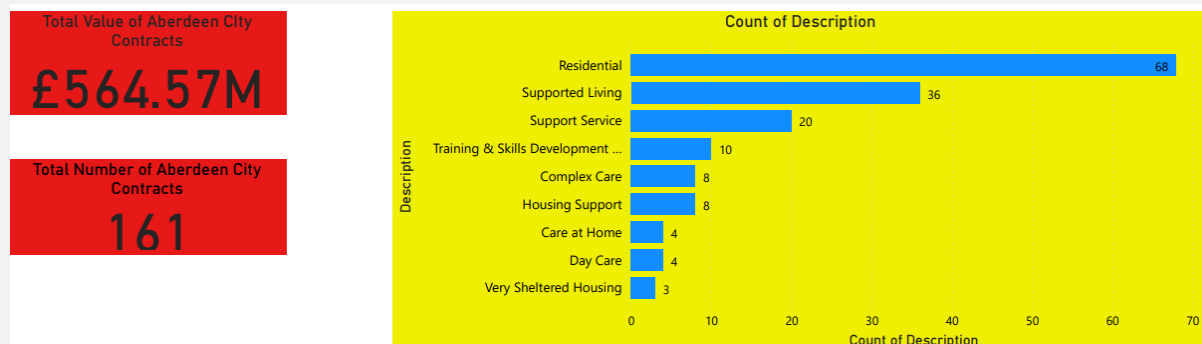
The remit of the team is:

- 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

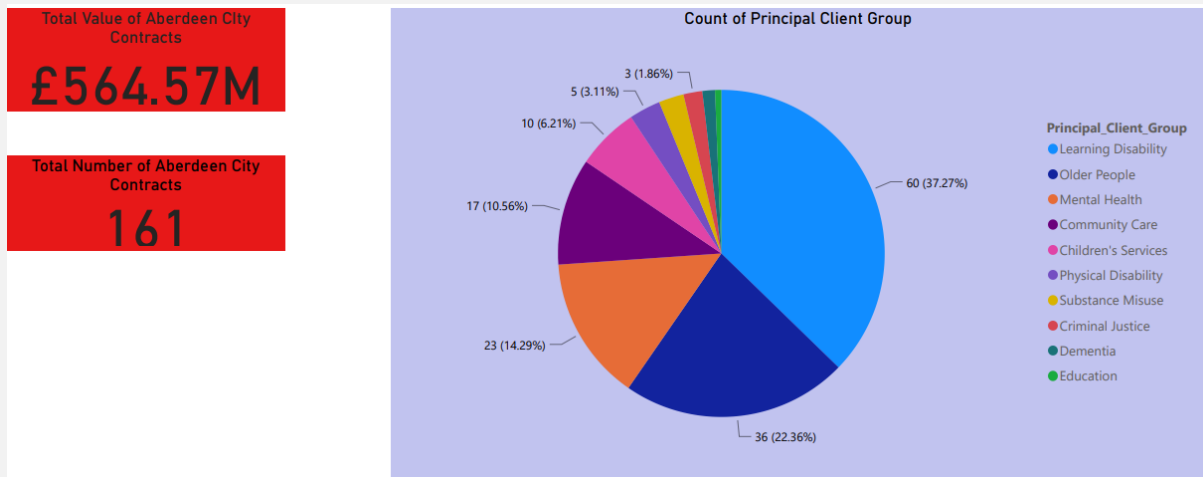
Social Care procurement of services is driven by strategic commissioning intentions for services listed under Schedule 3 – Social and Other Specific Services, of the Public Contracts (Scotland) Regulations 2015. Together with Aberdeen City & Aberdeenshire' Health and Social Care Partnerships the shared 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 161 Aberdeen City 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):



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

TOTAL SPEND

Description	Count of Description	Total_Contract_Value
Residential	68	£260,133,896.74
Supported Living	36	£71,651,568.00
Support Service	20	£20,217,468.89
Training & Skills Development Service	10	£7,158,173.00
Complex Care	8	
Housing Support	8	£6,960,976.00
Care at Home	4	£180,667,315.37
Day Care	4	£8,801,999.00
Very Sheltered Housing	3	£8,981,272.00
Total	161	£564,572,669.00

Strategic Procurement Board

The Shared Service is overseen by the Strategic Procurement Board, the board is comprised of Senior Leaders from across the 3 partner 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 financial year, 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 Aberdeen City and Aberdeenshire Councils. Funding expenditure is currently £10.5m for completed claims. The following table is a breakdown of the financial position for Aberdeen City Council:

SUPPLIER SUSTAINABILITY APPLICATIONS - CITY									
Period Number	Completed Claims			Claims in Progress			Totals for all claims received		
	No. Completed City	Amount paid City	Total paid for completed claims	No. In Progress City	Total amount in Progress City	Total amount for claims in progress	Total Received City	Total amount claimed City	Total Amount
Period 1	71	1,360,985.87	1,360,985.87	2	159,345.94	159,345.94	73	1,520,331.81	1,520,331.81
Period 2	57	1,558,407.55	1,558,407.55	3	74,457.31	74,457.31	60	1,632,864.86	1,632,864.86
Period 3	54	394,306.94	394,306.94	1	12,184.64	12,184.64	55	406,491.58	406,491.58
Period 4	50	381,633.81	381,633.81	1	11,080.28	11,080.28	51	392,714.09	392,714.09
Period 5	50	377,980.31	377,980.31	2	1,026.56	1,026.56	52	379,006.87	379,006.87
Period 6	51	521,867.00	521,867.00	1	7,358.80	7,358.80	52	529,225.80	529,225.80
Period 7	50	664,749.68	664,749.68	5	197,770.39	197,770.39	55	862,520.07	862,520.07
Period 8	45	747,720.00	747,720.00	7	335,086.94	335,086.94	52	1,082,806.94	1,082,806.94
Period 9	38	591,771.59	591,771.59	8	325,974.77	325,974.77	46	917,746.36	917,746.36
Period 10	36	363,512.42	363,512.42	6	242,912.24	242,912.24	42	606,424.66	606,424.66
Period 11	33	405,348.30	405,348.30	6	221,415.74	221,415.74	39	626,764.04	626,764.04
Period 12	33	474,930.78	474,930.78	7	215,959.19	215,959.19	40	690,889.97	690,889.97
Period 13	27	289,076.32	289,076.32	9	271,770.23	271,770.23	36	560,846.55	560,846.55
Period 14	26	321,606.02	321,606.02	10	133,214.66	133,214.66	36	454,820.68	454,820.68
Period 15	28	676,242.16	676,242.16	10	140,714.86	140,714.86	38	816,957.02	816,957.02
Period 16	24	320,818.13	320,818.13	10	137,432.45	137,432.45	34	458,250.58	458,250.58
Period 17	20	626,149.49	626,149.49	14	151,739.28	151,739.28	34	777,888.77	777,888.77
Period 18	27	368,595.38	368,595.38	7	83,270.94	83,270.94	34	451,866.32	451,866.32
Period 19	9	130,052.63	130,052.63	17	188,306.45	188,306.45	26	318,359.08	318,359.08
Period 20	1	1,227.18	1,227.18	13	457,896.90	457,896.90	14	459,124.08	459,124.08
Period 21	-	-	-	3	279,205.24	279,205.24	3	279,205.24	279,205.24
Period 22	-	-	-	-	-	-	0	-	-
	730	10,576,981.56	10,576,981.56	142	3,648,123.81	3,648,123.81	872	14,225,105.37	14,225,105.37

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”

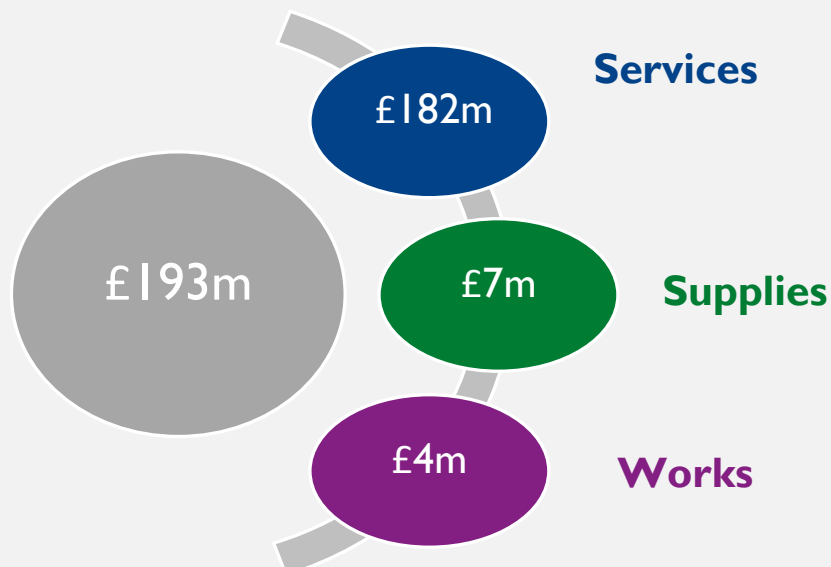
Regulated procurements are any procurement for goods and services with a value above £50,000 and works contracts with a value of above £2 million. A summary of the regulated procurements awarded within financial year 1 April 2021 and 31 March 2022 is provided in the table below.

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.

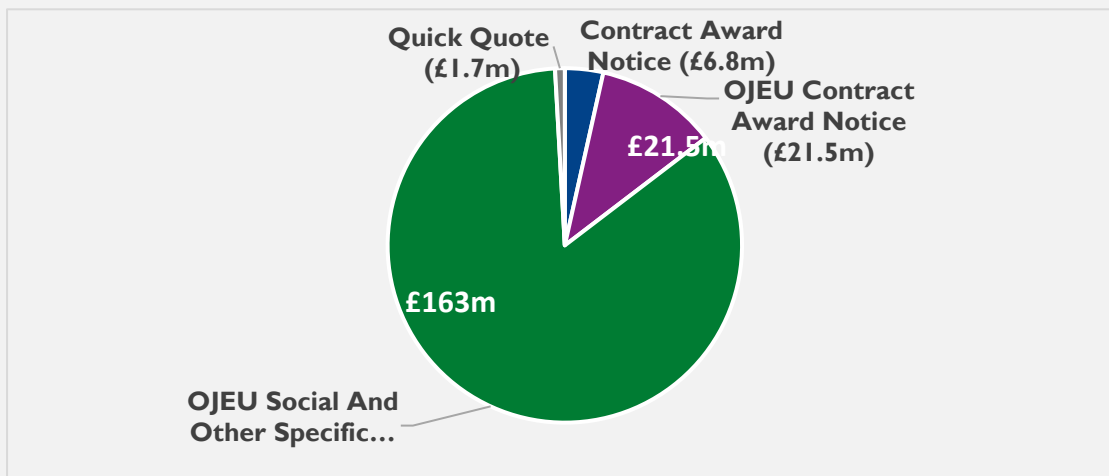
Value of Regulated Procurements Awarded by Category 1st April 21 – 31st March 22



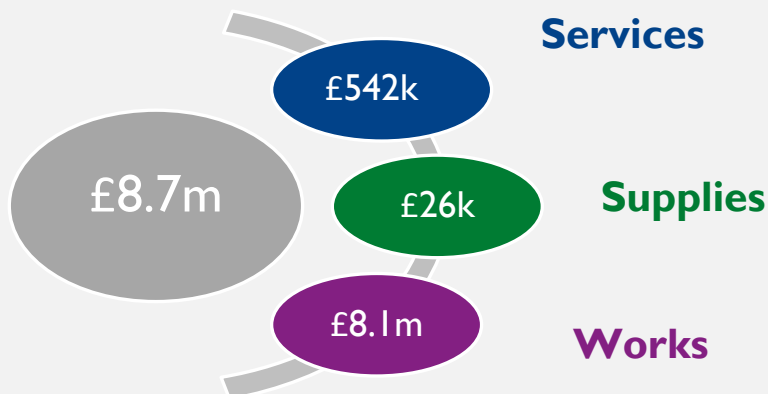
Number of Regulated Procurements Awarded by Category 1st April 21 – 31st March 22



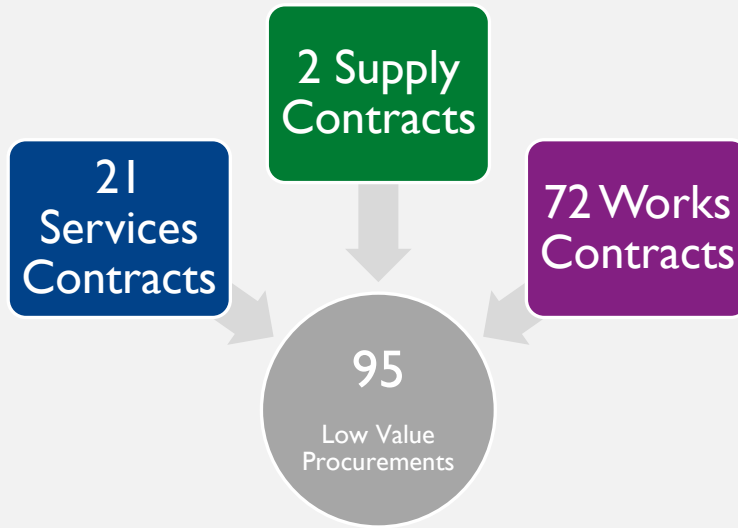
Value of Regulated Procurements Awarded by Notice Type 1st April 21 – 31st March 22



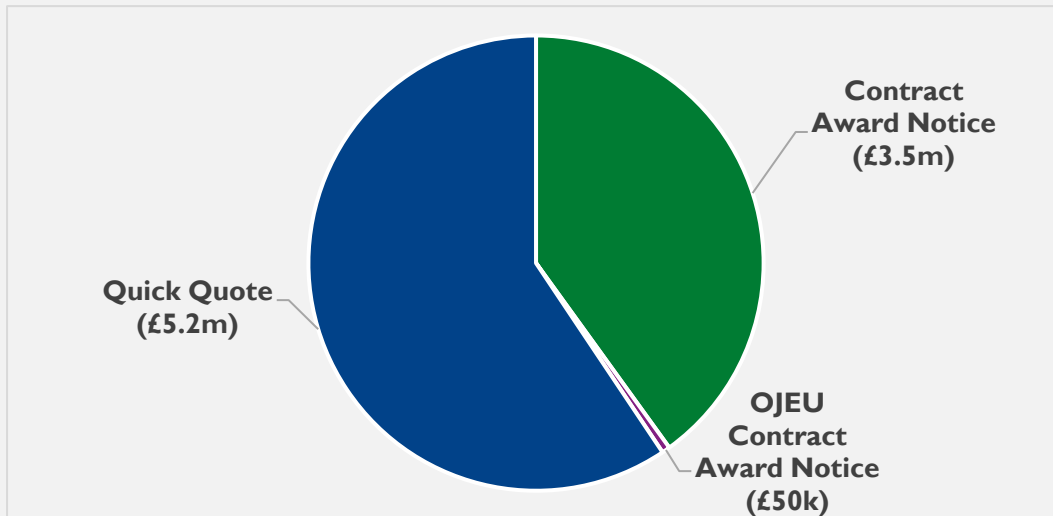
Value of Low Value/Non-Regulated Procurements Awarded by Category 1st April 21 – 31st March 22



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 Q3 21/22 shows that Aberdeen City Council participated in 62 out of 74 (84%) of the available framework agreements.

Local suppliers being available for use across these frameworks on 31st December 2021 are as shown below:



Total spend with these local suppliers under the frameworks from all Scottish Local Authorities and associate members of Scotland Excel totalled £26,000,000, the Aberdeen City Council spend was £4,000,000 with local suppliers on Scotland Excel framework agreements.

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

Financial efficiencies of £1,600,000 (Revenue) were achieved during the period 1st April 2021 to 31st March 2022.

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.

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

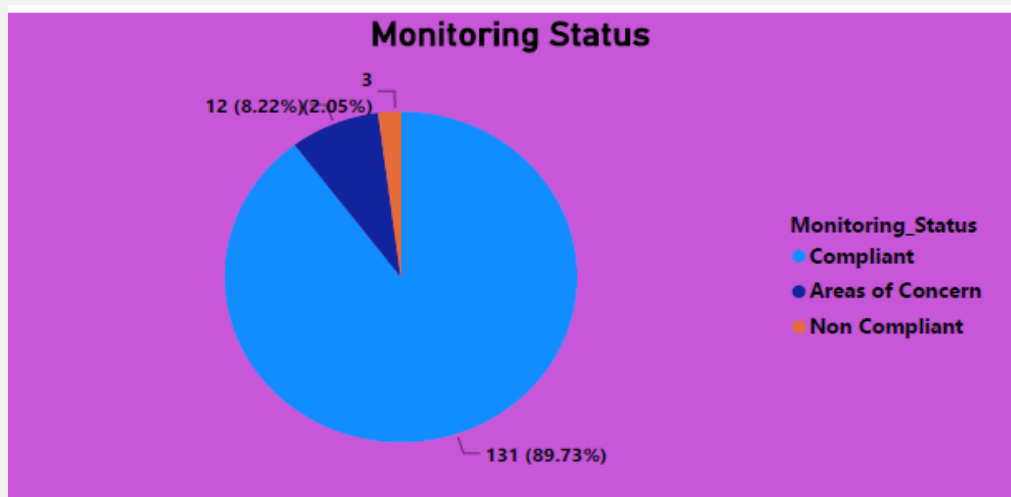
Data was collected using the following service descriptors, Residential; Care at Home; Day Care; Supported Living; Training & Skills Development; Support Service; Housing; Very Sheltered Housing, the below details the outcomes from the contract monitoring:

Contract Description

In total, **146 Aberdeen City contracts were included in this monitoring cycle.** Although we have 161 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.

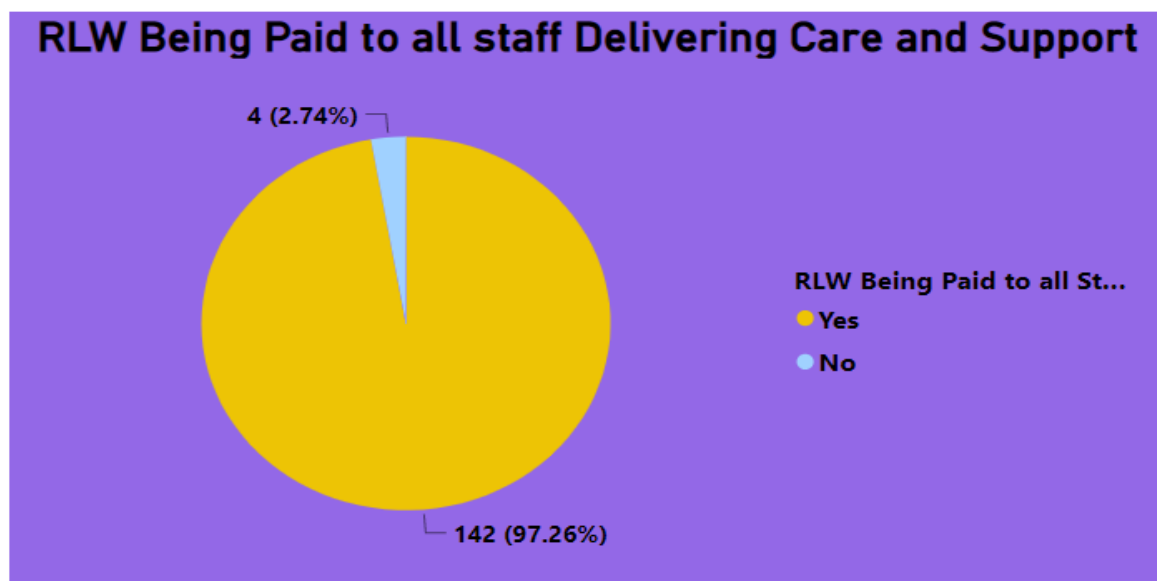


As you can see from the above, we have the following information:

- 89.73% of contracts are deemed “compliant”. This means that all reporting and checks (including a credit check) have come back with no concerns. This suggests a solid working relationship between purchasers and providers.
- Twelve contracts (8%) are currently listed under areas of concerns.
- For the contracts under “areas of concern”, the provider has either failed to respond or failed to provide all the requested information. Information missing is either the ER/BC checklist, fire inspection letter, or the monitoring form. Ongoing pandemic and staffing issues will have played a part in the failure to respond appropriately and we will work with the providers until a full response is submitted.
- Three contracts are currently “non-compliant”, these are services where there are serious issues and placements will be suspended until the appropriate action is taken to ensure high quality services are restored. Each of these three contracts relate to care homes for older people.
- Overall, the response rate has improved over the trial (64%). The response rate has improved partly down to a) providers being familiar with the ask and b) Contract Managers diligently chasing up and working with providers

Real Living Wage (RLW) being paid to all 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 97% is an increase of 20% 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.

Hydrogen Hub

Project delivered in financial year 2021-22 by the Commercial & Procurement Shared Service and City Growth teams within the Council to deliver a Hydrogen Hub as a Joint Venture with BP sets the direction for future developments and initiatives for hydrogen as an alternative for transport fuels while at the same time using Aberdeen's expertise in innovation as the energy capital of Europe. The Aberdeen Hydrogen Hub will help the city achieve its ambitions for net zero and by growing hydrogen demand for use in high consumption transport applications such as buses, local authority vehicles and commercial vehicles, it will lay the foundations for adoption of this potentially zero carbon fuel in other applications such as rail, marine, private vehicles and domestic / commercial heat and industry.

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 1st April 2021 to 31st March 2022, actions included:

- Introduction of Procurement Compliance reporting through the Aberdeen City Council Risk Board
- 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:

- Continued support and advice to providers and oversight groups during the Pandemic
- Implementation of contract management framework
- Implementation of a quality assurance process
- Participation in resilience and innovation meetings linked to care at home provision
- Market engagement and service review activity to assist in the development of a Market Position Statement for Training Skills and Development and to inform service specification and commissioning arrangements
- Market engagement activity to assist in the development of a Position Statement for Mental Health and Learning Disabilities Accommodation in Aberdeen City
- Contributing to the ACC large-scale service review of early intervention and family support model
- Provided support to education services, including the commissioning of the two ACC nurseries (concession contracts); Advising the service commissioners on the governance process to ensure that contracts are in place and putting the contracts in place (one of out of area school placement; two contracts for support to independent sector nursery providers)
- Part of the Scotland Excel Short life working group for the recommissioning of the residential, education, and short breaks framework and the NCHC UIG

- Work carried out in partnership with Cornerstone and operational staff in closure of Huxterstone Drive Learning Disability Residential Service following the withdrawal of the provider. All residents supported to move to alternative appropriate accommodation which resulted in positive outcomes for all.
- Market engagement activity to assist in the development of a Position Statement for Mental Health and Learning Disabilities Accommodation in Aberdeen City
- Development of 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 Aberdeen City Council and the Aberdeen City 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
 - The work undertaken by the team complies with policies and procedures
 - The system offers meaningful opportunities for customer engagement
 - The system can become a model of good practice.

Quality Assurance 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: the first was a peer review for another local authority which has affected some change; the second was a review of contract expiry dates on BOrganised which revealed a high degree of accuracy; and the final one was an audit of a recent tender carried out by the team. The tender was run in accordance with national and internal procurement guidance, and we also had the opportunity to explore more qualitative aspects such as the experiences of the project group. This further analysis has allowed us to make improvements to the internal process for briefing project group members.
- Discussed the audits with an Auditor from the Council's Internal Audit Service who provided some useful insights and we have now established a proactive and positive working relationship

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

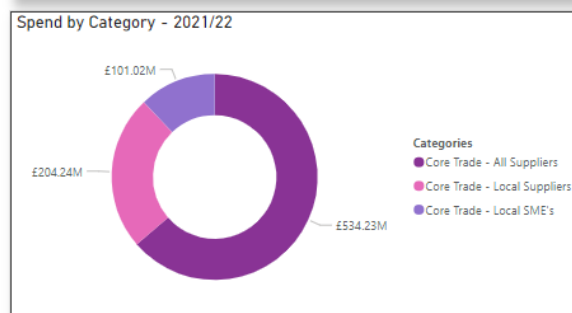
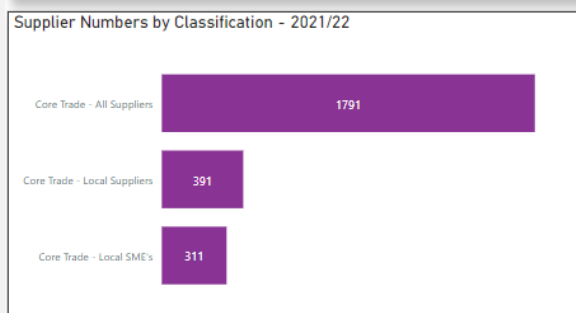
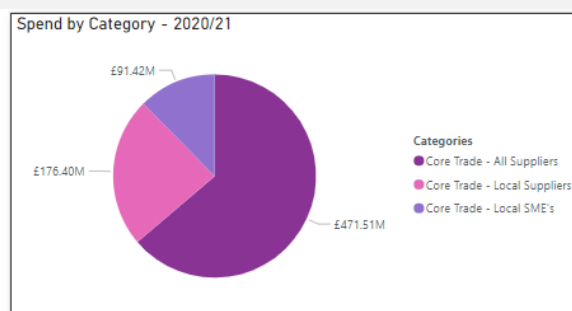
Statutory Performance Indicators - The Accounts Commission (the public spending watchdog for local government) has a statutory power to specify information that councils must publish about their performance. They do this through statutory performance indicators (SPIs). Each Council collects and publishes 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	£471,511,440	£534,234,805	100%	100%
Core Trade - Local Suppliers	£176,402,971	£204,235,014	37%	38%
Core Trade - Local SME's	£91,424,888	£101,017,243	19%	19%

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, Aberdeen City 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 Aberdeen City 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 above a specific tender event was held on 08 October 2021 to engage with the Employability Service provider market in respect of the development of a framework agreement for Aberdeen City Council, this was well attended and received by the market.

Section 3 – Community Benefit Summary & Community Outcomes

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 2271 Community Benefits in this period 01 April 2021 – 31 March 2022.

In total, **2271** community benefit outcomes were imposed or delivered during the reporting period

1853 Community Benefit Outcomes were imposed in 33 regulated contracts published in the reporting period

418 Community Benefit Outcomes were delivered during the reporting period



33 of 33 regulated contracts (100%) included requirements relating to Fair Work Practices (including Real Living Wage)



31 of 33 regulated contracts (94%) included community benefit requirements

1853 Community Benefit Outcomes were imposed in 33 regulated contracts published in the reporting period (2021 / 2022)

Significant high-quality job & apprenticeship opportunities underpinned by Fair Work considerations

Over 3360 hours of local community/3rd sector support imposed

Encouragement of donations anticipated to benefit a significant number of local initiatives

38 Fair Work Practices
(Real Living Wage)

243 Jobs Created
(including Apprenticeships)
2 Mentorship / Internship

311 Work Experience Placements
41 Graduate Placements
5 Kickstart Placements



465 Development of the Workforce

130 School,
116 Further / Higher Education
120 Employability Engagement Activities

118 Environmental wellbeing measures, carbon reduction, fuel poverty & Climate Literacy

46 Communities, Community Groups & Projects (including **3360** + hours)

21 Local Economic Measures
3 Support formation of a resident's association

4 Meet the Buyer Events
1 Further SME / 3rd Sector Support

79 Promotion of Adopting & Fostering
1 Equalities

68 Case Studies (Innovation)
2 Collaboration & Collaborative Working

20 Prompt Payment in The Supply Chain
19 Vacancy Sharing



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

567+ hours of local community support delivered & approx. £60k of donations to 30 local initiatives

Delivered benefits included repairing the roof of a local sea cadet facility and repairs to a local nursery

Non-financial donations inc. pallets, clothes, food, toys, furniture & a container for use as a meeting place for a youth group

22 Fair Work Practices
(Real Living Wage)

148 Jobs Created
(including Apprenticeships)



45 Work Experience Placements



69 Development of the Workforce



24 School,
20 Further / Higher Education
6 Employability Engagement Activities

20 Environmental wellbeing measures, carbon reduction, fuel poverty & Climate Literacy

7 Communities, Community Groups & Projects (including **567** + hours)

3 Local Economic Measures
4 Donations to SME / 3rd Sector

5 Meet the Buyer Events
2 Further SME / 3rd Sector Support

5 Promotion of Adopting & Fostering
1 Equalities

5 Case Studies (Innovation)
1 Collaboration & Collaborative Working

10 Prompt Payment in The Supply Chain
21 Vacancy Sharing

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:

Granite City Care Consortium (GCC): Following the award of contracts to Granite Care Consortium in 2020, ten third sector and independent sector provider members have worked collaboratively and in partnership with the Aberdeen City Health and Social Care Partnership to deliver care at home services in the three localities. Despite the challenges of contract mobilisation during the pandemic the consortium have managed risks in relation to change management and built on shared values to establish strong operating structures and processes. For the sector this has had positive outcomes in relation to market stability and increased flexibility and responsiveness of provision. For 1500 supported people the contractual arrangements have in the first year of operation supported the delivery of services that meet personal outcomes and that accommodate step-up/step-down and enablement approaches to care to respond to the needs of the individual at the time. Measurable and qualitative outcomes are reported in the recently published annual review. A two-year extension is to be recommended to consolidate and expand on the progress of the service, and progress outcomes linked to innovation opportunities in relation to technology enabled care and data management.

000-RJLN9863 Accommodation based support: The service provides a Supported Accommodation setting for young people aged 16-26 who are homeless or at risk of homelessness. The purpose of the support is to enable young people to make the successful transition to independent living and tenancy sustainment. In general, the young people who have passed through the service tend to be able to maintain a tenancy following their stay at the Foyer.

000-YHRV9484 Housing First: The service is supporting clients well and providing support provision as expected. The housing first service are currently in the process of implementing a new system for monitoring the outcomes for customers – Better Futures. As housing first is a significantly open-ended support provision and the new service is still in its infancy, we are working together with TPS to determine the best means by which to record and report positive outcomes for HF customers, beyond tenancy sustainment and repeat homelessness. In terms of both those measures, the service is in its early stages and clear work towards those targets has been shown.

000-ECYK9627 Community Hosting: While currently going through its implementation phase it is the hope and expectation of the support services that the community hosting project will help to decrease the number of young people presenting as homeless, having been given respite accommodation and support to resolve crisis situations. While also giving those for whom homelessness is expected the support to manage a homeless presentation and assessment in a much more planned way. As the service progresses and monitoring continues, we will be able to get a greater sense of numbers and how this will affect homeless applications in the future.

000-BFUH9181 & 000-000JRDF2525 Early Learning: The Early Learning and Childcare (ELC) expansion programme established two new stand-alone nursery facilities within the Tillydrone and Northfield areas of Aberdeen. Following a tender process, Flexible Childcare Services (FCS) was appointed to deliver funded ELC (1140 hours per annum) on behalf of Aberdeen City Council to eligible 2–5-year-old children. FCS commenced the delivery of ELC from the new nurseries in January 2022 providing a fully flexible offer to families that is accessible, affordable and of high quality. A Locality Lead from the Early Years team oversees both FCS settings providing quality assurance, coaching and support.

A key aspiration of the ELC Delivery Plan was to increase uptake of ELC in our priority communities, particularly amongst families of eligible 2-year-olds. In Northfield, there are 14 eligible 2-year-olds and 20 children of 3 and 4 years of age receiving funded ELC at the Cummings Park setting. In Tillydrone, there are 10 children of 3 and 4 years of age and 4 eligible 2-year-olds receiving funded ELC at the Tillydrone setting. Feedback from parents, health visitors and vision support colleagues has been positive, with colleagues reporting that children and families are being well supported, it is anticipated that as the settings become more embedded in the communities, numbers will increase.

FCS are continuing to build relationships with families, community groups and centres. Events have been hosted in Tillydrone library and relationships are being built with Cummings Park Community Centre and the Quarry Centre. Covid-19 restrictions limited opportunities for community engagement but the recent relaxation of restrictions has enabled the settings to plan for open days, sports events, and community garden initiatives. The engagement activities will contribute to ensuring the settings are continuing to deliver an ELC offer that meets the needs of local families.

National Care Home Contract: Extension of 24 contracts for residential services for older people under the National Care Home Contract, including commissioning of respite and interim beds. Attendance and NCHC reference group and UIG. Work started on redesign of NCHC in line with Feeley Report and there will be the opportunity for involvement of LA reps.

Rubislaw Park End of Life Beds: In October 2021, the NHS Grampian Chief Exec Group gave their approval for the advancement of the utilisation of care home bed capacity as part of a whole system pathway of care. Following market engagement 5 beds at Rubislaw Park Care Home were commissioned to provide specialist end of life care for individuals from both hospital and the community. The contract for these beds has now been extended for a further 2 months to allow for a full evaluation to be carried out to inform future commissioning.

Extension of contracts for LD Residential Services: Seven contracts for Learning Disability Residential Services were extended to 31 March 2021 to allow time for a review of LD and MH accommodation-based services to take place. A series of workshops were held with stakeholders during 2021 and a Market Position Statement and action plan produced.

Dual Sensory Service: A tender for a Dual Sensory Impairment Support Service was undertaken in 2021 and the successful provider was Northeast Sensory Service (NESS). NESS provided the service under the previous contract and continue to support Service Users under the current contract after being awarded the new agreement in October 2021. Around 300 services users are supported under the contract.

First Contact Mental Health & Wellbeing Service: A tender for a First Contract Mental Health and Wellbeing Service was undertaken in 2021 and the successful provider was Penumbra. The aim of this service to deliver a service which will provide a direct access first point of contact for Mental Health Services based within deprived areas of Aberdeen City available seven days a week, including out of hours support to Police Custody and Accident & Emergency. Following the award of the contract Penumbra have worked with the relevant partners to develop the WELL service. Staff recruitment, training and induction has been completed and it has been agreed that the service will initially focus on the Seaton, Tillydrone and Torry areas, in line with the Locality Planning Agenda.

Dementia Support Service: The contract with Alzheimer's Scotland for a Dementia Support Service was extended for a further year to 31 March 2021 to allow for work to be undertaken to review the service specification and to complete strategic commissioning 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 total spend in 2021-2022 with supported businesses is shown below.

Contracted Supported Businesses



Council Spend with Passion for social:
£31,400 for IT services design of Websites for
City Growth, Commercial & Procurement



Report Images © Norman Rose, Audio Visual Content Officer, Aberdeen City Council

Section 5 – Future Regulated Procurements Summary

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

PCS Document ID	Description	Contract Type	Total Value	Supplier Name	Award Date
685954	2021 Social Care - Framework agreement for the provision of Support at Home Services	Services Contract	£159,700,000	Community Integrated Care (GB) / Inspire partnership through life (GB) / Cornerstone (GB) / Penumbra (GB) / Affinity Trust (GB) / VSA (GB) / Mears Supported Living Scotland (GB) / Nova Payroll Management Services Ltd TA Pin Point Health & Homecare (GB) / The Richmond Fellowship Scotland (GB) / Allied Health Services Limited trading as Allied Healthcare (GB) / Sacro (GB) / Cera Care Operations (Scotland) Limited (GB) / Enable Scotland (Leading the Way) (GB) / Real Life Options (GB) / Living Ambitions Ltd (GB) / Sense Scotland (GB) / Archway (GB) / Aberness Care Ltd (GB) / Venture Support & Care Ltd (GB) / Jon Fleming Group LTD (GB) / Specialist Resource Solutions (GB) / My Care (Grampian) Limited (GB) / Scottish Autism (GB) / Transitions Care Ltd (GB) / Deafblind Scotland (GB) / Milltown Community Ltd (GB) / Crossroads Caring Scotland (GB) / Eildon Support Services (GB) / Ann Inspired Care Ltd (GB) / Paramount Care Aberdeen (GB) / Capercaillie Care Limited (GB)	07/03/2022
685547	Sole supplier framework for the Rolling Programme for the replacement of Technical LEV and Technical Machinery in Aberdeen City Council Secondary Schools	Supply Contract	£970,902	Active Energy Solutions Ltd (GB)	03/03/2022
685005	Award of Mini comp for wheeled bins and bulk bins	Supply Contract	£295,000	MGB PLASTICS (GB) / Storm Evironmental Ltd (GB)	28/02/2022

684231	Smoke Detector Installations/ Upgrades in Domestic Properties Framework Agreement	Supply Contract	£1,500,000	McTear Contracts Ltd. (GB) / RB Grant Ltd (GB) / Safe Building Scheme Limited (GB) / Easy Heat Systems Ltd (GB)	24/02/2022
683604	Repair Works to Low Rise Properties (Framework)	Works Contract	£4,998,132	Andrew Shepherd Construction (GB) / SKYFORM (SCOTLAND) LTD (GB)	16/02/2022
683314	Community Hosting Service Youth Homelessness (Aberdeen City and Aberdeenshire)	Services Contract	£285,335	Aberdeen Foyer (GB)	14/02/2022
682572	Award of Provision of Ground Investigation and Utility Services	Services Contract	£268,495	Raeburn Drilling & Geotechnical Ltd (GB)	08/02/2022
682017	Azure Pathway Support	Services Contract	£178,600	Servent Ltd (GB)	04/02/2022
680698	Housing Support Service Young People Accommodation Based - Aberdeen City	Services Contract	£936,913	Aberdeen Foyer (GB)	24/01/2022
673814	Housing First - Aberdeen City	Services Contract	£1,193,889	Turning Point Scotland (GB)	15/11/2021
673176	1st Contact Mental Health and Wellbeing Service	Services Contract	£1,345,575	Penumbra (GB)	09/11/2021
673103	Award of A947 Multi-Modal Corridor Study	Services Contract	£158,101	AECOM (GB)	08/11/2021
672735	Temporary Homeless Accommodation Accommodation Management Consultant 2021	Services Contract	£250,000	Reight Travel Group Ltd (GB)	05/11/2021
672815	Award of Northfield Swimming Pool - Design Consultancy Services (8086)	Services Contract	£101,223	Space Solutions (GB)	05/11/2021
671006	National Assistance Funeral Services	Services Contract	£98,700	Funeral Services Limited T/A Co-op Funeralcare (GB)	20/10/2021
670713	Delivery of Aberdeen City's Christmas Village	Services Contract	£600,000	JCPF (GB)	18/10/2021
668274	Supporting Care Experienced Young people through Sport	Services Contract	£120,000	Sport Aberdeen (GB)	24/09/2021

667319	Flat Roof Replacement Works (Framework)	Works Contract	£1,842,907	William Rae (Aberdeen)LTD (GB) / MAC Roofing & Contracting LTD (GB) / H LS McConnell (GB)	15/09/2021
667312	Repair Works to Construction Systems and High-Rise Properties (Framework)	Works Contract	£3,998,563	SKYFORM (SCOTLAND) LTD (GB)	15/09/2021
667125	Award of Mini-Competition - SXL Framework 0618 - For the Supply, Delivery & Installation of AV Equipment in Schools	Supply Contract	£4,817,417	AVM Impact Ltd (GB)	14/09/2021
665690	Insurance Broker Services (TECA and Fine Arts)	Services Contract	£3,017,500	Marsh Limited (GB)	03/09/2021
665193	Award of DOMESTIC GAS HEATING REPLACEMENTS - FLOORING WORK	Services Contract	£64,375	General & Technical Flooring Services (GB)	26/08/2021
663449	Award of Investment Consultancy Services Lots 1,2 &3	Services Contract	£335,000	Isio Group Limited (GB)	10/08/2021
662338	EES: ABS Managing Agent	Services Contract	£184,326	Changeworks (GB)	30/07/2021
660553	Management of Catenary Cable System and Festive Lighting	Services Contract	£350,921	Scotia Animations Limited (GB)	13/07/2021
659392	Supply of Fruit & Vegetables	Supply Contract	£1,080,000	TPS Fruit & Veg Ltd (GB)	02/07/2021
658090	Award of Waste & Recycling Management System	Services Contract	£175,000	Bartec Auto ID Ltd (GB)	22/06/2021
656907	Award of Traffic Signal Modelling and Design Services	Services Contract	£50,590	Jacobs (GB)	10/06/2021
653021	Road & Pavement Weed Spraying	Services Contract	£323,672	R&D Spray Services Ltd (GB)	10/06/2021
655941	Operation, Maintenance, Feedstock Supply, Food Waste, Additional Services AD Plant	Services Contract	£7,000,000	Keenan Recycling Ltd (GB)	02/06/2021
655925	Operation, Maintenance, Billing & Metering of the	Services Contract	£5,000,000	FES (GB)	02/06/2021

	Energy Centre at the New AECC, Aberdeen				
643560	Award of Landscape Architect Services for Aberdeen City Council Housing Programme	Services Contract	£98,637	rankinfraser landscape architecture llp (GB)	02/06/2021
652097	Award of Design & Contract Management of Marischal College Lighting Refurbishment	Services Contract	£67,692	Atkins (GB)	27/04/2021
651888	Hydrogen Fuel Cell Subsystems	Supply Contract	£60,000	H2range GmbH (DE)	23/04/2021
651185	Award of Bus Lane Enforcement Camera	Services Contract	£270,000	Imperial Civil Enforcement Solutions (GB)	19/04/2021

Appendix 2 – Future Regulated Procurements 2022 - 2024

Contract Name	Type of Contract	Estimated Contract Notice Publication Date	Estimated Contract Value	Comments
Supported Living Framework agreement (spot purchase contracts)	Service	June 2022	£47 million	There is an opportunity to request two one-year extensions from 01/09/2022 on expiry of fixed term, to progress recommendations linked to the review of LD/MH supported accommodation and the publication of the associated Market Position Statement.
Locality based; outcome focussed care at home contracts	Service	June 2022	£5,283,196 £7,535,700 £7,658,856	Option to extend for 1+1 years
Very sheltered housing commissioned services	Services	September 2022	£3,407,301 £2,783,867 £2,790,104	
Out of area placement standalone contracts	Service	September 2022	£4,272,701	
Intentional village community (Camphill association) – supported living provision under a stand-alone contract	Service	September 2022	£4,863,198	
Age limited registered day care for young adults	Service	September 2022	£1,174,000	

Contract Name	Type of Contract	Estimated Contract Notice Publication Date	Estimated Contract Value	Comments
Housing support in sheltered housing operated by RSLs	Service	September 2022	£395,143	
Housing support in sheltered housing (RSL)	Service	September 2022	£402,786	
Intensive support service	Service	March 2022	£350,000	
Intensive Support Service for Children, Young People and Families	Service	22/04/2022	£1,840,000	Retendering of existing contract which comes to the end of its term on 1/12/2022.
Early Intervention and Family Support	Service	01/09/2022	TBC	Currently under review as part of overall review into Early Intervention Services.
Domestic Abuse Housing Support Service	Service	September 2022	TBC	Current contract will end on 31/03/2023.
Housing Support Service	Service	September 2022	TBC	Current contract ends on 1/11/2022. Commissioning service propose to review the provision so will be extended to 31/3/2023 to allow for the review.
Young Carers	Service	Feb 2023	TBC	Contract ends on 30/06/2023
Contract for the provision of legal services	Renewal	2nd half of 2022	£1,600,000	
Tenants Contents Insurance	Renewal	2nd half of 2022	£250,000	
2018 Fleet Replacement Programme - Non Heavy	Renewal	2nd half of 2022	£3,920,000	

Contract Name	Type of Contract	Estimated Contract Notice Publication Date	Estimated Contract Value	Comments
Adhoc trip transport (extra curricular) outside of school	New Procurement	2nd half of 2022	£100,000	
Contracted school, college and/or social work transport services for children and adults	New Procurement	1st half of 2022	£8,185,457	
PPE	New Procurement	1st half of 2022	£300,000	
Locksmith & Key Cutting	Renewal	1st half of 2022	£1,560,000	
Translation Services	New Procurement	1st half of 2022	£80,000	
Teaching Agency Framework	New Procurement	2nd half of 2022	£3,200,000	
Social Care Agency Framework Replacement/UG	Renewal	2nd half of 2022	£4,000,000	
Building Services Trades Agency Framework Replacement	Renewal	2023	£3,600,000	
Electoral Services Framework	Renewal	2nd half of 2022	£350,000	
Commercial Laundry Equipment (Housing Communal Laundrettes) supply, servicing,	New Procurement	1st half of 2022	£1,540,000	

Contract Name	Type of Contract	Estimated Contract Notice Publication Date	Estimated Contract Value	Comments
maintenance, security and payment management.				
Tree Works_2022	New Procurement	2nd half of 2022	£500,000	
Clinterty Travellers Site	New Procurement	1st half of 2022	£4,700,000	
Inspection & Maintenance For Technical Departments	Renewal	2nd half of 2022	£164,000	
Operator - Torry Heat Network	New Procurement	2nd half of 2022	£5,000,000	
Roads Maintenance Framework	New Procurement	1st half of 2022	£5,100,000	
Union Street Housing	New Procurement	2nd half of 2022	£3,025,000	