

Notice of Meeting and Agenda Finance, Resources and Customer Services Policy Board

| Date | Time | Venue |
|--------------------------|-------|--------------------------|
| Wednesday, 30 March 2022 | 14:00 | Teams - virtual meeting, |

MARK CONAGHAN
Head of Corporate Governance

Membership

Councillor Tom Begg: Councillor Bill Brown: Provost Lorraine Cameron: Councillor Karen Devine-Kennedy: Councillor Audrey Doig: Councillor Neill Graham: Councillor John Hood: Councillor Kenny MacLaren: Councillor Iain Nicolson: Councillor Jim Paterson: Councillor Jim Sharkey: Councillor Andy Steel:

Councillor John Shaw (Convener): Councillor John McNaughtan (Depute Convener):

Webcasting of Meeting

This meeting will be filmed for live or subsequent broadcast via the Council's internet site – at the start of the meeting the Convener will confirm if all or part of the meeting is being filmed. To find the webcast please navigate to

<https://renfrewshire.public-i.tv/core/portal/home>

Apologies

Apologies from members.

Declarations of Interest

Members are asked to declare an interest in any item(s) on the agenda and to provide a brief explanation of the nature of the interest.

Minute

- | | | |
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| 1 | Joint Consultative Board (Non-teaching) | 1 - 4 |
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Minute of the Joint Consultative Board (Non-teaching) meeting held on 2 February 2022.

Finance

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| 2 | Revenue and Capital Budget Monitoring Report | 5 - 18 |
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Report by the Director of Finance & Resources.

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| 3 | Revenue and Capital Budget Monitoring Overview Report | 19 - 32 |
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Report by the Director of Finance & Resources.

Performance

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| 4 | Customer and Business Services Performance Report | 33 - 46 |
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Report by the Director of Finance & Resources.

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| 5 | Facilities Management Operational Performance Report | 47 - 52 |
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Report by the Director of Environment & Infrastructure.

Consultation

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| 6 | Scottish Government Spending Review Consultation Response | 53 - 100 |
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Report by the Director of Finance & Resources.

Civic Hospitality

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| 7 | Civic Hospitality | 101 - 104 |
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Report by the Director of Finance & Resources.

Contract Authorisation

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| 8 | Notification of Correction to Report - Framework Contract for Roads Related Maintenance Works | 105 - 110 |
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Joint report by the Chief Executive and the Director of Environment & Infrastructure.

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| 9 | Occupational Health and Wellbeing | 111 - 116 |
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Joint report by the Chief Executive and the Director of Finance and Resources.

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| 10 | Paisley Art Centre: Phase 2 - Main Works | 117 - 124 |
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Report by the Chief Executive.

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| 11 | Paisley Grammar School Community Campus - Multi-Disciplinary Design Team | 125 - 132 |
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Joint report by the Chief Executive and the Director of Children's Services.

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| 12 | Paisley Grammar School Community Campus - Quantity Surveyor | 133 - 140 |
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Joint report by the Chief Executive and the Director of Children's Services.

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| 13 | Paisley Museum Reimagined Exhibition Fit Out | 141 - 150 |
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Report by the Chief Executive.

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| 14 | Provision of Adaptations and Small Repairs | 151 - 154 |
| | Joint report by the Chief Executive and the Chief Officer Renfrewshire Health and Social Care Partnership. | |
| 15 | Provision of Adult's Residential Services – Cherrywood Care Home | 155 - 158 |
| | Joint report by the Chief Executive and the Chief Officer Renfrewshire Health and Social Care Partnership. | |
| 16 | Provision of an Operational Management System | 159 - 164 |
| | Joint report by the Chief Executive and the Director of Environment & Infrastructure. | |
| 17 | Provision of Specialised Services in Supported Accommodation and Related Specialist Support Services for Women and their Children Affected by Domestic Abuse | 165 - 170 |
| | Joint report by the Chief Executive and the Director of Children's Services. | |
| 18 | Public Realm Works – High Street and Weighhouse Close | 171 - 176 |
| | Report by the Chief Executive. | |
| 19 | PAS2035 Retrofit Design, Specification and Co- ordination (Housing Investment and Regeneration Programmes) | 177 - 182 |
| | Joint report by the Chief Executive and the Director of Communities and Housing. | |
| 20 | Supply and Delivery of 600 Laptops | 183 - 186 |
| | Joint report by the Chief Executive and the Director of Finance & Resources. | |

21 Supply and Delivery of 3 x 26 Tonne Refuse Collection 187 - 192
Vehicles

Joint report by the Chief Executive and the Director of
Environment & Infrastructure.

22 West Primary School Electrical Upgrade 193 - 198

Joint report by the Chief Executive and the Director of Finance &
Resources.

Minute of Special Meeting Joint Consultative Board (Non-Teaching)

| Date | Time | Venue |
|-----------------------------|-------|---------------------|
| Wednesday, 02 February 2022 | 15:00 | Via Teams Platform, |

Present: Councillor Tom Begg, Councillor John McNaughtan, Councillor Jim Paterson, Councillor Andy Steel

Representing Trade Unions

J Boylan, K Kernachan, M McIntyre and L Cameron (UNISON); K Muat, A Canning and G McLean (GMB) and G Cochrane (UNITE).

Appointment of Chairperson

It was proposed and agreed Councillor Steel chair the meeting.

DECIDED: That Councillor Steel chair the meeting.

In Attendance

T Stewart, Head of Schools (Children's Services); D Gillies, Head of Facilities Management; G Hannah, Infrastructure, Transportation & Change Manager and D Kerr, Service Co-ordination Manager, (all Environment & Infrastructure); M Boyd, Head of HR & OD; R Laouadi, HR Manager; S Fanning, Principal HR & OD Adviser; R Cree, OD & Workforce Planning Manager; G Richards, Health & Safety Officer; D Pole, End User Technician; R Devine, Senior Committee Services Officer and J Barron, Assistant Committee Services Officer (all Finance & Resources).

Recording of Meeting

Prior to the commencement of the meeting members were reminded that this meeting would be recorded and that the recording would be available to watch on the Council's website.

Apologies

C Lavery (HSCP), M Ferguson and S Hicks (both UNISON).

Declarations of Interest

There were no declarations of interest intimated prior to the commencement of the meeting.

1 Developments in Health, Safety and Wellbeing

There was submitted a report by the Acting Director of Finance & Resources relative to activity undertaken in relation to health, safety and wellbeing issues since the previous meeting of the JCB Non-Teaching on 10 November 2021.

The report focused on the actions and activities that continued to support the council's response and recovery plans. The Health and Safety team had been an integral part of the council's emergency management team, providing clear guidance as documents had been released from the UK and Scottish Governments, the NHS, and Health Protection Scotland. The team linked with colleagues in other local authorities to share knowledge and introduce any new learning to local guidance and procedures.

The team continued to issue and review policies and guidance, support the front line services in the delivery of emergency and prioritised work, develop new guidance, support the Vaccination Centres, support employees throughout the different phases of the pandemic, undertake high and low risk evaluations of contractors and suppliers health and safety documentation when applying for contracts, respond to requests for Freedom of Information and Insurance Claims, support services to ensure stocks of PPE were maintained, produce wellbeing guidance, and review all injury accidents occurring with the Council activity.

DECIDED: That the report be noted.

2 Absence Statistics

There was submitted a report by the Acting Director of Finance & Resources relative to the Council's absence statistics for period 2, ending 30 September and period 3, ending 31 December 2021.

The report provided information in relation to absence targets and how Services and categories of staff had performed against them. An analysis of the reasons for absence for the period was included within the report. Information was also provided on supporting attendance activity levels by Service and the overall number of days lost.

The absence statistics were broken down by service and category of staff, reasons for absence and progress made by services in relation to their supporting attendance action plans.

DECIDED: That the report on absence statistics for the second and third quarters of 2020/21 be noted.

3 **Details of Grievances**

There was submitted a report by the Acting Director of Finance & Resources relative to the number of grievances received.

The report provided information on grievances at both the informal and formal stages. The report indicated that there were a total of six grievances as at January 2022, which was an increase of 4 cases since the last meeting.

DECIDED: That the report be noted.

4 **Agency Workers**

There was submitted a report by the Acting Director of Finance & Resources relative to the number of agency staff employed within the Council as at December 2021 and detailing the capacity and Services in which they were engaged. The report advised that as at December 2021, 92 agency workers were employed across all Services, and that this was an increase of 12 agency workers since November 2021.

The increase in agency workers was due to issues with absences in relation to the omicron variant of Covid-19. The issue of long-term agency workers was being addressed and responses would be shared with the unions shortly.

In response to enquiries, it was advised that a recruitment fair was being held at Park Mains High School and agency workers were advised of this event and could apply for permanent Council jobs, either on the day of the fair, or by speaking to their managers if they could not attend.

DECIDED: That the report be noted.

5 **Date of Next Meeting**

DECIDED: That it be noted that the next meeting of the JCB Non-Teaching was scheduled to be held at 3pm on 30 March 2022.



To: Finance, Resources and Customer Services Policy Board

On: 30 March 2022

Report by: Director of Finance and Resources

Heading: Revenue and Capital Budget Monitoring as at 7 January 2022

1. Summary of Financial Position

- 1.1. The projected Revenue outturn at 31 March 2022 for Finance, Resources and Customer Services is an underspend position of £3.587m (3.7%) against the revised budget for the year.
- 1.2. The projected Capital outturn at 31 March 2022 for Finance, Resources and Customer Services is a break-even position.
- 1.3. This is summarised over the relevant services in the table below and further analysis is provided in the Appendices.
- 1.4. For the financial year 2021/22, the projected outturn position is split into Core (or business as usual) and COVID-19 related variances to help readers understand the impact of the pandemic on service finances.

| Table 1: Revenue | | | | | | |
|--------------------------------|---|--|--|---|---|----------------------------------|
| Division | Revised Annual Budget £000 | Projected Outturn Core £000 | Projected Outturn COVID-19 £000 | Total Projected Outturn £000 | Budget Variance (Adv)/Fav £000 | Budget Variance % |
| Finance and Resources | £38,449 | £37,593 | £489 | £38,082 | £367 | -1.0% |
| Environment and Infrastructure | £18,095 | £17,868 | £907 | £18,775 | (£680) | 3.8% |
| Miscellaneous | £40,744 | £36,844 | £0 | £36,844 | £3,900 | -9.6% |
| Total | £97,288 | £92,305 | £1,396 | £93,701 | £3,587 | -3.7% |

| Table 2: Capital | | | | | | |
|--|-----------------------------------|------------------------------------|--|-------------------------------------|---------------------------------------|--------------------------|
| Division | Revised Annual Budget £000 | Projected Outturn Core £000 | Projected Outturn COVID-19 £000 | Total Projected Outturn £000 | Budget Variance (Adv)/Fav £000 | Budget Variance % |
| Finance, Resources and Customer Services, including Environment and Infrastructure | £4,363 | £4,363 | £0 | £4,363 | £0 | 0.0% |

2. Recommendations

Members are requested to:

- 2.1. Note the projected Revenue outturn position detailed in Table 1 above;
- 2.2. Note the projected Capital outturn position detailed in Table 2 above; and
- 2.3. Note the budget adjustments detailed at sections 4 and 6.

3. Revenue

- 3.1. The Revenue Budget Monitoring report at Appendix 1 identifies a projected annual underspend of £3.587m (3.7% of total budget) for Finance, Resources and Customer Services. Detailed division service reports can be found at the end of this report, along with an explanation of each significant projected variance.
- 3.2. The projected outturn is based on information currently available and assumptions made by service budget holders. Any changes to these projections will be detailed in future reports to this Board.
- 3.3. The main reason for the projected outturn position are indicated below the tables showing both the subjective analysis (what the budget is spent on) and the objective analysis (which division is spending the budget).

4. Revenue Budget Adjustments

- 4.1. Members are requested to note from Appendix 1 that budget adjustments totalling £4.476m have been processed since the last report, with significant movement as follows:
 - £2.689m transferred into Finance and Resources in relation to Low Income Pandemic Payment funding received;
 - £0.925m transferred into Miscellaneous Services related to COVID-19 funding made available by the Scottish Government for Self-Isolation Assistance and Financial Insecurity payments;

- £0.769m transferred into Miscellaneous Services related to COVID-19 funding made available by the Scottish Government for Family Pandemic Support payments.

5. Capital

- 5.1. The Capital Investment Programme 2021/22 to 2025/26 was approved by the Council on 4 March 2021. For Finance, Resources and Customer Services the approved capital spend for 2021/22 is £4.363m (£5.062m at Period 8).
- 5.2. The budget movement results from reprofiling in the approved capital programme for Finance, Resources and Customer Services for the year, of £0.699m. This arises from updated cashflows for ICT Infrastructure. Further detail can be found at Appendix 2.

6. Capital Budget Adjustments

- 6.1. Since the last report, budget changes totalling £0.699m have arisen, which reflect the following:
 - Budget carried forward from 2021/22 to 2022/23 (£0.699m):
 - ICT Infrastructure and Renewal (£0.699m) to reflect expected timings of core infrastructure upgrades and delivery dates for new equipment.

Implications of this report

1. **Financial** – The projected budget outturn position for Finance, Resources and Customer Services' Revenue budget is an underspend of £3.587m. Income and expenditure will continue to be monitored closely for the rest of the financial year and, as far as possible, steps will be taken to mitigate any overspend.

The projected outturn position for Finance, Resources and Customer Services' Capital budget is break-even. The Capital programme will continue to be monitored closely for the rest of the financial year and, where necessary, steps will be taken to mitigate any overspend.

Any changes to current projections in either Revenue or Capital budgets will be reported to the board as early as possible, along with an explanation for the movement.

2. **HR and Organisational Development**
None directly arising from this report.

- 3. Community/Council Planning**
None directly arising from this report.
- 4. Legal**
None directly arising from this report.
- 5. Property/Assets**
The Capital expenditure in this board will result in lifecycle maintenance improvements to existing properties and replacement of ICT assets and infrastructure.
- 6. Information Technology**
None directly arising from this report.
- 7. Equality and Human Rights**
The recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
- 8. Health and Safety**
None directly arising from this report.
- 9. Procurement**
None directly arising from this report.
- 10. Risk**
The potential risk that the Council will overspend its approved budgets for the year will be managed at a Council-wide level by the Chief Executive and Directors.
- 11. Privacy Impact**
None directly arising from this report.
- 12. Cosla Policy Position**
N/a.
- 13. Climate Risk**
None directly arising from this report.

List of Background Papers

Revenue Budget and Council Tax 2021/22. Council, 4 March 2021.

Non-Housing Capital Investment Programme, Prudential Framework and Treasury Management Strategy, and Capital Strategy 2021/22 – 2025/26. Council, 4 March 2021.

Authors: Christine McCourt / Kevin Festorazzi / Geoff Borland

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2021/22
1 April 2021 to 7 January 2022

POLICY BOARD : FINANCE, RESOURCES & CUSTOMER SERVICES

| Objective Summary | Revised Annual Budget at P8 | Budget Adjustments | Revised Annual Budget | Projected Outturn Core Business | Projected Outturn COVID-19 | Total Projected Outturn | Budget Variance (Adverse) or Favourable | | Previous Projected Outturn Variance | Movement |
|--------------------------------|-----------------------------------|-----------------------|-----------------------------|--|----------------------------------|-------------------------------|--|-------------|--|--------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | % | £000 | £000 |
| Finance and Resources | 35,742 | 2,707 | 38,449 | 37,593 | 489 | 38,082 | 367 | 1.0% | 60 | 307 |
| Environment and Infrastructure | 18,077 | 18 | 18,095 | 17,868 | 907 | 18,775 | (680) | (3.8%) | (652) | (28) |
| Miscellaneous | 38,993 | 1,751 | 40,744 | 36,844 | 0 | 36,844 | 3,900 | 9.6% | 0 | 3,900 |
| NET EXPENDITURE | 92,812 | 4,476 | 97,288 | 92,305 | 1,396 | 93,701 | 3,587 | 3.7% | (592) | 4,179 |

| Subjective Summary | Revised Annual Budget at P8 | Budget Adjustments | Revised Annual Budget | Projected Outturn Core Business | Projected Outturn COVID-19 | Total Projected Outturn | Budget Variance (Adverse) or Favourable | | Previous Projected Outturn Variance | Movement |
|------------------------------------|-----------------------------------|-----------------------|-----------------------------|--|----------------------------------|-------------------------------|--|---------------|--|--------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | % | £000 | £000 |
| Employees | 84,021 | 1 | 84,022 | 83,890 | 945 | 84,835 | (813) | (1.0%) | (895) | 82 |
| Premises Related | 8,633 | 23 | 8,656 | 8,636 | 0 | 8,636 | 20 | 0.2% | 11 | 9 |
| Transport Related | 1,273 | 0 | 1,273 | 1,628 | 0 | 1,628 | (355) | (27.9%) | (343) | (12) |
| Supplies and Services | 19,968 | 990 | 20,958 | 21,418 | (98) | 21,320 | (362) | (1.7%) | (352) | (10) |
| Third Party Payments | 1,904 | 1 | 1,905 | 1,899 | 0 | 1,899 | 6 | 0.3% | 5 | 1 |
| Transfer Payments | 52,231 | 3,463 | 55,694 | 55,792 | 0 | 55,792 | (98) | (0.2%) | (148) | 51 |
| Support Services | 5,634 | (2) | 5,632 | 5,587 | 0 | 5,587 | 45 | 0.8% | 42 | 3 |
| Depreciation and Impairment Losses | 14,807 | 0 | 14,807 | 14,807 | 0 | 14,807 | 0 | 0.0% | 0 | 0 |
| GROSS EXPENDITURE | 188,471 | 4,476 | 192,947 | 193,655 | 847 | 194,503 | (1,556) | (0.8%) | (1,680) | 124 |
| Income | (95,659) | 0 | (95,659) | (101,351) | 549 | (100,802) | 5,143 | 5.4% | 1,088 | 4,055 |
| NET EXPENDITURE | 92,812 | 4,476 | 97,288 | 92,304 | 1,396 | 93,701 | 3,587 | 3.7% | (592) | 4,179 |

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2021/22
1 April 2021 to 7 January 2022

POLICY BOARD : FINANCE, RESOURCES & CUSTOMER SERVICES

| Objective Summary | Revised Annual Budget at P8 | Budget Adjustments | Revised Annual Budget | Projected Outturn Core Business | Projected Outturn COVID-19 | Total Projected Outturn | Budget Variance (Adverse) or Favourable | | Previous Projected Outturn Variance | Movement |
|---|-----------------------------------|-----------------------|-----------------------------|--|----------------------------------|-------------------------------|--|-------------|--|------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | % | £000 | £000 |
| Finance and Resources Directorate | (359) | (2) | (361) | (366) | 0 | (366) | 5 | 1.4% | 4 | 1 |
| Audit Services | 590 | 0 | 590 | 563 | 0 | 563 | 27 | 4.6% | 15 | 12 |
| Corporate Governance | 3,050 | 0 | 3,050 | 2,850 | 15 | 2,865 | 185 | 6.1% | 169 | 16 |
| Digital, Transformation & Customer Services | 20,187 | 20 | 20,207 | 19,849 | 310 | 20,159 | 48 | 0.2% | (132) | 180 |
| Finance and Business Services | 8,234 | 2,689 | 10,923 | 10,588 | 164 | 10,752 | 171 | 1.6% | 134 | 37 |
| Housing Benefits | 1,659 | 0 | 1,659 | 1,759 | 0 | 1,759 | (100) | (6.0%) | (100) | 0 |
| People & Organisational Development | 1,696 | 0 | 1,696 | 1,730 | 0 | 1,730 | (34) | (2.0%) | (93) | 59 |
| Property Services | (133) | 0 | (133) | (133) | 0 | (133) | 0 | 0.0% | 1 | (1) |
| Social care (non-delegated) | 818 | 0 | 818 | 753 | 0 | 753 | 65 | 7.9% | 62 | 3 |
| NET EXPENDITURE | 35,742 | 2,707 | 38,449 | 37,593 | 489 | 38,082 | 367 | 1.0% | 60 | 307 |

| Objective Heading | Key Reasons for Significant Projected Variances |
|---|--|
| Corporate Governance | COVID-19 projection relates to reduced income in the Registration and Licensing functions, primarily due to a decrease in the number of weddings taking place, and a reduction in the number of taxi licences being applied for. |
| Digital, Transformation & Customer Services | Projected underspend is primarily due to software cost savings. Anticipated overspends in telephony costs are offset by staff savings due to vacancies. The COVID-19 projected overspend relates to staff overtime and supplies related to remote working and other adaptations |
| Finance and Business Services | The budget adjustment relates to an allocation of funding for Low Income Pandemic Payments in Business Services. The projected COVID-19 overspend relates to lower Statutory Addition income anticipated for Council Tax and Non-Domestic Rates. This is offset by staff savings due to vacancies. |
| Housing Benefits | An overspend is projected in relation to overpayments of Housing Benefits, based on prior year trends. |
| Social care (non-delegated) | The projected underspend relates largely to savings in lunch club supplies and underspends in service charges |

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2021/22
1 April 2021 to 7 January 2022

POLICY BOARD : FINANCE, RESOURCES & CUSTOMER SERVICES - FINANCE & RESOURCES

| Subjective Summary | Revised Annual Budget at P8 | Budget Adjustments | Revised Annual Budget | Projected Outturn Core Business | Projected Outturn COVID-19 | Total Projected Outturn | Budget Variance (Adverse) or Favourable | | Previous Projected Outturn Variance | Movement |
|------------------------------------|-----------------------------------|-----------------------|-----------------------------|--|----------------------------------|-------------------------------|--|--------------|--|------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | % | £000 | £000 |
| Employees | 32,321 | 53 | 32,374 | 32,535 | 288 | 32,823 | (449) | (1.4%) | (666) | 217 |
| Premises Related | 2,643 | 0 | 2,643 | 2,580 | 0 | 2,580 | 63 | 2.4% | 54 | 9 |
| Transport Related | 76 | 0 | 76 | 46 | 0 | 46 | 30 | 39.5% | 29 | 1 |
| Supplies and Services | 8,894 | 17 | 8,911 | 8,182 | 22 | 8,204 | 707 | 7.9% | 593 | 114 |
| Third Party Payments | 1,652 | 0 | 1,652 | 1,647 | 0 | 1,647 | 5 | 0.3% | 4 | 1 |
| Transfer Payments | 51,345 | 2,637 | 53,982 | 54,049 | 0 | 54,049 | (67) | (0.1%) | (110) | 43 |
| Support Services | 568 | (1) | 567 | 513 | 0 | 513 | 54 | 9.5% | 51 | 3 |
| Depreciation and Impairment Losses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0% | 0 | 0 |
| GROSS EXPENDITURE | 97,499 | 2,706 | 100,205 | 99,552 | 310 | 99,862 | 343 | 58.1% | (45) | 388 |
| Income | (61,757) | 1 | (61,756) | (61,959) | 179 | (61,780) | 24 | 0.0% | 105 | (81) |
| NET EXPENDITURE | 35,742 | 2,707 | 38,449 | 37,593 | 489 | 38,082 | 367 | 1.0% | 60 | 307 |

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2021/22
1 April 2021 to 7 January 2022

POLICY BOARD : FINANCE, RESOURCES & CUSTOMER SERVICES - ENVIRONMENT AND INFRASTRUCTURE

| Objective Summary | Revised Annual Budget at P8 | Budget Adjustments | Revised Annual Budget | Projected Outturn Core Business | Projected Outturn COVID-19 | Total Projected Outturn | Budget Variance (Adverse) or Favourable | | Previous Projected Outturn Variance | Movement |
|-------------------------------------|-----------------------------------|-----------------------|-----------------------------|--|----------------------------------|-------------------------------|--|---------------|--|-------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | % | £000 | £000 |
| Building Services | (265) | 0 | (265) | (51) | 179 | 128 | (393) | 148.3% | (390) | (3) |
| Street Lighting Maintenance Work | 373 | 0 | 373 | 532 | 0 | 532 | (159) | (42.6%) | (162) | 3 |
| Public Building Repairs | 3,815 | 26 | 3,841 | 3,840 | 0 | 3,840 | 1 | 0.0% | 0 | 1 |
| Soft Facilities Management Services | 14,154 | (8) | 14,146 | 13,547 | 728 | 14,275 | (129) | (0.9%) | (100) | (29) |
| NET EXPENDITURE | 18,077 | 18 | 18,095 | 17,868 | 907 | 18,775 | (680) | (3.8%) | (652) | (28) |

| Objective Heading | Key Reasons for Significant Projected Variances |
|----------------------------------|---|
| Building Services | The price of materials has increased significantly due to supply issues because of the ongoing pandemic. In addition the service is having to hire significant numbers of vehicles, due to the increased downtime of the aging fleet. The cost of both materials and vehicle hire is fluctuating significantly, and the costs of both may increase further. |
| Street Lighting Maintenance Work | There is a projected overspend on repairs and maintenance of street lighting columns due to increased cost of materials, which will be monitored closely for the remainder of the year. |

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2021/22
1 April 2021 to 7 January 2022

POLICY BOARD : FINANCE, RESOURCES & CUSTOMER SERVICES - ENVIRONMENT AND INFRASTRUCTURE

| Subjective Summary | Revised Annual Budget at P8 | Budget Adjustments | Revised Annual Budget | Projected Outturn Core Business | Projected Outturn COVID-19 | Total Projected Outturn | Budget Variance (Adverse) or Favourable | | Previous Projected Outturn Variance | Movement |
|------------------------------------|-----------------------------------|-----------------------|-----------------------------|--|----------------------------------|-------------------------------|--|---------------|--|--------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | % | £000 | £000 |
| Employees | 24,194 | (55) | 24,139 | 23,849 | 657 | 24,506 | (367) | (1.5%) | (230) | (137) |
| Premises Related | 3,269 | 24 | 3,293 | 3,335 | 0 | 3,335 | (42) | (1.3%) | (42) | 0 |
| Transport Related | 1,185 | 0 | 1,185 | 1,570 | 0 | 1,570 | (385) | (32.5%) | (372) | (13) |
| Supplies and Services | 9,019 | 49 | 9,068 | 10,256 | (120) | 10,136 | (1,068) | (11.8%) | (944) | (124) |
| Third Party Payments | 0 | 0 | 0 | 0 | | 0 | 0 | 0.0% | 0 | 0 |
| Transfer Payments | 4 | 0 | 4 | 35 | | 35 | (31) | (762.5%) | (39) | 9 |
| Support Services | 1,074 | 0 | 1,074 | 1,082 | 0 | 1,082 | (8) | (0.8%) | (8) | 0 |
| Depreciation and Impairment Losses | 0 | 0 | 0 | (0) | 0 | (0) | 0 | 0.0% | 0 | 0 |
| GROSS EXPENDITURE | 38,745 | 18 | 38,763 | 40,125 | 537 | 40,663 | (1,900) | (4.9%) | (1,635) | (265) |
| Income | (20,668) | 0 | (20,668) | (22,258) | 370 | (21,888) | 1,220 | 5.9% | 983 | 237 |
| NET EXPENDITURE | 18,077 | 18 | 18,095 | 17,867 | 907 | 18,775 | (680) | (3.8%) | (652) | (28) |

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2021/22
1 April 2021 to 7 January 2022

POLICY BOARD : FINANCE, RESOURCES & CUSTOMER SERVICES - MISCELLANEOUS

| Subjective Summary | Revised Annual Budget at P8 | Budget Adjustments | Revised Annual Budget | Projected Outturn Core Business | Projected Outturn COVID-19 | Total Projected Outturn | Budget Variance (Adverse) or Favourable | | Previous Projected Outturn Variance | Movement |
|------------------------------------|-----------------------------------|-----------------------|-----------------------------|--|----------------------------------|-------------------------------|--|-------------|--|--------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | % | £000 | £000 |
| Employees | 27,506 | 0 | 27,506 | 27,506 | 0 | 27,506 | 0 | 0.0% | 0 | 0 |
| Premises Related | 2,721 | 0 | 2,721 | 2,721 | 0 | 2,721 | 0 | 0.0% | 0 | 0 |
| Transport Related | 12 | 0 | 12 | 12 | 0 | 12 | 0 | 0.0% | 0 | 0 |
| Supplies and Services | 2,055 | 925 | 2,980 | 2,980 | 0 | 2,980 | 0 | 0.0% | 0 | 0 |
| Third Party Payments | 252 | 0 | 252 | 252 | 0 | 252 | 0 | 0.0% | 0 | 0 |
| Transfer Payments | 882 | 826 | 1,708 | 1,708 | 0 | 1,708 | 0 | 0.0% | 0 | 0 |
| Support Services | 3,992 | 0 | 3,992 | 3,992 | 0 | 3,992 | 0 | 0.0% | 0 | 0 |
| Depreciation and Impairment Losses | 14,807 | 0 | 14,807 | 14,807 | 0 | 14,807 | 0 | 0.0% | 0 | 0 |
| GROSS EXPENDITURE | 52,227 | 1,751 | 53,978 | 53,978 | 0 | 53,978 | 0 | 0.0% | 0 | 0 |
| Income | (13,234) | 0 | (13,234) | (17,134) | 0 | (17,134) | 3,900 | 29.5% | 0 | 3,900 |
| NET EXPENDITURE | 38,993 | 1,751 | 40,744 | 36,844 | 0 | 36,844 | 3,900 | 9.6% | 0 | 3,900 |

| Subjective Heading | Key Reasons for Significant Projected Variances |
|--------------------|---|
| Budget Adjustments | Budget adjustments of £1.75m relate to the receipt of COVID-19 funding from the Scottish Government in respect of Self-Isolation Assistance, Financial Insecurity and Family Pandemic Support. Projected underspend relates to additional COVID funding received and not allocated to services. |

RENFREWSHIRE COUNCIL
CAPITAL BUDGET MONITORING STATEMENT 2021/2022
1 April 2021 to 7 January 2022

POLICY BOARD : FINANCE, RESOURCES & CUSTOMER SERVICES

| Project Title | Current Year 2021/22 | | | | | | | Programme - All years | | | |
|--|---|-------------------------------|----------------------------------|------------------------------|---------------------------------|--|-----------|---|--|--|-----------|
| | Prior Years Expenditure to 31/03/2021* | Approved Budget 2021/22 | Budget Adjustments 2021/22 | Revised Budget 2021/22 | Projected Outturn 2021/22 | Budget Variance (Adverse) or Favourable | | Total Approved Budget to 31 March 2026 | Projected Outturn to 31 March 2025 | Budget Variance (Adverse) or Favourable | |
| | £000 | £000 | £000 | £000 | £000 | £000 | % | £000 | £000 | £000 | % |
| CORPORATE PROJECTS | | | | | | | | | | | |
| ICT Infrastructure Maint & Renewal Programme | 0 | 1,955 | -552 | 1,403 | 1,403 | 0 | 0% | 3,988 | 3,988 | 0 | 0% |
| Strategic Asset Management Fund | 0 | 2,500 | -2,500 | 0 | 0 | 0 | 0% | 0 | 0 | 0 | 0% |
| Energy Efficiency Programme | 0 | 147 | -102 | 45 | 45 | 0 | 0% | 147 | 147 | 0 | 0% |
| Lifecycle Capital Maintenance (LCM) Fund | 0 | 5,663 | -3,734 | 1,929 | 1,929 | 0 | 0% | 9,652 | 9,652 | 0 | 0% |
| Digital Infrastructure Provision | 1,936 | 300 | -300 | 0 | 0 | 0 | 0% | 1,936 | 1,936 | 0 | 0% |
| Community Empowerment Fund | 124 | 534 | 0 | 534 | 534 | 0 | 0% | 951 | 951 | 0 | 0% |
| Greenspaces and Parks | 396 | 442 | -140 | 302 | 302 | 0 | 0% | 936 | 936 | 0 | 0% |
| Villages Improvement Fund | 0 | 150 | 0 | 150 | 150 | 0 | 0% | 150 | 150 | 0 | 0% |
| TOTAL | 2,456 | 11,691 | -7,328 | 4,363 | 4,363 | 0 | 0% | 17,760 | 17,760 | 0 | 0% |

*Rolling programmes have a prior year expenditure of £0 as the expenditure is not directly linked from one year to the next as a singular project.

| Objective Heading | Key Reasons for Significant Projected Variances |
|-------------------|---|
| | |
| | |



To: Finance, Resources and Customer Services Policy Board

On: 30 March 2022

Report by: Director of Finance and Resources

Heading: Revenue and Capital Budget Monitoring – Council Overview as at 7 January 2022

1. Summary of Financial Position

- 1.1. The projected Revenue outturn at 31 March 2022 for all services is an underspend of £0.056m.
- 1.2. The projected Capital outturn at 31 March 2022 for all services is to break-even.
- 1.3. This is split between General Fund Services and the Housing Revenue Account (HRA) in the table below, with further analysis is provided in the Appendices.
- 1.4. For the financial year 2021/22, the projected outturn position is split into Core (or business as usual) and COVID-19 related variances to help readers understand the impact of the pandemic on service finances.
- 1.5. Included in the Projected Outturn relating to COVID-19, but not detailed in the service figures in the appendices is a projected under-recovery in Council Tax income of £0.400m arising from the economic impact of the pandemic. This figure represents around 0.4% of budgeted Council Tax income in the year. This forecast will continue to be kept under close review and will be updated as the year closes.

| Table 1: Revenue | | | | | | |
|-------------------------|---------------------------------------|--|--|---|---|------------------------------|
| Division | Revised Annual Budget £000 | Projected Outturn Core £000 | Projected Outturn COVID-19 £000 | Total Projected Outturn £000 | Budget Variance (Adv)/Fav £000 | Budget Variance % |
| General Fund Services | 461,483 | 452,363 | 9,064 | 461,427 | 56 | 0.0% |
| Housing Revenue Account | 0 | 34 | (34) | 0 | 0 | 0.0% |
| Total | 461,483 | 452,397 | 9,030 | 461,427 | 56 | 0.0% |

| Table 2: Capital | | | | | | |
|-------------------------|---------------------------------------|--|--|---|---|------------------------------|
| Division | Revised Annual Budget £000 | Projected Outturn Core £000 | Projected Outturn COVID-19 £000 | Total Projected Outturn £000 | Budget Variance (Adv)/Fav £000 | Budget Variance % |
| General Fund Services | 67,271 | 67,271 | 0 | 67,271 | 0 | 0.0% |
| Housing Revenue Account | 20,126 | 20,126 | 0 | 20,126 | 0 | 0.0% |
| Total | 87,397 | 87,397 | 0 | 87,397 | 0 | 0.0% |

2. Recommendations

Members are requested to:

- 2.1. Note the projected Revenue outturn position detailed in Table 1 above, considering that the forecast position is based on best estimates and confirmed government support at this point in time; and
- 2.2. Note the projected Capital outturn position detailed in Table 2 above.

3. Revenue Monitoring

- 3.1. The Revenue Budget Monitoring report at Appendix 1 identifies a projected annual underspend of £0.456m (0.01% of total budget) for all Services. Details for all services can also be found here, along with an explanation of significant projected variances. A further £0.400m of Council Tax under-recovery is anticipated by 31 March 2022.
- 3.2. The projected outturn is based on information currently available, and assumptions made by service budget holders. Any changes to these projections will be detailed in future reports to this board.

- 3.3. The main reasons for the projected outturn position are indicated in the appendix showing both the subjective analysis (what the budget is spent on) and the objective analysis (what division is spending the budget).

4. Capital Monitoring

- 4.1. The General Services Capital Investment Programme 2021/22 to 2025/26 was approved by the Council on 4 March 2021. For General Fund Services the approved capital spend for 2021/22 is £67.271m.
- 4.2. The Capital Monitoring report at Appendix 2 indicates a projected break-even in the approved capital programme for General Fund Services for the year.
- 4.3. The HRA Capital Investment Programme 2021/22 to 2023/24 was approved by the Council on 4 March 2021. For the HRA the approved capital spend for 2021/22 is £20.126m.
- 4.4. The Capital Monitoring report at Appendix 3 indicates a break-even position in the approved capital programme for the HRA for the year (see Appendix 3). It should be noted that due to significant pressures that are emerging in construction commodities and supply chains (in particular steel) it is anticipated that a second wave of COVID-19 driven cost pressures will emerge on capital projects. The impact of the war in Ukraine is also expected to increase commodity prices. Greater clarity on the scale and reach of these risks will emerge over the coming weeks and months; however, it is expected that there will be a requirement to use a proportion of the Council's flexible COVID-19 reserves to manage this moving forward. Further details in this regard will be provided in future reports.

5. Capital Overview

- 5.1. The Council must determine and keep under review the maximum amount it can afford to allocate to capital expenditure. In addition, the Council must also keep under review its Capital Financing Requirement (CFR) i.e., the level of resources that are used to fund capital expenditure over the longer term, rather than at point of spend. It is also the duty of the Council to have regard to the Prudential Code in setting its capital expenditure limit and its capital expenditure requirement.
- 5.2. The limit on capital expenditure that the Council has set for 2021/22 is shown in the table below. The limit is based on the resources available to fund the capital programmes, split between Housing and Non-Housing Services, but excludes the Public Sector Housing Grant, as this is not considered to be capital spend.

| | Approved Plan £m | Forecast Expenditure £m |
|--------------|-----------------------------|------------------------------------|
| Non-Housing | 114.129 | 67.271 |
| Housing | 25.602 | 20.126 |
| Total | 139.731 | 87.397 |

- 5.3. The CFR set by the Council for 2021/22 is shown in the table below and is split between Housing and Non-Housing Services. The projected outturn at 31 March 2022 is also shown. Any significant increase in the capital expenditure limit that is not funded at point of spend will result in an increase in the CFR.

| | Approved CFR to 31 March 2022 £m | Projected CFR to 31 March 2022 £m |
|--------------|---|--|
| Non-Housing | 268 | 268 |
| Housing | 107 | 107 |
| Total | 375 | 375 |

6. Housing Services Programme

- 6.1. The programme approved by the Council on 4 March 2021 totalled £25.602m. The revised programme currently stands at £20.126m, a reduction of £5.476m resulting from the net effect of budget brought forward from 2020/21 of £0.664m and projects re-profiled to 2022/23 of £6.140m. These projects relate mainly to cashflow timings for Council House New Build projects and External Improvements.
- 6.2. Capital expenditure to 7 January 2022 amounted to £13.298m and represents 66% of available resources, compared to 22% for the same period in 2020/21. Spending was lower in the early period of 2020/21 as a result of the lack of activity during the first wave of the COVID-19 pandemic.
- 6.3. Capital income totalling £4.612m has been received to 7 January 2022. This represents 89% of the total anticipated income and compares with 100% for the equivalent period in 2020/21. The difference relates to the timing of grant received from the Scottish Government for Council House New Build.
- 6.4. The projected outturn position, after budget changes, is for the Housing Services Programme to break even. However, inflationary impacts of delays to work and estimates of costs complying with new guidelines, such as social distancing sites, are still ongoing and may result in this being revised at a future date.

7. Non-Housing Services Programme

- 7.1. The programme approved by Council on 4 March 2021 totalled £114.129m. The current programme totals £67.271m, a decrease of £46.858m resulting from the net effect of budget increases of £3.089m, mainly from increases to Strathclyde Passenger Transport grant and Clyde Mission Fund Grant. Net budget brought forward from 2020/21 to 2021/22 of £8.938m and projects re-profiled from 2021/22 to 2022/23 of £58.885m. The projects re-profiled into 2022/23 centre around City Deal and the Paisley Town Centre and Infrastructure Projects due to the revised cash flows of the projects.
- 7.2. Capital expenditure to 7 January 2022 totals £33.861m and represents 50% of the available resources, compared to 56% for the equivalent period in 2020/21.
- 7.3. Capital income totalling £22.999m has been received to 7 January 2022. This represents 63% of the total anticipated income, compared to 69% for the equivalent period in 2020/21.
- 7.4. The projected outturn position after the budget changes is to break-even. However, as in 6.4, the full impact of COVID-19 on capital costs has not yet been determined, with increased costs through inflation and compliance expected to increase the risk of overspends within the capital programme.
- 7.5. It is anticipated that due to emerging pressures in capital building projects in relation to construction supplies costs (particularly steel) that additional funding may require to be allocated to a number of projects funded from Covid specific reserve balances. Future reports will provide further detail as discussion with contractors on these issues develops.

8. Private Sector Housing Grant Programme

- 8.1. The overall budget provision for this programme is included within the revenue budget. However, in order to monitor the performance of the individual programmes, it is included within capital budget monitoring procedures.
- 8.2. The Council approved expenditure up to £1.550m for 2021/22. The programme currently stands at £1.240m, a decrease in budget of £0.310m as a result of projects re-profiled into 2022/23.
- 8.3. The programme is expected to fully spend by 31 March 2022 and will be contained within the overall resources.

Implications of this report

1. **Financial** – The projected budget outturn position for General Fund Services Revenue budget is an underspend of £0.056m and break-even for the HRA Revenue budget.

Income and expenditure will continue to be monitored closely for the rest of the financial year and, where necessary, steps will be taken to mitigate overspends.

The projected outturn position for General Fund Services Capital budget is to break-even and break-even for the HRA Capital budget.

The Capital programme will continue to be monitored closely for the rest of the financial year and, where necessary, steps will be taken to mitigate any overspend.

Any changes to current projections in either Revenue or Capital budgets will be detailed in future reports to this board.

2. HR and Organisational Development

None directly arising from this report.

3. Community/Council Planning

None directly arising from this report.

4. Legal

None directly arising from this report.

5. Information Technology

None directly arising from this report.

6. Equality and Human Rights

The recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

7. Health and Safety

None directly arising from this report.

8. Procurement

None directly arising from this report.

9. Risk

The potential risk that the Council will overspend its approved budgets for the year will be managed at a Council-wide level by the Chief Executive and Directors.

10. Privacy Impact

None directly arising from this report.

11. Cosla Policy Position

N/a.

12. Climate Risk

None directly arising from this report.

List of Background Papers

Revenue Budget and Council Tax 2021/22. Council, 4 March 2021.

Non-Housing Capital Investment Programme, Prudential Framework and Treasury Management Strategy, and Capital Strategy 2021/22 – 2025/26. Council, 4 March 2021.

Housing Revenue Account Budget & Rent Levels 2021/22 and Housing Capital Investment Plan 2021/22 to 2023/24. Council, 4 March 2021.

A Prudential Framework for Capital Finance – Progress Report. Council, 16 December 2021

Authors: Christine McCourt / Kevin Festorazzi / Geoff Borland

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2021/22
1 April 2021 to 7 January 2022

POLICY BOARD : FINANCE, RESOURCES & CUSTOMER SERVICES - OVERVIEW

| Policy Board | Revised Annual Budget at P8 | Budget Adjustments | Revised Annual Budget | Projected Outturn Core Business | Projected Outturn COVID- 19 | Total Projected Outturn | Budget Variance (Adverse) or Favourable | | Previous Projected Outturn Variance | Movement |
|--|--------------------------------|-----------------------|--------------------------|---------------------------------------|-----------------------------------|----------------------------|--|-------------|--|--------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | % | £000 | £000 |
| Communities, Housing and Planning Services | 12,495 | 15 | 12,510 | 12,417 | 169 | 12,586 | (76) | (0.6%) | (192) | 116 |
| Education and Children's Services | 219,338 | (23) | 219,315 | 218,401 | 1,152 | 219,553 | (238) | (0.1%) | (439) | 201 |
| Infrastructure, Land and Environment | 32,097 | 18 | 32,115 | 32,079 | 3,541 | 35,620 | (3,505) | (10.9%) | (3,426) | (79) |
| Finance, Resources and Customer Services | 92,812 | 4,476 | 97,288 | 92,305 | 1,396 | 93,701 | 3,587 | 3.7% | (592) | 4,179 |
| Adult Services | 74,356 | 1,169 | 75,525 | 74,581 | 0 | 74,581 | 944 | 1.2% | 665 | 279 |
| Chief Executive's Service | 24,681 | 49 | 24,730 | 22,580 | 2,406 | 24,986 | (256) | (1.0%) | (332) | 76 |
| GENERAL SERVICES NET EXPENDITURE | 455,779 | 5,704 | 461,483 | 452,363 | 8,664 | 461,027 | 456 | 0.1% | (4,315) | 4,771 |
| Housing Revenue Account (HRA) | 0 | 0 | 0 | 34 | (34) | 0 | 0 | 0.0% | 0 | 0 |
| NET EXPENDITURE | 455,779 | 5,704 | 461,483 | 452,397 | 8,630 | 461,027 | 456 | 0.1% | (4,315) | 4,771 |

| Policy Board | Key Reasons for Significant Projected Variance |
|--|---|
| Communities, Housing and Planning Services | The projected year-end overspend is £0.076m. It should be noted that within this overspend there are COVID-related costs incurred by the service, totalling £0.169m and this represents an under-recovery of income of £0.100m in rental of halls for community learning and employee costs of £0.054m which are directly related to Council COVID activities, plus £0.015m in Housing. Within Economy and Development, there is a projected under-recovery of Planning Fee income:10% of targeted income. This represents a reasonable estimate of income levels in the current economic and financial climate, as we follow the route map out of the COVID |
| Education and Children's Services | The projected year-end overspend is £0.238m. This is due to overspends in employee costs for Additional Support Needs and Children and Families, offset with underspends in Early Learning and Childcare. |
| Infrastructure, Land and Environment | <p>The projected year-end overspend is £3.505m. This is mostly due to overspends in Refuse Collection and Disposal. The pandemic continues to result in increased costs of absence and holiday cover, and additional employee and vehicle costs for adherence to social distancing measures. Some of these vehicle costs are offset by increased income within social transport as mentioned below. There is also an expected overspend on the supply of household waste bins, partly due to increased prices, and an under recovery of commercial waste income. In order to ensure the public adhered safely to social distancing measures when visiting HWRC sites increased staffing has been required to direct and control the operations. In addition there has been higher vehicle and staffing costs due to increased absence levels.</p> <p>There continues to be a significant increase in household waste for both residual and recycling tonnages, resulting in a forecast increase in the costs of disposal, compared to pre-pandemic years. In addition there is an expected loss of income from both scrap metal and textile contracts.</p> <p>Off-street parking charges have now been reintroduced, however on and off street parking and fine recovery remains significantly lower than pre-pandemic years, and this is expected to continue until the end of the financial year.</p> |
| Finance, Resources and Customer Services | <p>The projected year-end underspend is £3.587m, largely due to additional funding received from the Scottish Government not allocated to services. This will contribute to COVID reserves at 31 March, to help fund the Council's recovery from the pandemic in 2022/23, when significant additional government funding is not anticipated.</p> <p>This is offset by overspends in Building Services owing to the price of materials increasing significantly in connection with supply issues related to the ongoing pandemic. In addition, the service is having to hire significant numbers of vehicles, due to the increased downtime of the ageing fleet. The cost of both materials and vehicle hire is fluctuating significantly, and the costs of both may increase further still.</p> <p>Further overspends in the repair and maintenance of street lighting columns is due to the increased cost of materials and this will be monitored closely throughout the rest of the year.</p> |
| Adult Services | The projected year-end underspend is £0.994m. This is due to under-occupancy in external care homes, related to the COVID pandemic. |
| Chief Executives | The projected year-end overspend is £0.256m. The adverse variance continues to reflect the projected costs of supporting Renfrewshire Leisure with a revised level of requisition resulting from the continued limitations on service delivery over the year (in following the Scottish Government route map out of the pandemic). |
| Housing Revenue Account (HRA) | Overall the HRA is projecting a break even position at year-end. It should be noted that employee costs will be underspent due to vacancies within the service and the resultant resources will be utilised to undertake additional housing repairs and maintenance works. In addition, there is a projected overspend on void rent loss this year, which will be offset by decreased debt repayments at the year-end in line with the Council's financial strategy regarding debt smoothing. |

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2021/22
1 April 2021 to 7 January 2022

POLICY BOARD : FINANCE, RESOURCES & CUSTOMER SERVICES - OVERVIEW

| Subjective Summary | Revised Annual Budget at P8 | Budget Adjustments | Revised Annual Budget | Projected Outturn Core Business | Projected Outturn COVID- 19 | Total Projected Outturn | Budget Variance (Adverse) or Favourable | | Previous Projected Outturn Variance | Movement |
|------------------------------------|--------------------------------|-----------------------|--------------------------|---------------------------------------|-----------------------------------|----------------------------|--|---------------|--|--------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | % | £000 | £000 |
| Employees | 328,184 | 232 | 328,416 | 325,123 | 4,400 | 329,523 | (1,107) | (0.3%) | (1,213) | 105 |
| Premises Related | 36,805 | 11 | 36,816 | 39,315 | 307 | 39,622 | (2,806) | (7.6%) | (2,955) | 149 |
| Transport Related | 13,143 | 30 | 13,173 | 13,927 | 538 | 14,465 | (1,292) | (9.8%) | (1,193) | (99) |
| Supplies and Services | 79,255 | 998 | 80,253 | 80,304 | 1,179 | 81,483 | (1,230) | (1.5%) | (1,170) | (60) |
| Third Party Payments | 86,688 | 99 | 86,787 | 87,003 | 2,811 | 89,814 | (3,027) | (3.5%) | (3,279) | 252 |
| Transfer Payments | 82,959 | 4,481 | 87,440 | 86,214 | 2,619 | 88,833 | (1,393) | (1.6%) | (1,084) | (309) |
| Support Services | 10,056 | 1 | 10,057 | 10,031 | 0 | 10,031 | 26 | 0.3% | 1 | 24 |
| Depreciation and Impairment Losses | 36,669 | 0 | 36,669 | 35,600 | 0 | 35,600 | 1,069 | 2.9% | 1,177 | (108) |
| GROSS EXPENDITURE | 673,759 | 5,852 | 679,611 | 677,517 | 11,854 | 689,371 | (9,760) | (1.4%) | (9,715) | (45) |
| Income | (217,980) | (148) | (218,128) | (225,120) | (3,224) | (228,344) | 10,216 | 4.7% | 5,400 | 4,816 |
| NET EXPENDITURE | 455,779 | 5,704 | 461,483 | 452,397 | 8,630 | 461,027 | 456 | 0.1% | (4,315) | 4,771 |

RENFREWSHIRE COUNCIL
CAPITAL INVESTMENT STRATEGY - NON-HOUSING SERVICES
 1st April to 7th January 2022
POLICY BOARD: FINANCE, RESOURCES & CUSTOMER SERVICES

| | | Current Year 2021-22 | | | | | | Full Programme - All years | | | |
|---|--|-------------------------------|-------------------------------------|------------------------------|---------------------------------|--|-------------|--|--|--|-----------|
| | Prior Years Expenditure to 31/03/2021* | Approved Budget 2021-22 | Budget Adjustments in 2021-22 | Revised Budget 2021-22 | Projected Outturn 2021-22 | Budget Variance (Adverse) or Favourable | | Total Approved Budget to 31-Mar-26 £000 | Projected Outturn to 31-Mar-26 £000 | Budget Variance (Adverse) or Favourable | |
| | £000 | £000 | £000 | £000 | £000 | | | | | | |
| EDUCATION & CHILDREN'S SERVICES | | | | | | | | | | | |
| Education & Children's Services | 73,723 | 13,062 | (5,077) | 7,985 | 7,985 | 0 | 0% | 136,815 | 136,415 | 400 | 0% |
| TOTAL | 73,723 | 13,062 | (5,077) | 7,985 | 7,985 | 0 | 0% | 136,815 | 136,415 | 400 | 0% |
| COMMUNITIES, HOUSING & PLANNING | | | | | | | | | | | |
| Housing(HRA) | 28,128 | 25,602 | (5,476) | 20,126 | 20,126 | 0 | 0% | 154,807 | 154,807 | 0 | 0% |
| Housing(PSHG) | 0 | 1,550 | (310) | 1,240 | 1,240 | 0 | 0% | 1,686 | 1,686 | 0 | 0% |
| Development & Housing | 0 | 70 | 0 | 70 | 70 | 0 | 0% | 70 | 70 | 0 | 0% |
| TOTAL | 28,128 | 27,222 | (5,786) | 21,436 | 21,436 | 0 | 0% | 156,563 | 156,563 | 0 | 0% |
| INFRASTRUCTURE, LAND & ENVIRONMENT | | | | | | | | | | | |
| Environment & Infrastructure | 19,100 | 14,181 | 2,297 | 16,478 | 16,478 | 0 | 0% | 53,672 | 53,672 | 0 | 0% |
| TOTAL | 19,100 | 14,181 | 2,297 | 16,478 | 16,478 | 0 | 0% | 53,672 | 53,672 | 0 | 0% |
| FINANCE, RESOURCES & CUSTOMER SERVICES | | | | | | | | | | | |
| Corporate Projects | 2,456 | 11,691 | (7,328) | 4,363 | 4,363 | 0 | 0% | 17,760 | 17,760 | 0 | 0% |
| TOTAL | 2,456 | 11,691 | (7,328) | 4,363 | 4,363 | 0 | 0% | 17,760 | 17,760 | 0 | 0% |
| LEADERSHIP | | | | | | | | | | | |
| Leisure Services | 56,019 | 2,474 | 190 | 2,664 | 2,664 | 0 | 0% | 59,937 | 59,937 | 0 | 0% |
| Chief Executives | 69,202 | 72,651 | (36,940) | 35,711 | 35,711 | 0 | 0% | 407,554 | 407,554 | 0 | 0% |
| TOTAL | 125,221 | 75,125 | (36,750) | 38,375 | 38,375 | 0 | 0% | 467,491 | 467,491 | 0 | 0% |
| TOTAL ALL BOARDS | 248,628 | 141,281 | (52,644) | 88,637 | 88,637 | 0 | 0% | 832,301 | 831,901 | 400 | 0% |
| MADE UP OF :- | | | | | | | | | | | |
| Non-Housing Programme | 220,500 | 114,129 | (46,858) | 67,271 | 67,271 | 0 | 0% | 675,808 | 675,408 | 400 | 0% |
| Housing Programme(HRA) | 28,128 | 25,602 | (5,476) | 20,126 | 20,126 | 0 | 0% | 154,807 | 154,807 | 0 | 0% |
| Housing Programme(PSHG) | 0 | 1,550 | (310) | 1,240 | 1,240 | 0 | 0% | 1,686 | 1,686 | 0 | 0% |
| PROGRAMME TOTAL | 248,628 | 141,281 | (52,644) | 88,637 | 88,637 | 0 | 0.0% | 832,301 | 831,901 | 400 | 0% |

RENFREWSHIRE COUNCIL
2021/22 CAPITAL BUDGETS MONITORING SUMMARY REPORT TO 7 JANUARY 2022

| | 2021/22 | | | |
|---|------------------|----------------------|----------------|---------------|
| | Housing Services | Non Housing Services | PSHG Programme | Total |
| A. RESOURCES AVAILABLE TO FUND CAPITAL PROGRAMME | £'000 | £'000 | £'000 | £'000 |
| 1. Prudential Borrowing | 14,925 | 29,327 | | 44,252 |
| 2a. General Capital Grant | | 12,186 | 200 | 12,386 |
| 2b. Specific Capital Grant | 5,201 | 3,936 | | 9,137 |
| 3. Usable Capital Receipts | 0 | 20,547 | | 20,547 |
| 4. Contribution From Current Revenue (CFCR) | 0 | 1,275 | 1,040 | 2,315 |
| 5. Total Resource Availability | 20,126 | 67,271 | 1,240 | 88,637 |
| B. CAPITAL PROGRAMME | | | | |
| 6. Resources Available | 20,126 | 67,271 | 1,240 | 88,637 |
| 7. Current Programme | 20,126 100% | 67,271 100% | 1,240 100% | 88,637 100% |
| C. ACTUAL EXPENDITURE VS PROJECTED | | | | |
| 8. Resource Availability | 20,126 | 67,271 | 1,240 | 88,637 |
| 9. Cash Spent at 7 January 2022 | 13,298 66% | 33,861 50% | 663 53% | 47,822 54% |
| 10. Cash to be Spent by 31 March 2022 | 6,828 | 33,410 | 577 | 40,815 |
| D. ACTUAL RECEIPTS VS PROJECTED | | | | |
| 11. Current Programme (total receipts expected) | 5,201 | 36,669 | 200 | 42,070 |
| 12. Actual Cash Received at 7 January 2022 | 4,612 89% | 22,999 63% | 161 81% | 27,772 66% |
| 13. Receipts to be received by 31 March 2022 | 589 | 13,670 | 39 | 14,298 |
| Page 31 of 198 | | | | |



To: Finance, Resources and Customer Services Policy Board

On: 31 March 2022

Report by: Director of Finance and Resources

Heading: Customer & Business Services Performance Report

1. Summary

- 1.1 This report details performance across key Customer & Business Service (CBS) functions including revenue collection and benefit administration for the period ending 28 February 2022 (including an update on the funding and expenditure position in relation to Discretionary Housing Payments (DHP) and the Scottish Welfare Fund). This report also provides a performance update in relation to customer services provision for February and year to date.

2. Recommendations

- 2.1 It is recommended that the Board:
- Note the contents of the report.
-

3. Revenue Collection

3.1 Council Tax

- 3.1.1 This section details the collection performance as at 28th February 2022 for Council Tax. It also provides details of the total sums collected for the previous financial year.
- 3.1.2 The billable sum for 2021/22 is £89,043,000.
- 3.1.3 The sums collected to date for 2021/22 are £83,717,996 which is 94.02% of the billable sum. This represents an increase of 0.91% in cash collection as a proportion of net charges billed compared with the same position for 2020/21. Aligned with other local authorities, recovery action had been suspended during the earlier part of the previous financial year leading to reduced/delayed income.
- 3.1.4 The Council Tax Reduction awarded is £13,450,391 amounting to 13.12% of the billable sum, which is 1.17% less than at the same point last year.
- 3.1.5 The Service continues to encourage the take-up of Council Tax Reduction. Activities planned for the new financial year will include close tracking of potential applications and data matching to maximise Council Tax Reduction awards.

3.2 Non-Domestic Rates

- 3.2.1 This section details the collection performance as at 28th February 2022 for Non-Domestic Rates (NDR). It also provides details of the total sums collected for the last financial year.
- 3.2.2 The Non-Domestic Rates (NDR) charges billed for 2021/22 amount to £89,740,011, this is significantly higher than the levied amount of £78,141,450 for 2020/21. Reduced take-up of Covid-19 reliefs by larger retailers largely accounts for the increase.
- 3.2.3 The cash receipts to date amount to £82,238,434 which is 91.64% of the sum billed. This is an increase in cash collection as a proportion of net charges billed of 10.78% compared with the same position for 2020/21.
- 3.2.4 During 2020/21 the introduction of Covid-19 reliefs, and delays in the provision of software changes to deal with these, delayed the billing of Non-Domestic Rates till July. Consequently, payment collection only commenced in August 2020 as opposed to the normal May date.

4. Benefit administration

- 4.1. This section details the processing performance in relation to Housing Benefit and the Scottish Welfare Fund, as at the end of February 2022. Also provided is an update on the funding and expenditure position in relation to Discretionary Housing Payments (DHP) and the Scottish Welfare Fund.

- 4.2 The Service continues to balance the varied and changing workload resulting from the impact of the pandemic, in particular the significant resources required to support Self-Isolation Support Grants.
- 4.3 **Speed of Processing – Housing/Council Tax Benefit**
- 4.3.1 As detailed in Table 1 below, processing speed for New Claims is within target for the period and well within target for the year to date.
- 4.3.2 In relation to New Claims processed within 14 days of all information received, this measure is also over target for the period but within target for the year to date.
- 4.3.3 Processing of Changes in Circumstance (CIC) is well within target for the year to date but over the target for the reporting period, as with New Claims processing, this was due to resources being utilised to support a significant and sustained spike in Self Isolation Support Grant applications.

(Supplementary processing information is attached in Appendix 2 for members' reference)

Table 1 – Performance Summary

| Performance measure | 4 Week Reporting Period 14 January 2022 to 10 February 2022 | Year to date position | Annual Target |
|---|--|------------------------------|----------------------|
| New Claims – processing time | 24 days | 18 days | 24 days |
| New Claims - % processed within 14 days of all information received | 89% | 93 % | 92% |
| Changes in Circumstance – processing time | 15 days | 8 days | 10 days |

4.4 **Discretionary Housing Payments**

- 4.4.1 The total budget for Discretionary Housing Payments for 2021/22 is shown in table 2 below, this includes an additional amount of £100k allocated by the Council and £90,000 added in January from Flexible Funding for Financial Insecurity resources which were provided to the Council by the Scottish Government.
- 4.4.2 Funding for DHP was previously provided to Local Authorities by the Department for Work and Pensions, following the new social security powers devolved to the Scottish Government (SG), DHP funding is now provided entirely by SG. The total budget is detailed in table 2 below and shows the indicative spending split provided to the Council.

- 4.4.3 The DHP budget has been calculated to include the full Scottish Government estimate of the amount of funding required to fully mitigate the effect of the Bedroom Tax. This estimate includes a 20% reserve allocation which will be paid in May 2022, if required.
- 4.4.4 In line with DHP Policy and DHP Regulations, the Service makes awards to fully mitigate the effect of the Bedroom Tax and maximise spend within the year.
- 4.4.5 Table 3 shows the performance information in relation to DHPs. The table shows that processing time in relation to DHP is within target, year to date.

Table 2 – DHP Budget

| Funding – indicative allocations | amount |
|--|-------------------|
| Renfrewshire Council | £100,000 |
| Financial Insecurity Winter Funding | £90,000 |
| Financial Hardship (non-Benefit Cap) – Scottish Government | £230,932 |
| Financial Hardship (Benefit Cap) – Scottish Government | £180,862 |
| Bedroom Tax* – Scottish Government | £2,468,924 |
| Total budget for the year | £3,070,718 |

*This figure represents the maximum amount required to cover the estimated shortfall of customers impacted by the Bedroom Tax.

Table 3 – DHP Performance Summary

| Measure | 1 April 2021 to 28 February 2022 |
|--|---|
| Volume of DHP applications received | 5,320 applications |
| Volume of DHP decisions made | 5,114 decisions |
| Number of DHP awards | 5,019 awards |
| Average processing time (target 29 days) | 10 days |
| Total amount committed/paid | £2,761,862 |

4.5 The Scottish Welfare Fund

- 4.5.1 The Scottish Welfare Fund (SWF) provides a safety net for vulnerable people on low incomes through the provision of Community Care Grants and Crisis Grants. The Scottish Welfare Fund is a national scheme, underpinned by law and delivered on behalf of the Scottish Government by all local councils. The SWF replaced elements of the Social Fund abolished by the Department for Work and Pensions in 2013.
- 4.5.2 The Service makes awards in 2021/22 in line with Scottish Government guidance and had spent 82% of its total budget for the Scottish Welfare Fund (SWF) by the end of February 2022.
- 4.5.3 The Scottish Government allocated additional resources of £22 million across Scotland to meet additional demand for Crisis Grants and Community Care Grants, arising because of COVID-19. This resulted in an additional £0.782M being allocated to Renfrewshire, £0.424M of which is available in the 2021/22 budget.
- 4.5.4 The budget was further increased in January with £160k from Flexible Funding for Financial Insecurity resources which were provided to the Council by the Scottish Government.
- 4.5.5 The performance data relating to the Fund is presented in table 4 below. The Service has processed Crisis and Community Care Grants within target, however due to exceptional demand levels were not able to meet the extremely stretching 1 day target for SISGs.
- 4.5.6 From October 2020, the Scottish Government committed to providing a grant of £500 to individuals who are in receipt of low-income benefits and who lost income because they are required to self-isolate to prevent the spread of COVID-19.
- 4.5.7 The Scottish Welfare Fund was determined to be the legislative and delivery mechanism for Self-Isolation Support Grants (SISGs) in the form of Crisis Grants, as they are designed to provide occasional support to people facing immediate financial need which poses a risk to their health and wellbeing.
- 4.5.8 The Service made necessary operational arrangements to support the assessment, processing, and payment of SISGs. During January and February an average of 1,928 applications were received compared to a monthly average of 654 prior to the Omicron variant.

Table 4 – SWF Performance Summary (Crisis & Community Care Grants)

| Measure | 1 April 2021 to 28 February 2022 |
|--|--|
| Number of Crisis Grant applications received | 8,922 |
| Number of Crisis Grant Awards | 6,154 |
| Total amount paid for Crisis Grants | £617,115 |
| Average Processing time (2 working days target) | 2 days |
| Average Processing time within February | 2 days |
| Number of Community Care Grant applications received | 2,372 |
| Number of Community Care Grant Awards | 1,288 |
| Total amount paid for Community Care Grant | £894,107 |
| Average processing time year to date (15 working days target) | 10 days |
| Average processing time within February | 8 days |
| Total amount paid/committed from the fund | £1,511,222 |
| Budget from Winter Fund | £160,000 |
| Budget provided by Scottish Government | £1,675,804 |
| Total Budget | £1,835,804 |

Table 5 – SWF Performance Summary (Self-Isolation Support Grants) (SISG)

| Measure | 1 April 2021 to 28 February 2022 |
|--|--|
| Number of SISG applications received | 10,962 |
| Number of SISG Awards | 6,916 |
| Average Processing time year to date (1 working day target) | 7 days |
| Average Processing time within February | 10 days |
| Total amount paid/committed from the fund | £3,458,000 |
| Budget provided by Scottish Government | £3,458,000 |

5. Cost of Living Awards

- 5.1 The Scottish Government has introduced this support to help households tackle the increasing cost of living.
- 5.2 These awards will be credited to all households who had a liability to pay Council Tax and who were either residing in properties in valuation bands A to D, or were in receipt of Council Tax Reduction, as at 14/02/2022. This will result in reduced instalments due across the year.
- 5.3 Only one award of £150.00 can be made for each occupied qualifying property.
- 5.4 Eligible categories of households exempt from Council Tax, i.e. with no liability, will be invited to provide details online from the end of March so that a payment can be made to them directly.

6 Customer Service Provision

- 6.1 This section details the performance of the customer service for February 2022, and the current year to date position. The report provides an update on the overall contact centre call handling volumes and service level.

Face to Face services have now resumed in Renfrewshire House, with these being managed on an appointment basis. Details of customer volumes are provided in this report.

Demand for Digital Services continues, and this report will update members on the level of online transactions being completed.

6.2 Telephone Call handling

- 6.2.1 High level monthly summary – for the month of February, the contact centre received 25,597 calls and answered 97% against a primary target of 90% for the period.

Table 6 – Customer Service Unit – Primary Target (call handling)

| Primary target | Year | Calls Received | February Performance | Year to Date |
|--------------------|------|----------------|----------------------|--------------|
| 90% calls answered | 2022 | 25,597 | 97% | 97% |
| | 2021 | 27,462 | 95% | 96% |

- 6.2.3 The contact centre achieved the primary target of answering 90% of all calls. The percentage of calls answered remains higher for the month and year to date compared to the same period last year. Although calls for the month were below February 2021 levels, year to date the calls received are at a similar level to the same period last year.

6.2.4 The secondary target is to respond to 70% of all calls within 40 seconds

Table 7 – Customer Service Unit – Secondary Target (call handling)

| Secondary target | Year | February Performance | Year to Date |
|-------------------------|------|----------------------|--------------|
| 70% calls in 40 seconds | 2022 | 56% | 62% |
| | 2021 | 52% | 68% |

6.2.5 The contact centre performance was below the target of answering 70% of calls in 40 seconds, although performance was higher than the same month last year.

Year to date, the service level remains below target however this has remained steady since the last reporting period due to ongoing recruitment and training activity across the team.

The performance was impacted in February, mainly due to adverse weather as a result of four named storms occurring throughout the month. Adverse weather increases demand for certain services, creating challenges for services like Housing Repairs, Environmental and Roads and Lighting Faults. This concentration in demand creates a reduction in performance in these groups which results in a reduced overall service level.

6.3 Face to face provision

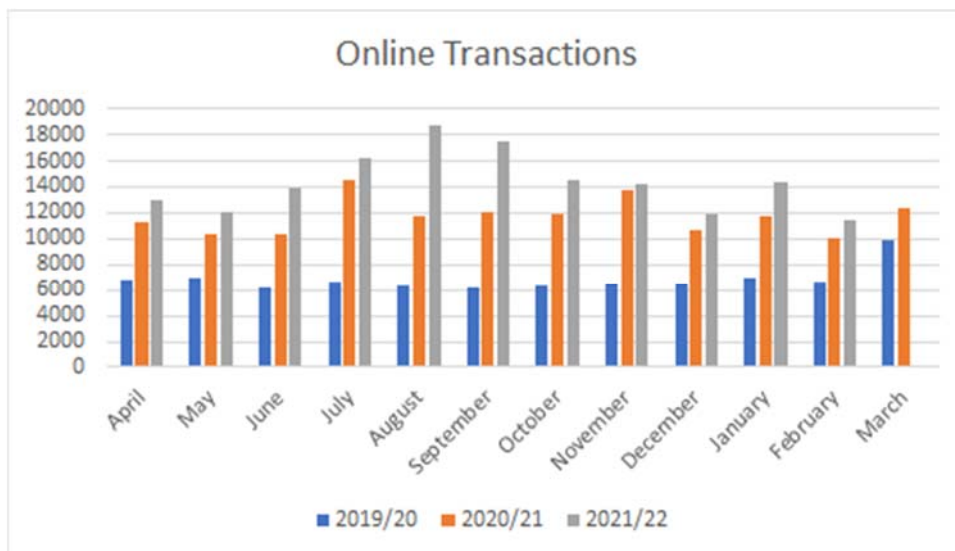
6.3.1 The Customer Service Centre in Paisley continues to offer face to face support to customers by appointment where this is required.

6.3.2 The following table shows the volume of customers who received face to face service in Paisley during the month of February 2022.

| Service | Total Customers |
|-----------------------|-----------------|
| Birth Registration | 138 |
| Marriage Registration | 57 |
| Licensing | 106 |
| TOTAL | 301 |

6.4 Digital Services

- 6.4.1 The council continues to see an increase in the use of their online services with a further 10,338 new users registered on the platform since the start of this financial year. This continues the trend seen throughout last year, with a total of 24,254 new users since the start of the pandemic. The number of users on the Council's MyAccount service now equates to 98% of all households in Renfrewshire, compared to 69% of households in March 2020.
- 6.4.2 The level of online transactions also continues to rise, with a 119% increase in customers using the MyAccount platform to request Council Services compared to the same period in 2019. The graph below shows the level of online transactions per month since the start of April 2019.
- 6.4.3 Since the start of this financial year there have been 157,816 transactions supported on the MyAccount platform, compared to 128,424 during the same period last year and 72,031 in the same period in 2019/20.



Implications of the Report

1. **Financial** - The level of collection of Local Taxation continues to provide funding for the delivery of Council services throughout Renfrewshire.
2. **HR & Organisational Development** – None
3. **Community/Council Planning** –
 - Our Renfrewshire is fair - An effective Benefits service is vital to the quality of life of many of our citizens as it provides vital support for low income households to sustain tenancies and meet their rent obligations
 - Working together to improve outcomes - An efficient and effective billing and administrative process for the collection of local taxes is vital for ensuring the recovery of income to the council to support the provision of local services. This is supported by a range of payment opportunities for the public, including electronic and digital payments (e.g. Direct Debit, Website and Telephone).
 - Working together to improve outcomes – An efficient and effective Customer Service Unit is vital to ensuring citizens have equality of access to Council services whether this is digitally, by telephone or face to face
4. **Legal** – None
5. **Property/Assets** - None
6. **Information Technology** – None
7. **Equality & Human Rights** - The recommendations contained within this report in relation to performance updates has been considered in relation to its impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because it is for consideration of performance only. In terms of the LIPP, Renfrewshire Council is acting as delivery agent for Scottish Government policy and is following Scottish Government guidance on how to implement and delivery the LIPP. As such the equality and human rights impacts of this policy are a matter for Scottish Government.
8. **Health & Safety** - None
9. **Procurement** – None
10. **Risk** - None
11. **Privacy Impact** – None
12. **Cosla Policy Position** – None

13. **Climate Risk** – None

List of Background Papers

(a) None

Author: Emma Shields/Gary Innes

Appendix 1

RENFREWSHIRE COUNCIL

REVENUES COLLECTION STATEMENT AS AT 28th FEBRUARY 2022

| COUNCIL TAX | | |
|------------------------------------|---------------|---------------|
| | 2020/21 | 2021/22 |
| | £m | £m |
| Projected Yield | 97.740 | 98.307 |
| Gross Charges | 100.795 | 102.493 |
| Less rebates | 14.298 | 13.450 |
| Net Charges Billed | <u>86.497</u> | <u>89.043</u> |
| Cash Collected | 82.279 | 83.718 |
| Rebate Grant | 14.298 | 13.450 |
| | <u>96.577</u> | <u>97.168</u> |
| Cash collected as % of Net Charges | 95.12% | 94.02% |
| Income as % of Projected Yield | 98.81% | 98.84% |

| NON DOMESTIC RATES | | |
|--|---------------|---------------|
| | 2020/21 | 2021/22 |
| | £m | £m |
| Projected Yield | 76.579 | 87.945 |
| Gross Charges | 145.189 | 145.552 |
| Less reliefs | 67.047 | 55.812 |
| Net Charges Billed | <u>78.141</u> | <u>89.740</u> |
| Cash Collected | 73.928 | 82.238 |
| Cash collected as % of Net Charges | 94.61% | 91.64% |
| Cash collected as % of Projected Yield | 96.54% | 93.51% |

Customer & Business Services Performance Report – Appendix 2

Supplementary KPIs – Finance & Resources Policy Board

APPEALS

Where a claimant disputes a Benefits decision and also disputes a revision decision they can formally make an Appeal. The Benefits Service will prepare a detailed submission which is then considered by the Independent Tribunals Service. Preparation of a submission is a very involved process and requires significant data gathering.

| | | | |
|---|---------------------|------------------|---------------|
| Target processing speed (number of days) | 60 | | |
| Result: last 3 months (days) | December: 104 days | January: 43 days | February: Nil |
| Average (12 months to date) | 83 days | | |
| Average Appeals Completed | 3 Appeals per month | | |

Comment:- Appeals volumes are very low, which is expected due to reducing Housing Benefit caseload. Monthly target was missed due to resources being spread to support Self-Isolation Support Grants, however returned to within target in January.

REVISIONS

Where a claimant disputes a benefits decision in the first instance, they can request for it to be looked at again. This is known as a Revision. The process involves a Senior Benefit Assessor reviewing the decision thoroughly to decide whether the decision should stand.

| | | | |
|-----------------------------|-----------------|-----------------|-----------------|
| Target | 28 days | | |
| Result last report | October 21: 32 | November 21: 47 | December 21: 49 |
| Result Last 3 months | December 21: 49 | January 22: 59 | February 22: 47 |

Comment:- The Service has missed target for revisions processing as a result of balancing workloads, including the processing of Self-Isolation Support Grants, it is anticipated that it will be back within target by next reporting cycle.

ACCURACY

The Service proactively monitors the accuracy of benefits decisions made through a robust audit checking programme. The Service targets to audit 4% of all calculations. The actual level of checking for this reporting period is higher due to a number of new staff joining the Benefits team and therefore requiring 100% of their work to be checked.

| | Target % | Actual % |
|---------------------------------|----------|----------|
| Volume of Audits 2021/22 | 4% | 28% |
| Accuracy – February 22 | 95% | Nil |
| Accuracy – 2021/22 | 95% | 90% |

Comment:- The Service had to temporarily suspend accuracy checks during February to support the processing of Self Isolation Support Grants. The service will continue to analyse errors and action trends/patterns by providing additional guidance/training where needed.

Customer & Business Services Performance Report – Appendix 2 Supplementary KPIs – Finance & Resources Policy Board

HOUSING BENEFIT OVERPAYMENTS

The service is responsible for raising overpayments where Housing Benefit has been paid in error. If these have resulted from errors made by claimants, the cost is partially funded by the DWP. The service attempts to recover both newly raised and historic debts from claimants or landlords as appropriate. In year collections performance is detailed below and shows an improved position since the last report with slightly less outstanding total debt and improved raised and recovered statistics.

| | |
|--|------------|
| Overpayments raised 2021/22 | £744,268 |
| Overpayments raised and recovered in year | £275,546 |
| % Recovery | 37.02% |
| All recovery in year | £979,979 |
| All recovery vs raised in year | 131.67% |
| All recovery vs all debt | 11.88% |
| Total debt outstanding at end of reporting period | £7,270,342 |



To: Finance, Resources and Customer Services Policy Board

On: 30 March 2022

Report by: Director of Environment & Infrastructure

Heading: Facilities Management Operational Performance Report

1. Summary

- 1.1 Environment & Infrastructure brings together a range of Council services and activities, with both strategic and operational responsibilities. This report provides an operational performance update on Facilities Management (Hard and Soft Services) delivered by Environment & Infrastructure since the last Policy Board in February 2022.
 - 1.2 Building Services continue to operate normal day to day business and out emergency out of hours repairs. The backlogs experienced following lockdowns have now been dealt with. However, the service currently experiences delays in the provision of some resources but is managing this within the programmed works.
 - 1.3 At its meeting of 3 March 2022 the Council agreed to invest £1.2 million for school pitches, as outlined at paragraph 4.11 of this report.
-

2. Recommendations

It is recommended that members of the Finance, Resources and Customer Services Policy Board:

- 2.1 Approves the content of this report including the adjustment to the capital plan as outlined in section 4.12 below.
-

3. Background

3.1 Covid Recovery

Building Services continue to actively manage a repair service within the constraints of the Scottish Government guidance and the current Covid-19 restrictions. These include social distancing, enhanced cleaning and PPE measures. Employees across the service continue to show great commitment and resilience while delivering essential services, across Renfrewshire.

- 3.2 The delivery of several larger scale construction projects has been severely impacted by the COVID-19 pandemic. Work has been ongoing to complete these projects as soon as possible.

4. Operational Update

4.1 Gas Servicing

From 1 April 2021 – 15 February 2022 the domestic gas servicing and repairs team carried out 18,374 appointments.

4.2 Aids and Adaptations

Housing Services allocate these work requests to both Building Services and external contractors and manage any requests. From the end of May 2021 until 16 February 2022 Building Services has completed 74 full adaptations and currently have 16 live jobs at various stages, giving a total of 90 for the period.

4.3 Voids

Building Services continues to work on void houses and undertake full compliance checks for the Homeless Persons Units (HPU). These works have allowed people presenting as homeless to be accommodated.

A total of 749 voids were completed from 1 April 2021 to 16 February 2022.

| Void Returns from 1 April 2021 – 16 February 2022 | | | |
|---|--|--------------------------------------|-------------------|
| Full Void Works* | *Inclusive Gas Central Heating (GCH) install | *Inclusive Asbestos Removal (ASB RE) | Preliminary Works |
| 749 | 95 | 124 | 776 |

SHQS Voids - Building Services has been allocated additional SHQS Voids, which were previously carried out by an external contractor. This has increased from 2 to 4 properties a week since 26 April 2021.

The number of SHQS voids completed from 26 April 2021 – 16 February 2022 is 100.

4.4 **PPE Hub**

Building Services has been managing the Renfrewshire HSCP distribution hub for PPE at Unit 5 in Underwood Road since July 2020. In partnership with the HSCP, Building Services has responsibility for servicing 60 care facility properties per week and has responsibility for supplying Lateral Flow Device test kits to care homes.

4.5 **Water Management**

Building Services operatives have continued to carry out water management testing throughout the pandemic. They test and inspect various water outlets within schools or public buildings. Works carried out from 1 April 2021 to 16 February 2022.

- 91,277 tests
- 301 properties for samples taken
- 161 remedial repairs completed. This has increased due to the new risk assessments that have been carried out.
- As part of the quarter 4 shower cleaning programme 900 showers have been cleaned across 73 sites.

4.6 **Commercial Gas**

Specialist facilities engineers carry out all compliance works which include gas servicing, F-Gas servicing (air conditioning), AHU servicing and the cleaning of kitchen canopies and filters.

Gas servicing is carried out in schools, public buildings and domestic properties. This programme can also lead to various faults being found with boiler parts and the subsequent requirement for maintenance repairs to be undertaken.

4.7 **Streetlighting**

4.7.1 The Street Lighting team has completed the following works during 1 April 2021- 31 January 2022

- 767 Emergencies attended during working hours
- 35 Emergencies attended out of hours
- 3308 Dark lamps put in lighting (attended)
- 1184 Planned maintenance completed
- 119 Excavations completed

4.7.2 Performance Indicators

Reported street lighting faults which were attended within the 7-day timescale – 01 April 2021 –31 January 2022

- 99.88% were attended within the 7day period against a target of 95%.

4.8 **Contracts**

4.8.1 School Toilet Upgrades.

Works have commenced on the large toilet upgrade plans for schools across Renfrewshire.

- West Primary – complete.
- St Mary's Primary – complete.
- Williamsburgh Primary – complete.

- Our Lady of Peace Primary is complete.
- Langcraigs Primary commenced on 6 January 2022.
- Bushes Primary commenced on 6 January 2022.
- St Fillan's Primary is scheduled for the Spring break. There are only two toilets in this school which means Building Services can't carry out the upgrade during the school term. Additional resources have been identified for this from the adaptations team. All materials required have been received.

4.8.2 The service is actively working with the schools to maintain the programme of works and accelerate where possible.

4.8.3 Building Services faces daily issues as competition increases for construction material across all trades. The supply of material is proving problematic due to volatile market conditions. Work is continuing to ensure materials are procured to keep services running. This has resulted in longer lead times, with some items taking between 12-16 weeks from date of order to delivery, which has resulted in the completion times for works being longer.

4.9 **Apprentice Programme**

Building Services intends to recruit 4 new apprentices over the coming months with a view to commencing employment in August 2022.

4.10 **Awards**

Building Services has recently received notification from the Royal Navy Maritime Reserves that they have been awarded the Silver Award as part of their Employer Recognition Scheme.

4.11 **School Pitches**

Following the Council's decision on 03 March to invest £1.200 million to support a programme of lifecycle and maintenance improvements in artificial playing surfaces, technical condition surveys will now be prioritised to assess requirements at Gryffe HS, Park Mains HS, Castlehead HS and Johnstone Hub, with Gryffe High School and Johnstone Hub being in the first phase of improvements later in this financial year.

4.12 Subsequent to the Council agreeing the capital plan as outlined above, the Council has received a developer contribution of £0.206 million in relation to increasing the capacity of Kirklandneuk PS. Construction work in this regard is ongoing with the works costs being funded by the Council. Receipt of this developer contribution will allow the release of an equivalent sum from the Council funding agreed to be utilised as an initial committed sum to install an artificial playing surface at Kirklandneuk PS. It is proposed the capital plan is adjusted to reflect the receipt of the developer contribution and the commitment above.

5 **Soft FM (Facilities Management)**

5.1 The service continues to work closely with Children's Services and Health and Safety Officers to ensure provision of a safe and clean environment for pupils and staff in all educational establishments. The service works closely with Health & Safety colleagues to ensure that requirements detailed within the Scottish Government's published Coronavirus (COVID-19): guidance on reducing the risks in schools are met.

- 5.2 From January 2022 the Universal Free School Meal Provision covers all primary 4 and primary 5 pupils and has gone well
- 5.3 There are significant capital works required across the school estate to ensure that there is capacity for the preparation and serving of these additional meals. The service has been carrying out preparatory work with colleagues from Building Services, Hard FM, Property Services and Procurement.
- 5.4 The service continues to experience challenges around recruitment of staff. A recruitment event held in Park Mains High School on 15 February 2022 provided an alternative method for candidates to apply for posts. Following a successful communications exercise, the event attracted around 140 candidates with 60 being offered posts on the day. This event required partnership working with colleagues from Employee Services and HR to ensure that all aspects of the recruitment process could be completed on the day. There are plans to hold further events, targeted to the locations where vacancies are hardest to fill, with the next one scheduled for April 2022.
- 5.5 The service continues to develop school lunch menus, in preparation for new menus being introduced in August 2022. Consultation has been ongoing with pupil groups, Head Teachers and Parent Councils, with taster sessions being carried out with new menu options. The service continues to ensure it meets the requirements of the revised Nutritional Requirements for Food and Drink in Schools (Scotland) Regulations 2020, which were introduced earlier in the year.
- 5.6 The service continues to work with CoSLA to ensure the provision of free sanitary products within education premises across Renfrewshire, as part of the Scottish Government's Period Poverty programme.
- 5.7 A suited lock system has now been rolled out across schools and community centres. This provides the infrastructure to control all keys centrally and deliver resilience to ensure that all schools can be opened on time in the event of any staff absence. It also ensures that any keys which are lost, can be deactivated, therefore reducing risk.
- 5.8 The service has expanded the use of the Corporate Asset Management Information System (CAMIS) to include the reporting of cleaning equipment repairs. Management, servicing, and repair of equipment is completed by the service's Compliance and Repairs Operatives. This service provision will be developed further over the coming months to incorporate other areas of the service, ensuring our frontline staff have equipment which is fit for purpose and the achievement of a reduction in the cost of repairs.
- 5.9 The Scottish Government introduced the Good Food Nation (Scotland) Bill in October 2021 to support the ambition of the Scottish Government that Scotland becomes a Good Food Nation by 2025. The expansion of the school meals' service is a key factor in this Bill and Soft FM will work with other services to ensure that Renfrewshire publishes its Good Food Nation Plans to contribute to this national strategy.
- 5.10 The Service were shortlisted in the APSE Soft Facilities Management Innovation Awards 2022 in both the Building Cleaning and Catering categories. The final was held on 3 March 2022 an unfortunately the service was unsuccessful on the night.

Implications of the Report

1. **Financial** – Any financial impact from COVID-19 referenced in this report will be progressed through the Council's financial & budget planning process. The amendment to the capital plan is self-financing.
2. **HR & Organisational Development** – Any staffing changes from COVID-19 referenced in this report will be progressed through the Council's HR policies, including home working and flexible working.
3. **Community/Council Planning** – the report details a range of activities which reflect local community and council planning themes.
4. **Legal** – None
5. **Property/Assets** - as facilities start to open in line with the Scottish Government Routemap, adjustment may have to be made to physical spaces to allow for physical distancing and to comply with relevant guidance.
6. **Information Technology** - None
7. **Equality & Human Rights** – The recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – Advice and guidance is being given to protect the health and safety of employees and service users when carrying out priority services for the Council in line with government and health guidance.
9. **Procurement** – The ongoing COVID-19 pandemic and possible issues arising from Brexit has and will continue to have a significant impact on existing contractual obligations and on the procurement of future goods and services required by the Council.
10. **Risk** – As noted in section 5, the CRMG are currently reviewing the Council's risk profile in light of the coronavirus pandemic.
11. **Privacy Impact** – None
12. **COSLA Policy Position** – None
13. **Climate Change** – The installation of electric vehicle charging points will support the Council's climate change goals. Building Services repairs in line with new standards for renewable energy.

List of Background Papers - none

Author: Diane Gillies, Head of Facilities Management (Hard & Soft Services)



To: Finance, Resources and Customer Services Policy Board

On: 30 March 2022

Report by: Director of Finance and Resources

Heading: Consultation Response: Resource Spending Review Framework

1. Summary of Financial Position

- 1.1. The Scottish Government's Resource Spending Review Framework: Investing in Scotland's Future was launched in December 2021 by the Cabinet Secretary for Finance and the Economy and is attached at Appendix 1 for reference.
- 1.2. It seeks views on the Scottish Government's first multi-year Resource Spending Review since 2011 and closed on 27 March 2022.
- 1.3. The proposed consultation response from Renfrewshire Council is attached at Appendix 2 and was submitted to the Scottish Government, subject to approval by the Finance, Resources and Customer Services Policy Board.

2. Recommendations

Members are requested to approve the consultation response attached at Appendix 2 to this report.

3. Background

- 3.1. The Scottish Government's Resource Spending Review Framework: Investing in Scotland's Future begins with a foreword by the Cabinet Secretary for Finance and the Economy outlining the approach to the review, which promises to be:
 - (i) Focused on outcomes;
 - (ii) Informed by evidence, with a commitment to improving evidence bases; and

- (iii) Consultative, ensuring stakeholder views are listened to now and beyond the spending review period.
- 3.2. The Resource Spending Review introduces three priorities to provide context for the framework. These are:
- To support progress to meet our child poverty targets;
 - To address climate change;
 - To secure a stronger, fairer, greener economy.
- 3.3. The findings of the review will be published in May 2022, with the intention of including multi-year spending plans. The Cabinet Secretary for Finance and the Economy has also committed to reviewing all ring-fenced funding as part of the Resource Spending Review, which could lead to increased local flexibility in directing budgets.
- 3.4. The Scottish Government's Resource Spending Review Framework: Investing in Scotland's Future is attached at Appendix 1 for reference.
- 3.5. The proposed consultation response from Renfrewshire Council is attached at Appendix 2 and was submitted to the Scottish Government, subject to approval by the Finance, Resources and Customer Services Policy.
-

Implications of this report

1. **Financial** – The publication of multi-year spending plans by the Scottish Government will lead to greater financial certainty for the Council, with more clarity on medium-term funding allowing more robust planning and budgeting. Further, the potential reduction in ring-fencing of future revenue funding will improve flexibility in local spending and budgeting.
2. **HR and Organisational Development** – None directly arising from this report.
3. **Community/Council Planning** – None directly arising from this report.
4. **Legal** – None directly arising from this report.
5. **Property/Assets** – None directly arising from this report.
6. **Information Technology** – None directly arising from this report.

7. **Equality and Human Rights** – The recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health and Safety** – None directly arising from this report.
9. **Procurement** – None directly arising from this report.
10. **Risk** – The Council has reported a forecast budget deficit in the range of £18m-£50m over the medium term. Failure to publish multi-year spending plans in the Resource Spending Review would continue to challenge the Council's ability to plan effectively for a sustainable budget position in this period.
11. **Privacy Impact** – None directly arising from this report.
12. **Cosla Policy Position** – The publication of multi-year spending plans and a reduction in ring-fencing of revenue funding would align to COSLA's Fair Funding policy.
13. **Climate Risk** – Addressing climate change is one of three priorities that has guided the Resource Spending Review. It therefore seeks to "support activities to meet statutory commitments to reduce emissions to net zero by 2045, to secure a just transition that leaves no one behind, and to build resilience to climate impacts".

Author: Alastair MacArthur, Director of Finance and Resources (ext. 7363).

Investing in Scotland's Future

Resource Spending Review Framework

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Foreword by the Cabinet Secretary for Finance and the Economy



I am pleased to launch our Resource Spending Review today with the publication of the Framework.

The Framework begins a national conversation about how we create the conditions for our citizens, businesses and third sector to thrive. Our mission is to deliver effective services for the people of Scotland today and maintain sustainable public finances that ensure we can meet the needs of future generations too. It is vital that we understand and reflect opinions of the people public services exist for, and the experience of those who help us deliver them. This is a real opportunity for stakeholders to influence the

future of Scotland's spending priorities and to ensure that the Scottish Government delivers for the people of Scotland.

In Scotland today, public spending is one of the most important levers that this government can pull to deliver for its citizens. Our choices about how we allocate the funding available to us reflect our priorities – ranging from what a social security system looks like and who it supports, to how our hospitals function and how many teachers are in our classrooms.

The decisions we make need to prepare us for a period of social, economic and constitutional change. We face growing demand for public services due to the impact of COVID-19 on society. We have a moral and statutory duty to act to combat the global climate emergency, whose impacts we already see. And we must invest now to adapt our public services to better support an ageing population.

These will be tough decisions to take. Our already tight budgetary envelope has been made even more challenging by the UK Government's decision to end COVID-19 funding as part of the Chancellor's Autumn Statement and Spending Review, at a time when the virus remains a very present threat. We do not have the fiscal levers to adequately manage the financial risks that Scotland faces.

We will need to decide what we prioritise and how we deliver our services. There will certainly be opportunities to reform and invest in services to achieve improved outcomes in a more efficient way, but there may also be policies which require a rethink, and perhaps reprioritisation to better meet the needs of the people of Scotland now and in the future.

To do this effectively, we will focus on how we best use our resources to support transformational progress towards this government's core priorities: to support progress towards meeting our child poverty targets, to address climate change, and, underpinning these, to secure a stronger, fairer, greener economy.

Our approach to this Resource Spending Review will be based on three principles, which will both shape our spending plans and inform our ongoing engagement throughout the parliamentary term.

Firstly, the Resource Spending Review will be outcomes focused, aiming to support positive outcomes for our citizens in the most efficient and effective way possible.

Secondly, we will be evidence-informed, drawing on the available evidence to underpin the decisions we take in May, but committed to improving our evidence base for future decisions too.

Thirdly, it will be consultative. We will engage widely, ensuring stakeholder views are listened to, and that 'the conversation' continues throughout and beyond the spending review period.

In May 2022, I will publish the findings of the Resource Spending Review which will outline resource spending plans to the end of this Parliament in 2026-27. Together with the Capital Spending Review which we published in 2021, it will give our public bodies and delivery partners greater financial certainty to help them rebuild from the pandemic and refocus their resources on our long-term priorities.

I look forward to engaging with as many of you as possible throughout this process and beyond to shape our public finances for a fairer, greener Scotland.

A handwritten signature in black ink, appearing to read 'Kate Forbes', with a stylized, cursive script.

KATE FORBES MSP

Cabinet Secretary for Finance and the Economy

Executive Summary

This framework document launches the Scottish Government's first multi-year Resource Spending Review since 2011. The aim is to set out spending plans for the remainder of the parliamentary term which support the Scottish Government's ambitions. Our review focuses on resource spending plans. Resource spending is money that is spent on administration and the day-to-day delivery of services and programmes, such as school meals, concessionary bus passes and most public sector staff salaries.

The Framework sets the scene for the development of these spending plans and opens our public consultation. The intention is to publish multi-year spending plans in May 2022 to provide our delivery partners and businesses, communities and individuals across Scotland with some certainty on which to base their own forward planning.

The Resource Spending Review will build on the Capital Spending Review that we published earlier this year. Together these two spending reviews will give a comprehensive picture of Scotland's multi-year public spending plans.

The Resource Spending Review Framework has been produced as part of a suite of Scottish Government fiscal publications, including the 2022-23 Scottish Budget, 2021 Medium-Term Financial Strategy and our Public Sector Pay Policy.

It also sits within a wider landscape of devolved taxes and spending that together play an integral role in the funding of the public services we all rely on. Notably, the forthcoming publication of Scotland's first Framework for Tax will provide a solid foundation from which the design and delivery of devolved tax policy can be based - supporting the recovery, national outcomes and the pursuit of a fairer, greener and more prosperous Scotland for everyone.

Chapter 1 provides the context for the Resource Spending Review and introduces our mission and the core priorities that will inform the process. This chapter also provides an overview of the budgetary framework that the Scottish Government operates within.

Chapter 2 details the fiscal and economic context for the Resource Spending Review. In this chapter, we outline the potential funding scenarios and a set of spending scenarios. Our spending scenarios consider a range of factors that may create additional pressure on the public sector, including demographic change. The layering of the funding and spending scenarios provides an insight into the potential challenges of Scotland's public finances over the coming years and underlines the need for careful planning.

Chapter 3 provides an overview of our proposed approach to the Resource Spending Review, including the principles of our approach alongside some initial opportunities that have been identified.

Chapter 4 outlines our engagement approach, including who we will engage with and how. This consultative approach is at the heart of the Resource Spending Review. We have included engagement questions throughout this document and details of how to respond can be found in this chapter.

Our annex provides the engagement questions that will be deployed in our consultation in one place.

1. The Context

This chapter explores the context for the Resource Spending Review, and introduces our three priorities:

- To support progress towards meeting our child poverty targets
- To address climate change
- To secure a stronger, fairer, greener economy

1.1 Context for the Resource Spending Review

The Resource Spending Review is being developed in a context of uncertainty and following a period of shocks and shifts which have changed the world in which we live.

The pandemic has dramatically affected every area of life in Scotland. Scotland's economy experienced a significant shock due to COVID-19, which has been exacerbated by EU Exit. The economy appears to be recovering more quickly than expected from the pandemic, with GDP predicted to reach its pre-pandemic level in the second quarter of 2022.¹ But we know that this only tells part of the story, and that the impacts of COVID-19 continue to be felt acutely by many individuals, businesses and communities across Scotland.

We also know that the impacts of the pandemic have been, and continue to be, felt unequally. The pandemic has deepened existing inequalities, with those already more disadvantaged disproportionately affected. It also exposed the effects of digital exclusion, wealth inequality and generational divides.²

It seems likely that inequalities exacerbated by the pandemic will continue to deepen, which will affect people's resilience to other types of risks – such as health or climate risks. The testimony and demands from young people, activists, and participants from the global south at COP26 brought home the fact that the threat from climate change continues to intensify and that its impacts are already being experienced by many people across the world. Experts expect crises to happen more frequently and with greater intensity and severity.³ In this context, increasing resilience and building in flexibility to future shocks is key to achieving wellbeing across society.

Amid the challenges of COVID-19, we have also seen examples of creativity and innovation, including changes to ways of working that benefit employees and employers. There is much that we should rightly capitalise on in order to support the building of a fairer, greener Scotland.

The National Performance Framework⁴ describes the kind of Scotland we want to see and remains a cornerstone of our work. Although our future is uncertain, we can be sure that climate change, technological advances and changing demographics will significantly affect our lives. Some effects will be felt during the next five years of our Resource Spending Review period, while others may not materialise for many years. We must shape our spending plans, so that our public services meet our needs now and are ready to meet the needs of our children and future generations. The Resource Spending Review is our

¹ Scottish Fiscal Commission, [Scotland's Economic and Fiscal Forecasts](#), December 2021

² Scottish Government/COSLA, [Scotland's Wellbeing – The Impact of COVID-19](#), December 2020

³ Office for Budget Responsibility, [Fiscal Risks Report](#), July 2021

⁴ Scottish Government, [National Performance Framework](#), June 2018

opportunity to do this, and to lay the foundations for a sustainable future in an increasingly interconnected world.

Since May, the Scottish Government has demonstrated leadership in the face of the challenges outlined above. The delivery of the 100 Days Plan⁵ was followed by the Programme for Government⁶ and the Covid Recovery Strategy⁷ which set out our next steps in meeting these current and future challenges over the course of this Parliament and beyond. In August, the Bute House Agreement⁸ re-affirmed our commitment to securing a fairer, greener Scotland and saw two Scottish Green Party Ministers join Government.

In order to realise this ambition, it is vital we set out a clear financial plan that shows how funding will support the achievement of our goals. Budget 2022-23 acts as a first step in this plan, setting out how we will fund the first year of these ambitious programmes. The Resource Spending Review builds on this foundation and will set out how we marshal our resources effectively to ensure their long-term success.

1.2 A stable foundation to rebuild our public services

This Resource Spending Review will be an important milestone in Scotland's fiscal journey. We have not had the conditions to publish a multi-year spending review since 2011 as planning horizons have been shortened by our reliance on UK Government confirming the block grant, with a UK Spending Review promised and postponed twice in recent years.

This Resource Spending Review will build on the foundations of the 2022-23 budget and set out our spending plans from 2023-24 to 2026-27, the final year of this Parliament. Alongside the development of a fiscal framework for local government, it will give our delivery partners across the public and third sectors greater financial certainty to help plan and realise our shared ambitions effectively. Like the Scottish Government, public bodies have been working to a one-year budget cycle since the end of the last spending review period in 2014-15.

The UK Spending Review of October 2021⁹ offered clarity over funding for a three-year period from 2022-23 and outlined the block grant to be received by Scottish Government in each of those financial years. However, the UK spending review period ends in 2024-25, so we will need to predict UK Government activity – spending, tax and borrowing decisions – beyond 2024-25 and into a new Westminster administration, to estimate the money available to us when shaping our own spending plans.

Even within the UK spending review period, there is no guarantee that Scottish Government will receive the block grant funding set out in the UK Spending Review document on 27 October 2021. In 2020-21, a minimum funding guarantee allowed the Scottish Government to respond to the pandemic with vital support for businesses in confidence that the promised funding would be received from UK Government. The minimum funding guarantee has not been renewed, which means that if the UK Government does not deliver

⁵ Scottish Government, [Priorities of Government Statement](#), May 2021

⁶ Scottish Government, [Programme for Government](#), September 2021

⁷ Scottish Government, [Covid Recovery Strategy](#), October 2021

⁸ Scottish Government, [Agreement with Scottish Green Party](#), August 2021

⁹ HM Treasury, [Autumn Budget and Spending Review](#), October 2021

against its spending plans, there is a risk that we do not receive the funding we have planned for.

And the funding announced by UK Government cannot be considered enough. Our block grant has been cut each year of the UK Spending Review compared to 2021-22, as COVID-19 funding has been removed even as the public service response to the pandemic and its aftermath must continue. Furthermore, the increases announced to baseline funding do not undo the damage of more than a decade of austerity.

The powers in the UK Internal Market Act (IMA) for the UK Government to spend in devolved areas raise further uncertainty for the public spending landscape in Scotland. The UK Government has indicated it will not seek Scottish Government agreement to this spending, risking incoherence in spending plans and inconsistent policy priorities. Scottish Government continues to oppose the IMA and believes that funding for devolved purposes should be allocated to the Scottish Parliament and Scottish Government under HM Treasury's Statement on Funding Policy in the normal way.

Despite these challenges, we believe it is vital that our own spending review covers the full parliamentary term. By going further than the UK spending review period, we are looking to give public bodies, including our local authorities, financial stability and the opportunity to plan multi-year projects in greater confidence of future funding.

We have a duty to future generations to manage public finances responsibly and lay stable foundations for the people of Scotland to adapt and thrive whatever the future brings. That does not mean austerity, which disproportionately affects the poorest and most vulnerable in our society. It means making informed and evidenced decisions about how we best use the funding available to us to meet the needs of our communities through effective and sustainable public services and increasing prosperity in a fair and green way.

Annual budgets will continue to be set through the annual parliamentary budget process, which gives the Scottish Government the authority to spend public funds and gives the flexibility to review and update spending plans to respond to changing circumstances and reflect the evolving fiscal landscape.

1.3 Our priorities

In order to effectively develop and appraise future spending plans it is important that we have a set of core priorities to guide the Resource Spending Review process. Drawing on the commitments the Scottish Government has made so far, which set the path for our recovery from the pandemic, we have identified three priorities for the review which we will use to inform our decisions about the allocation of funding.

- **Child poverty:** the experience of poverty lies at the heart of many social and economic challenges we face as a nation, resulting in poorer outcomes over an individual's lifetime and considerable investment to mitigate its negative impacts. We will focus on increasing household incomes and reducing costs to lift more families out of poverty, and will work to mitigate the impacts of poverty for children ensuring they can fulfil their potential. In particular, we will focus on supporting priority families out of poverty. We have declared a national mission to tackle child

poverty. Plans developed through the Resource Spending Review will help set us on a critical path to reduce child poverty levels to less than 10% by 2030-31.

- Climate change: the global climate emergency is one of the gravest threats facing Scotland and the wider world. Experts agree that public spend on climate change can deliver future benefits that far outweigh the costs today. The Scottish Government will continue the momentum generated by Glasgow's hosting of COP26 by investing in the protection and restoration of our natural environment, decarbonising our homes, industries and transport and leading the way in renewable energy and green technology. Government investment on its own will not be sufficient. While there are areas of society that should always remain government funded, we recognise that the scale and urgency of the climate challenge means private investment will be critical to shift to a net zero, wellbeing economy. Our work on the climate emergency requires a long-term, whole-of-government shift towards the transformational change required to becoming a net zero nation. In this context, the Resource Spending Review will seek to support activities to meet our statutory commitments to reduce emissions to net zero by 2045, to secure a just transition that leaves no one behind, and to build resilience to climate impacts. We will also work towards climate justice, recognising that the impacts of climate change often deepen existing inequalities.
- Economic transformation: the impact of COVID-19, combined with the effects of the UK's exit from the European Union have created challenges for Scotland. The Scottish Government's National Strategy for Economic Transformation will seek to transform the economy, setting us on a path towards a wellbeing economy for all. This will be an economy that is rooted in Fair Work. It will improve standards of living, enables businesses to grasp the opportunities of a green recovery, and secure the new jobs of the future. Our ambition for a stronger, fairer, greener economy will consider how the investment of public funds will support each of these dimensions in tandem.

As the Finance and Public Administration Committee noted in their pre-budget report¹⁰, the Resource Spending Review is an opportunity to step away from the pressures of a one-year budget cycle, and create the fiscal space to invest in long-term, preventative measures which have a greater impact on these cross-cutting priorities.

This is also true of the transformative change necessary to enable us to continue to deliver public services effectively and sustainability for an evolving society. The National Care Service will be launched in this Parliament, along with a commitment to increase social care capacity. It is the single biggest public health reform since the foundation of the NHS, with all the complexity and ambition that suggests. A multi-year spending review allows us to reflect the impact the creation of the National Care Service will have on how the Scottish Government, local authorities and delivery partners work together and to ensure that funding enables and supports both the National Care Service and the people who access its services.

¹⁰ Finance and Public Administration Committee, [Pre-Budget Scrutiny 2022-23: Scotland's Public Finances in 2022-23 and the Impact of COVID-19](#), November 2021

Q1. In Chapter 1 we have identified three priorities to guide the Resource Spending Review process:

- To support progress towards meeting our child poverty targets
- To address climate change
- To secure a stronger, fairer, greener economy

Setting these as priorities helps us consider where spend should be targeted and re-directed. Do you agree that our resource spending should focus on these?

We welcome your views on these three priorities for this Resource Spending Review.

2. The Challenge

This chapter explains the fiscal and economic context for the Resource Spending Review. It sets out the funding outlook, which is considered in more depth in the Medium-Term Financial Strategy (MTFS). It models three spending scenarios and outlines the immediate and longer-term pressures on public spending which we need to consider when developing our spending plans to ensure that we meet the needs of our changing population and build resilience for the future. Finally, it compares the funding and spending scenarios to assess the scale of the challenge and the opportunities over the Resource Spending Review period.

2.1 Funding

The MTFS sets out the funding projections for the Scottish Government for the Resource Spending Review period, to 2026-27. The funding projections are built on three main components:

- UK Government spending decisions: through the Barnett formula, the change in the Scottish Government's Block Grant each year is determined by the change in the UK Government's spending on areas devolved to the Scottish Parliament.
- Relative growth in Scottish Government and UK Government devolved tax revenues: under the Fiscal Framework, if Scottish devolved tax revenue per person grows relatively faster than in the rest of the UK (rUK), the Scottish Budget is better off and vice versa. This means that Scotland's budget is influenced not only by tax policy and economic performance in Scotland, but also by tax policy and economic performance in the rest of the UK.
- Relative growth in Scottish and UK social security expenditure: under the Fiscal Framework, if Scottish devolved social security expenditure grows relatively faster than in the rUK, the Scottish Budget is worse off. If UK expenditure grows relatively faster, additional funds are available within the Scottish Budget. Again, this means that Scotland's budget is influenced not only by policy changes within Scotland, but also what happens in the rest of the UK.

The funding projection sets out a central scenario, based on UK Spending Review announcements to 2023-24 for the block grant, and Office for Budget Responsibility (OBR) forecasts for growth in government spending beyond that. It reflects Scottish Fiscal Commission (SFC) tax revenue forecasts and the OBR's forecasts for block grant adjustments. Upside and downside scenarios have been modelled to illustrate the potential impact of UK spending decisions (with greater uncertainty after the UK spending review period), and the impact of Scottish tax performance.

Table 1: Resource funding outlook for the Scottish Government

| £ billion | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 |
|---|---------|---------|---------|---------|---------|
| Central scenario | | | | | |
| Resource funding* | 39.2 | 39.6 | 40.5 | 42.1 | 43.6 |
| <i>Growth compared to 2022-23 budget bill</i> | 0.0 | 0.4 | 1.2 | 2.9 | 4.3 |
| | | | | | |
| Upside | | | | | |
| Resource funding* | 39.7 | 40.5 | 42.0 | 44.5 | 47.0 |
| <i>Growth compared to 2022-23 budget bill</i> | 0.5 | 1.3 | 2.7 | 5.3 | 7.8 |
| | | | | | |
| Downside | | | | | |
| Resource funding* | 38.9 | 39.0 | 39.5 | 40.3 | 40.8 |
| <i>Growth compared to 2022-23 budget bill</i> | -0.3 | -0.3 | 0.2 | 1.1 | 1.6 |

*Excludes non-domestic rates distributable amount

2.2 Spending

As context for the Resource Spending Review process, it is helpful to understand the existing landscape of public spending in Scotland, and the financial commitments and risks we need to manage over the spending review period.

2.2.1 How has public spending in Scotland evolved?

Scotland's public finances have undergone a number of radical transformations in the past decade. Today, we have increased powers and responsibility over taxation and public expenditure, with the opportunities that brings to improve the lives of the people of Scotland.

Following the Smith Commission in 2014, a new fiscal framework – which governs the funding arrangements between the Scottish and UK Governments – was agreed.¹¹ It enabled the transfer of greater tax and social security powers to Scotland while endeavouring to retain the stability of block grant funding.

This has transformed the composition of the Scottish budget. In 2019-20, the Scottish budget allocated £435 million to social security benefits spend. In 2022-23, that has grown to £4.1 billion as responsibility for the disability and carer benefits transferred, and new Scottish benefits, including the Scottish Child Payment, have been introduced.

¹¹ [The Agreement between the Scottish government and the United Kingdom government on the Scottish government's fiscal framework](#), 2016

In parallel, investment in frontline health services has increased to bolster capacity and support the staff who kept the NHS running throughout the pandemic. In 2019-20 we invested £13.9 billion resource in the health portfolio. In 2022-23, that has grown to £17.1 billion, or 44% of the Scottish resource budget. That invests in the recovery of our health and social care system as we emerge from the pandemic and supports vital steps in increasing social care capacity and setting up a National Care Service.

COVID-19 had a wider impact on the Scottish budget. Over the course of 2020-21 and 2021-22 the Scottish Government received £13 billion in additional resource funding (with a further £500 million expected but subject to confirmation), which allowed us to support those most affected by the pandemic with financial and practical support for businesses, families and communities across Scotland. That funding has been withdrawn in the most recent UK Spending Review, reducing our funding by 7% year on year in real terms, while the real life impacts of COVID-19 continue to be felt.

At the time of the 2021-22 Scottish Budget, commentators noted that one-off COVID-19 consequentialia had been used to fund recurring activity such as mental health support. This reflects the reality of the pandemic: the virus has not gone away, and its effects will not end on 31 March 2022. Many families and businesses are still grappling with rising prices and an uncertain future and children are still living in poverty. There is a continuing need to invest and rebuild our public services for those who need them most.

2.2.2 The spending outlook in December 2021

The Scottish Budget 2022-23 sets out how we will use the £39.2 billion resource funding available to us in 2022-23. Among other investment:

- The Scottish Child Payment will be doubled to £20 a week from April 2022, and extended to under 16s by the end of 2022 to lift 44,000 children out of poverty.
- £10 million will be invested in holiday childcare for low income families and £3 million in early phasing of wraparound childcare to deliver our Covid Recovery Strategy commitment and contribute to tackling child poverty.
- The Scottish Budget 2022-23 includes £110 million to extend free bus travel to under 22's, £303 million to support bus services, and £150 million to support active travel.
- It provides £6 million for the Climate Justice Fund, as part of our commitment to help the countries most effected by climate change, yet least responsible, and the first £20 million of the 10-year, £500 million Just Transition Fund.
- Business rates measures will invest £726 million to help businesses get back on their feet after the pandemic and £50 million in targeted employment support will help young people who face long-term scarring effects from the pandemic through our Young Person's Guarantee

The Resource Spending Review will build on this foundation, by focusing public spending on delivering effective services within sustainable financing. The review will underpin how we reform public services to meet the needs of a society altered by the experiences of the pandemic while continuing to face the global challenge of the climate emergency.

2.2.3 Spending scenarios

We have a duty to ensure that our policies and the services we deliver are financially sustainable so we can meet the needs of future generations as well as our own.

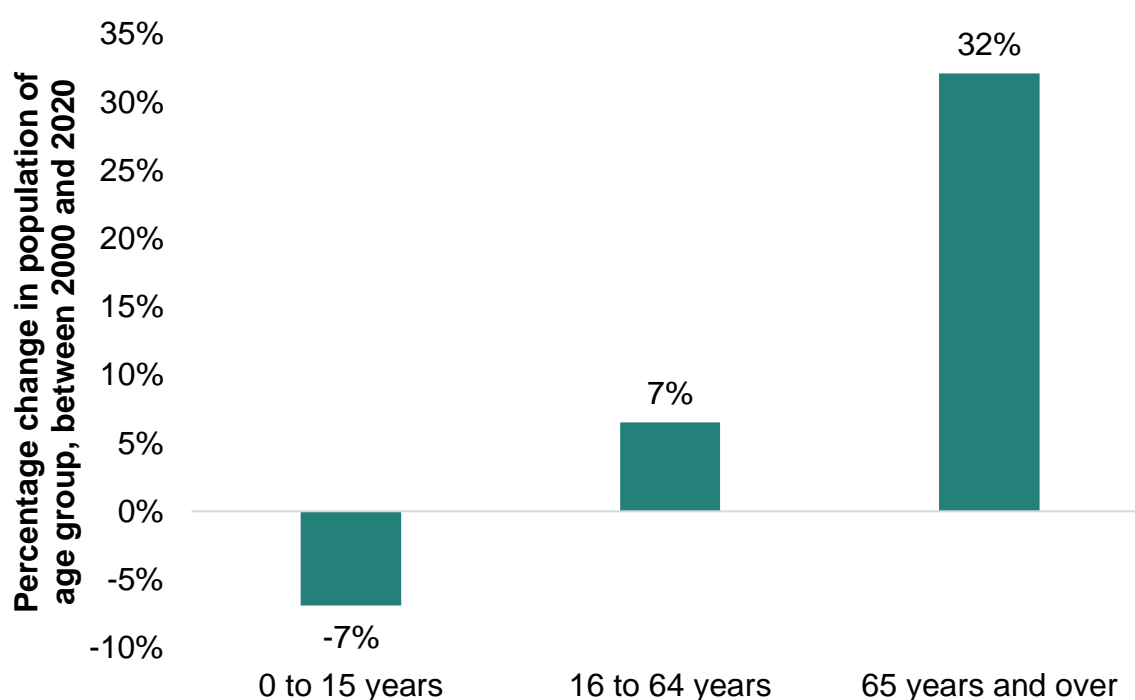
While often changes in the needs of service users emerge over a longer time period, sometimes they shift suddenly – as we saw during the pandemic. We have explored the primary drivers of public spending over the spending review period in this section, and modelled high, low and mid spending trajectories to illustrate the pressures and variables we must consider in developing sustainable spending plans.

Demographic change

The Scottish population is expected to fall by around 19,000 over the next 6 years, between 2021 and 2027, and the working age population aged 16 to 64 is expected to decline by 60,000 over the same period according to forecasts from the SFC.¹²

This affects both the funding available and the demands on public services. A decline in the working age population slows economic growth and curbs a government's ability to raise taxes. In Scotland, this effect can be magnified by the Fiscal Framework mechanism which measures the relative performance of Scottish and rUK tax revenues at a time when the total UK working age population is expected to increase.¹³

Figure 1: Population growth



More pertinently for the Resource Spending Review, the population aged over 65 is expected to grow by 119,000 over the next five years. This is welcome progress, as people in

¹² Scottish Fiscal Commission, [Scotland's Economic and Fiscal Forecasts](#), December 2021

¹³ Office for National Statistics, [Principal Projection – England and Wales Summary](#), October 2019

Scotland will contribute in many ways over their longer lifetime. The change entails a shift in patterns of economic participation and in the need for public services across the population. Poor health and complex care needs are more present in an older population which leads to an increased need for health and social care and for financial support through the social security system.

The Feeley Report on Adult Social Care¹⁴ has estimated that approximately 36,000 people in Scotland would benefit from but do not currently access social care support, and the cost of that unmet need is estimated at £436 million.

The report also emphasised the need for continued investment in social care, and referred to the Health and Social Care Medium Term Financial Framework (MTFF) published in 2018¹⁵. The MTFF projected that, if the system does not adapt or change, social care expenditure could be expected to grow by 4% per annum. This reflected inflationary and demographic effects, which are intensified in a service which supports the very elderly. This projection pre-dates the pandemic, which we know has exacerbated pressures on social care, so the underlying assumptions do need to be revisited. However, it illustrates potential growth in social care costs over the spending review period driven by the demographic and workforce pressures we are already witnessing:

Table 2: MTFF modelled growth in adult social care expenditure +/-1%

| £ billion | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 |
|--|-------------------------|---------|---------|---------|---------|
| Mid scenario¹⁶ | 4% annual growth | | | | |
| Adult social care expenditure | 4.0 | 4.1 | 4.3 | 4.5 | 4.6 |
| <i>Growth compared to 2022-23 (mid scenario)</i> | | 0.2 | 0.3 | 0.5 | 0.7 |
| Low scenario | 3% annual growth | | | | |
| Adult social care expenditure | 4.0 | 4.1 | 4.2 | 4.3 | 4.5 |
| <i>Growth compared to 2022-23 (mid scenario)</i> | | 0.1 | 0.2 | 0.4 | 0.5 |
| High scenario | 5% annual growth | | | | |
| Adult social care expenditure | 4.1 | 4.3 | 4.5 | 4.7 | 4.9 |
| <i>Growth compared to 2022-23 (mid scenario)</i> | | 0.3 | 0.5 | 0.8 | 1.0 |

Policy interventions are required to maintain the affordability of public services over the medium to long-term, and ensure they continue to meet the needs of the people of Scotland. This requires efficient service delivery, as well as a focus on demand management

¹⁴ [Independent Review of Adult Social Care - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/independent-review-of-adult-social-care/pages/1-to-4.aspx)

¹⁵ Scottish Government (2018), [Health and Social Care: medium term financial framework](#), October 2018

¹⁶ [Scottish Local Government Finance Statistics 2019-20](#), April 2021: Local authorities reported expenditure of £3.5 billion on Adult Social Care in 2019-20, the most recently available statistics. We have applied the growth rate to reach 2022-23 estimated expenditure.

through self-care, prevention and health improvement. The creation of the National Care Service is part of our response to this challenge. We anticipate that social care delivered through the National Care Service will represent a growing proportion of the Scottish budget over the coming years. However, preventative spend and person-centred delivery of support will reduce demand for other public services, and not least on the NHS. A number of measures are being taken forward now to increase capacity while we work to establish the National Care Service.

Another area affected by demographic change is social security. Social security payments currently represent £4.1 billion of the annual Scottish budget (10%), but are expected to reach £5.5 billion by 2026-27. Over 80% of social security benefits expenditure relates to disability benefits. The state pension and universal credit remain reserved.

Expenditure on social security benefits is determined by the number of people who apply for support, with those considered eligible paid at the rate set in the policy. We must meet this expenditure as it arises. That means that getting benefits policy right at the outset is vital to ensure that people receive the support they need within an affordable system that does not impact the quality of wider public services they may also rely on.

It also means that we cannot set a fixed envelope for social security spend each year. Instead, the SFC forecasts social security spend over a rolling five-year period based on confirmed benefits policy of the Scottish and UK governments, the number of people they expect to receive payments (the caseload) and how much they expect people to receive (payment rates).

A degree of error in forecasts is always expected due to the demand-led nature of benefits. Changes in policy also only enter the forecasts after they have been confirmed. The forecasts are a central estimate in a range of possible outcomes. The SFC has calculated that there was a variation of 3% between forecast and actual spend in 2020-21, over half of which reflected new Scottish Government spending decisions during the pandemic: for example, the Coronavirus Carers Allowance Supplement and the Self-Isolation Support Payment were introduced in 2020-21 as a response to the pandemic and could not have been known when SFC prepared their forecast in 2020.

Forecast error generally increases the further into the future analysts project due to the greater uncertainty as we move away from the current position. As the devolved Scottish benefits system is relatively new, we do not yet have the data to assess forecast errors across the benefits over more than one year. Instead, we have analysed variation between UK benefits payments and OBR forecasts over a number of years and applied it to current SFC forecasts to illustrate the potential range of costs over the Spending Review period.

The forecast error in UK payments over this period was higher than has historically been the case, particularly further out, due to the introduction of Personal Independence Payment, and the increased forecast uncertainty when new benefits data is introduced. However, we consider this an appropriate benchmark given the SFC will also be forecasting benefits spend for new Scottish policy, without historic data. There is considerable uncertainty in 2022-23 as a result of the launch of the new Adult Disability Payment for example.

Modelling does not yet include the forthcoming Scottish replacements for the Attendance Allowance, Carer's Allowance, Winter Fuel Payment or Industrial Injuries Disablement Benefit, which are currently delivered on our behalf by the Department for Work and Pensions and forecast based on current DWP policy. Typically, we have found that the differing approach taken in Scotland, based on our core principles of dignity, fairness and respect, has resulted in higher benefits expenditure than the block grant funding provides. For this reason, we consider the low scenario to be extremely unlikely, as current forecasts based on DWP policy are likely to underestimate benefits expenditure once Scottish replacements are fully implemented.

Table 3: Modelled effect of forecast error based on rUK historic data

| £ billion | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 |
|--|---------|---------|---------|---------|---------|
| Mid scenario (SFC forecasts) | | | | | |
| Benefits expenditure | 4.1 | 4.7 | 5.0 | 5.2 | 5.5 |
| <i>Growth compared to 2022-23 Budget Bill</i> | | 0.6 | 0.9 | 1.2 | 1.4 |
| | | | | | |
| Low scenario (less OBR forecast error) | -6% | -10% | -16% | -19% | -22% |
| Benefits expenditure | 3.8 | 4.2 | 4.2 | 4.3 | 4.3 |
| <i>Growth compared to 2022-23 Budget Bill</i> | -0.3 | 0.1 | 0.1 | 0.2 | 0.2 |
| | | | | | |
| High scenario (plus OBR forecast error) | 6% | 10% | 16% | 19% | 22% |
| Benefits expenditure | 4.3 | 5.1 | 5.7 | 6.2 | 6.7 |
| <i>Growth compared to 2022-23 Budget Bill</i> | 0.3 | 1.0 | 1.7 | 2.1 | 2.7 |

Demand on the health service

There is a global tendency for health system costs to rise beyond what can be attributed to demographic change and at a greater rate than economic growth, as set out in the 2019 OECD report: 'Health Spending Projections to 2030: New results based on a revised OECD methodology'¹⁷. This is because as medical advancements progress, which we should proudly celebrate, interventions also get more costly, last longer and are needed by a greater number of individuals. This means that just as people live longer, they also have more complex needs for a longer period of time.

Changes in demography (an aging population) are predicted to drive approximately a quarter of growth in health spend to 2030. The OECD identified three other significant drivers of growth:

- Demand for higher quality and more accessible services

¹⁷ OECD, [Health Spending Projections to 2030 : New results based on a revised OECD methodology](#), May 2019

- Rising costs, with productivity gains made more challenging by the labour-intensive nature of health care
- Technological advancement extending the scope of health services and driving demographic change as life expectancy lengthens, but people may require long-term support for chronic or multiple illnesses

The OECD recognised that demand without intervention, and therefore costs, will have an upward trajectory over time. It also recognised that the cost of a health system can be reduced through greater cost control, improved health outcomes, and preventative spend.

Similarly, published in 2018 the Scottish Government's Health and Social Care Medium Term Financial Framework (MTFF), set out drivers of demand for health and social care services and the intended approach to secure financially balanced and sustainable health and care services. It suggested that if the system does not adapt or change, health expenditure could be expected to grow by around 3.5% per annum.

We know that these pre-existing financial and performance pressures within the health and care system have been exacerbated by the pandemic and, as a result, financial assumptions underpinning previous demand trajectories will need to be revisited, along with approaches to balancing the system. The Resource Spending Review will consider this. In the meantime, the MTFF model illustrates the pressures on health funding over the spending review period.

Table 4: MTFF modelled growth in health spend +/-1%

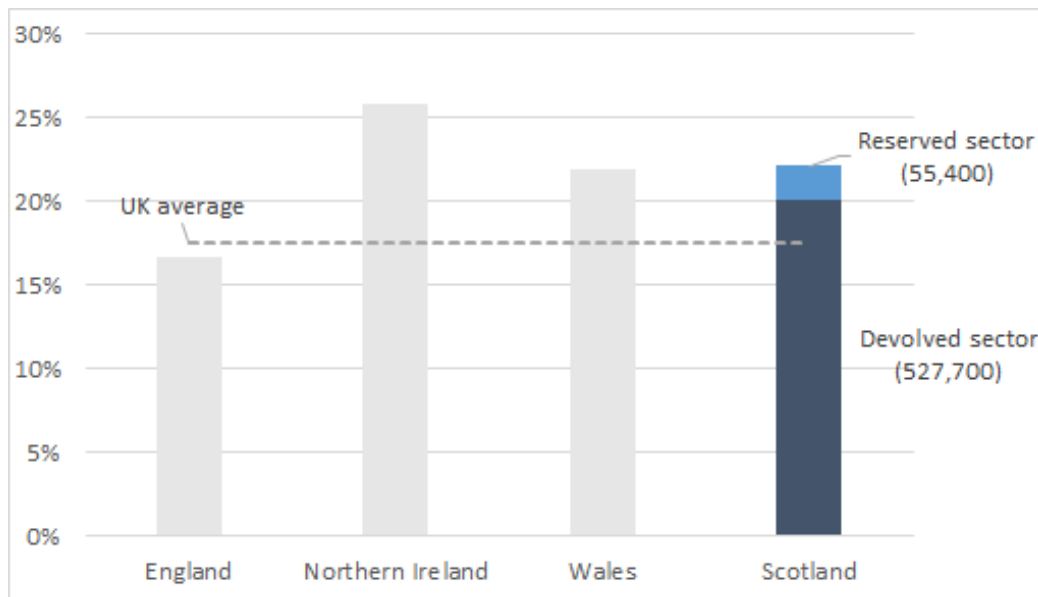
| £ billion | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 |
|---|--------------------|---------|---------|---------|---------|
| Mid scenario | 3.5% growth | | | | |
| Health expenditure | 17.1 | 17.7 | 18.3 | 19.0 | 19.6 |
| <i>Growth compared to 2022-23 Budget Bill</i> | | 0.6 | 1.2 | 1.9 | 2.5 |
| | | | | | |
| Low scenario | 2.5% growth | | | | |
| Health expenditure | 17.1 | 17.9 | 18.7 | 19.5 | 20.4 |
| <i>Growth compared to 2022-23 Budget Bill</i> | | 0.8 | 1.6 | 2.4 | 3.3 |
| | | | | | |
| High scenario | 4.5% growth | | | | |
| Health expenditure | 17.1 | 17.9 | 18.7 | 19.5 | 20.4 |
| <i>Growth compared to 2022-23 Budget Bill</i> | | 0.8 | 1.6 | 2.4 | 3.3 |

Public sector workforce

Public sector pay is expected to cost around £21.1 billion in 2022-23, which is over half of the Scottish resource budget. As we all saw and recognised during the pandemic, public sector workers play a vital role in keeping the country going during difficult times, and continued investment in our workforce will be essential as we rebuild and refocus on our long-term priorities.

The size and distribution of the workforce in the devolved public sector (which covers those bodies that are the responsibility of the Scottish Government or the Scottish Parliament, such as the local authorities and Scottish health boards, rather than the UK Government, such as HMRC) is therefore a significant driver both of public sector expenditure and the quality of our public services. As of June 2021 583,100 individuals, representing around 22% of all Scottish workers, worked in the public sector. These workers represent roughly 10% of the UK public sector workforce. Around 48% of these workers are in local government and 34% in the NHS, and we are aware that 65% of the public sector workforce are women. Overall, the Scottish public sector is proportionally larger than the UK average of 18%, with the share in England being 17%.

Figure 2: Proportion of people employed by the public sector; UK nations headcount (2021 Q2)



Sources: Public Sector Employment (Office for National Statistics); Public Sector Employment in Scotland (Scottish Government)

Over the last five years the number of public sector devolved workers has increased on average by 1% each year. Over the coming years, we anticipate the public sector will continue to grow to deliver our new social security benefits and invest in our social care workforce through the National Care Service.

To illustrate the potential future costs, based solely on historical trends on growth, we have modelled three scenarios based on assumptions around the pay award and future workforce growth.

Table 5: Illustrative public sector pay growth

| £ billion | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 |
|-----------------------------------|--|---------|---------|---------|---------|
| Mid scenario | 2% pay award; 1% workforce growth | | | | |
| Public sector pay | 21.1 | 21.7 | 22.3 | 23 | 23.7 |
| <i>Growth compared to 2022-23</i> | | 0.6 | 1.2 | 1.9 | 2.6 |
| | | | | | |
| Low scenario | 1% pay award; 0.5% workforce growth | | | | |
| Public sector pay | 21.1 | 21.4 | 21.7 | 22 | 22.4 |
| <i>Growth compared to 2022-23</i> | | 0.3 | 0.6 | 0.9 | 1.3 |
| | | | | | |
| Upper scenario | 3% pay award; 1.5% workforce growth | | | | |
| Public sector pay | 21.1 | 22.0 | 23.0 | 24.0 | 25.0 |
| <i>Growth compared to 2022-23</i> | | 0.9 | 1.9 | 2.9 | 3.9 |

Inflation

Inflation reached 4.2% in October, the highest rate in almost 10 years. Many economists believe that this high level of inflation is temporary, and reflects short-term supply chain issues and labour shortages as a result of EU Exit and the pandemic.

If high inflation continues, it may put pressure on public finances in a number of ways. We are likely to see increases in the running costs of the Scottish Government and its agencies as suppliers pass on higher costs for goods and services, such as energy or IT. Similarly, we may see the effects through higher demand for public services as the cost of living crisis bites, and an increase in the grant funding required to support our third sector partners in their essential work. In other areas, such as borrowing, rates are directly linked to inflation.

We have modelled three scenarios: inflation at the OBR rate and +/-1%, and applied it to all non-staff costs outside health and social security benefits (which have been modelled separately above).

Table 6: Effect of OBR inflation forecasts +/-1%

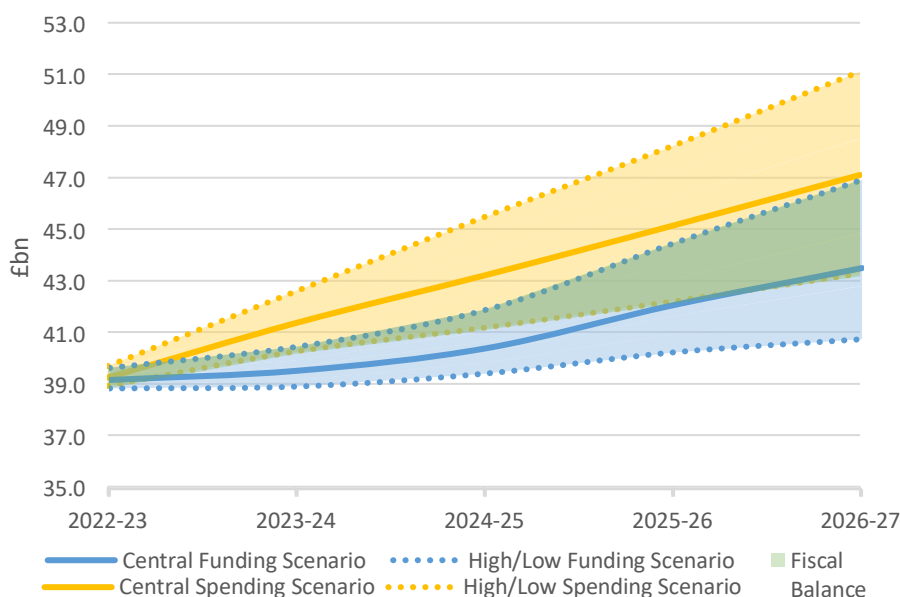
| £ billion | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 |
|---|-------------|-------------|-------------|-------------|-------------|
| Mid scenario | 3.7% | 2.3% | 2.0% | 2.0% | 2.0% |
| All other expenditure | 7.2 | 7.4 | 7.5 | 7.7 | 7.9 |
| <i>Growth compared to 2022-23 Budget Bill</i> | | 0.2 | 0.3 | 0.5 | 0.6 |
| Low scenario | 2.7% | 1.3% | 1.0% | 1.0% | 1.0% |
| All other expenditure | 7.2 | 7.3 | 7.3 | 7.4 | 7.5 |
| <i>Growth compared to 2022-23 Budget Bill</i> | -0.1 | 0.0 | 0.1 | 0.2 | 0.2 |
| High scenario | 4.7% | 3.3% | 3.0% | 3.0% | 3.0% |
| All other expenditure | 7.3 | 7.5 | 7.8 | 8.0 | 8.2 |
| <i>Growth compared to 2022-23 Budget Bill</i> | 0.1 | 0.3 | 0.5 | 0.8 | 1.0 |

2.2.4 What does this mean?

In reality, we know that public spending will mirror the funding forecasts set out in the MTFS, unless there are significant changes to the Fiscal Framework or our tax measures. The UK Spending Review raised the block grant above our pre-pandemic expectations but, compared to 2021-22, it reduced the funding available to Scottish Government for our day-to-day spend every year, despite the continuing effects of the pandemic and the economic impact of the UK's exit from the EU.

The drivers of public spending identified above illustrate the variable and growing demands on public funding over the spending review period. If we compare our central funding forecast with our mid spending projection, this suggests a growing gap which reaches approximately £3.5 billion in 2026-27. At the extremes, the low funding compared with the high spending trajectory opens an estimated gap of approximately £10.3 billion in 2026-27, while a high funding combined with a low spending trajectory gives a £3.7 billion surplus.

Figure 3: Modelled funding and spending scenarios (£ billion)



These are not forecasts, and the wide range demonstrates the inherent uncertainties. However, they illustrate the need for a robust Resource Spending Review to help us make informed decisions about how we best use the funding available to meet the evolving needs of the population.

With limited resources, increased investment in the Scottish Government's priorities will require efficiencies and reductions in spending elsewhere: we need to review long-standing decisions and encourage reform to ensure that our available funding is delivering effectively for the people of Scotland. The Resource Spending Review will, through evidence and consultation, develop four-year spending plans with the aim of managing the financial risks we face and maximising the impact of our available funding.

As a responsible Government, we must rise to the challenges of the future by putting our public finances on a sustainable trajectory. The OECD defines fiscal sustainability as 'The ability of a government to maintain public finances at a credible and serviceable position over the long term'. Largely this means maintaining sustainable levels of public debt in proportion to the size of a national economy. In the current constitutional settlement, the Scottish Government's borrowing and reserve powers are tightly constrained. This eliminates some of the risks faced by a sovereign government, such as debt levels becoming unsustainable. It also removes the flexibilities enjoyed by sovereign governments to smooth public funding over a number of years or to borrow to fund recurring expenditure.

The MTFS published alongside this document sets out the fiscal risks we have to manage and our strategy for doing so in the context of limited existing fiscal levers. However, fiscal sustainability is not simply about balancing the budget every year, or even in a multi-year setting. It is about being able to ensure that we use limited resources as efficiently and effectively as possible to make progress towards our priorities and the national outcomes. This is what the Resource Spending Review aims to achieve - ensuring that the medium and longer-term impact of the decisions we make now promote the kind of future we want to build.

Q2. In Chapter 2 we have identified the primary drivers of public spending over the Resource Spending Review period including:

- Changing demographics
- Demand on the health service
- Public sector workforce
- Inflation

We welcome your views on these and any other public spending drivers you think we should consider.

Q3. In Chapter 2 we have identified the growth of the public sector workforce as a key driver of public spending. How can we use policy interventions to maximise the value achieved from the public sector workforce in the effective delivery of public services, while ensuring the sector is an attractive, rewarding place to work?

We welcome your views on this.

3. Our Approach

This chapter outlines the proposed approach for the Scottish Government's Resource Spending Review process, including our priorities for the spending review period. It outlines how we will consider public spending and optimise outcomes within the funding and fiscal levers available to us.

3.1 Our priorities

The choices made around the allocation of funding will profoundly shape the nature and impact of public services and policy interventions in Scotland. It is important that we define the core priorities against which to appraise potential spending plans.

As noted previously three core priorities have been identified for the 2022-23 Budget and the Resource Spending Review:

- To support progress to meet our child poverty targets
- To address climate change
- To secure a stronger, fairer, greener economy

It is our assessment that delivery of these three priorities will be at risk unless this Resource Spending Review prioritises spending more explicitly in support of activity to advance the achievement of their targets. Therefore we will apply criteria in support of these three priorities through our process.

Further pragmatic criteria will need to be deployed in the analysis of spending plans – particularly in the case of spending to sustain the NHS or to meet legal or statutory commitments. However, these three priorities will remain at the core of our work.

3.2 Our principles

Given the challenges facing the public purse outlined in the previous chapter, it is imperative that public spending is deployed as efficiently and effectively as possible. Setting multi-year financial plans generates the opportunity to move towards longer term delivery planning which is necessary to support deeper reform. Across our portfolios, we hear consistently from stakeholders that annual budgeting restricts them to short-term decision making. We are hopeful that the resource spending review will support the ambition to drive reform programmes of change for better outcomes across the policy landscape.

To do this, we will structure our work around three principles:

- **Outcomes focused:** Our review will focus on how the delivery of positive outcomes for the people of Scotland are best supported. Budgets are often framed as input mechanisms, but as we examine the effectiveness of spend across portfolios, we will maintain a longer-term outcomes focus to inform decisions. We shall consider the impact of spending and specifically how it contributes to tackling inequality and realising human rights. We recognise that in developing plans for public spending that we are not all starting from an even playing field. Ultimately this focus on outcomes supports the National Performance Framework which set out the National Outcomes that Scottish Government seeks to deliver. These outcomes have been developed to reflect the values and aspirations of the people of Scotland, are aligned

with the United Nations Sustainable Development Goals and help to track progress in reducing inequality. Our mission and Resource Spending Review priorities sit within this context.

- Evidence informed: Our work will be underpinned by an evidence-based assessment of how well our spending delivers for the core priorities of the Scottish Government, and how our spending meets the central principles of fiscal sustainability. This will include identifying where there is a need to develop further tools for monitoring and evaluating spend over the longer term.
- Consultative: We will adopt a consultative approach to ensure that citizens', stakeholders' and delivery partners' voices influence our spending plans, and that this review is part of a longer-term journey to better public engagement on Scotland's fiscal future (see Chapter 4 for more details on the Resource Spending Review Conversation).

3.3 Funding our priorities

As Chapter 2 demonstrated, we will need to adapt and future-proof our public spending to meet the changing needs of the people of Scotland, and deliver our mission.

As already noted, the Scottish Government faces significant challenge in relation to its funding position. In order to provide additional funding towards our priorities we need to ensure that our public funds are used to optimal effect. Therefore efficiency, effectiveness and value for money will be crucial to how we review spending across the Scottish Government, and central to the robust challenge process we will undertake.

Preparatory work during 2021 has identified a number of ways to approach this challenge. They are heavily informed by the principles of the Christie commission's report on the future of public services¹⁸, which was published in 2011:

- Empower individuals and communities
- Integrate service provision
- Prevent negative outcomes from arising
- Become more efficient by reducing duplication and sharing services

The ways of considering public spending that we have identified are:

- Cross-government collaboration: we will identify where there may be shared interest, duplication or overlap in intended policy outcomes over multiple portfolios. Where there is, we will look to develop a more effective and efficient cross-government solution.
- Public service reform: as well as challenging portfolios, we will also examine discrete opportunities for longer-term, large-scale public service reform and transformation that leads to both beneficial outcomes for our citizens and the realisation of more fiscally sustainable delivery mechanisms.

¹⁸ [Christie Commission on the future delivery of public services](#)

- Prevention: we will consider options to redirect funding towards demonstrable preventative approaches. Effectively targeted preventative programmes can improve service delivery and achieve outcomes whilst reducing demand on public services and, consequently, costs to the public purse.
- The public sector workforce: we will consider the capacity and distribution of our public service workforce in Scotland to ensure that it is fit for purpose and is future-proofed. We will consider public sector reward to ensure that our valuable public servants are rewarded fairly.
- Better targeting: we are investigating whether there are opportunities to refine the targeting of some policies in order to focus on achieving outcomes for those most in need, whilst releasing funding to be put towards other measures.
- Targeted revenue raising: we will investigate discrete opportunities to raise revenue, for example, options for fees and charges associated with spending decisions. Any ideas identified will be carefully considered to ensure they are proportionate.

Any changes to devolved taxation will be considered in line with the Scottish Approach to Taxation, as set out in Scotland's Framework for Tax, which will be published shortly. The revenues generated from devolved and local tax powers play an increasingly important role in determining the overall funding for the Scottish Budget.

We will continue to progress these opportunities throughout the process of the Resource Spending Review, alongside any others identified through engagement or in the process of the internal review. Any viable opportunities will be assessed for potential equality impact and included in the findings of our final publication.

3.4 Equality

The Resource Spending Review's process and findings will be subject to appropriate impact assessments, taking into account the Scottish Government's responsibilities under both the Public Sector Equality Duty and the Fairer Scotland Duty as well as our human rights commitments.

We will work with the Equality Budgeting Advisory Group to ensure that a proportionate and robust approach is taken across the whole of the process.

Q4. In Chapter 3 we have identified a number of ways in which we will be exploring how to get best value out of Scotland's public spending, including:

- Improving cross-government collaboration
- Public service reform
- Prevention and invest to save initiatives
- The public sector workforce
- Better targeting
- Targeted revenue raising

We welcome your views on these, and other ways to maximise the positive impact of public spending.

Q5. In Chapter 3 we have shared that we will be conducting an equality assessment of the Resource Spending Review's findings.

We welcome your views on any particular equality and human rights impacts which we should consider in the context of the priorities (question 1) and primary drivers of public spending (question 2) we have set out.

4. The Resource Spending Review Conversation

The fiscal landscape has altered significantly since the previous Scottish Spending Review, and the way in which we develop our multi-year spending plans has changed too. As the nation and government embrace new powers and responsibilities, we do so with a commitment to transparency and engagement. This consultative process will be part of a longer term ‘conversation’ about fiscal sustainability with people and organisations across Scotland.

The Scottish Government is a member of the Open Government Partnership (OGP) and improving fiscal openness and transparency is a key commitment in Scotland’s next OGP Action Plan (2021-25). In accord with the Written Agreement with the Finance and Constitution Committee of Session 5 of the Scottish Parliament the Capital Spending Review in 2021 was informed by public engagement. We have also recently consulted on Scotland’s first Framework for Tax and the Budget. Consulting on the Resource Spending Review is another step on this engagement journey.

Across this activity we are looking to improve fiscal transparency, while reviewing the accessibility and usability of existing and future information and guidance. We have also committed to improve engagement and participation to enable a fuller understanding of how the public finances are managed, and to enable stakeholders to explore how, where and why decisions are taken in relation to resource funding. So, in addition to approaching this review with an outcomes focus and an emphasis on evidence, we also envision this as a consultative process.

To do this we are:

- Creating opportunities for people to contribute their views on questions related to the review – see online details [here](#)
- Connecting with Parliamentarians and stakeholders with an interest in this spending review
- Engaging with a range of organisations and representative groups to hear their views on the questions related to the review
- Gathering views on the best ways to take forward ‘the fiscal conversation’ during and after the Resource Spending Review process

From the date of publication, we are opening a period of engagement until 27 March 2022. All our consultation questions are listed in Annex A. If you are unable to use the online consultation link shared above, please email ResourceSpendingReview@gov.scot.

The below table provides an overview of the process and key dates:

| Date | Activities |
|----------------------|---|
| 9 December 2021 | Framework published |
| 9 December 2021 | Consultation opens |
| 27 March 2022 | Consultation closes |
| TBC Spring 2022 | UK Spring Statement – budgets reviewed in light of this |
| March and April 2022 | Internal allocations process |
| May 2022 | Resource Spending Review published |

Q6 In Chapter 3 we shared that this Resource Spending Review is taking a consultative approach to ensure that we engage with people and organisations across Scotland as we develop multi-year financial plans. Our intention is to use the Resource Spending Review to continue the Scottish conversation on public spending going forwards.

We welcome your views on how best to continue our engagement with people and organisations after the Resource Spending Review.

List of acronyms

| | |
|----------|---|
| AME | Annually Managed Expenditure |
| COP26 | 26th United Nations Climate Change Conference of the Parties |
| COVID-19 | Coronavirus Disease 2019 |
| DWP | Department for Work and Pensions |
| EU | European Union |
| GDP | Gross Domestic Product |
| HM | Her Majesty's |
| HMRC | Her Majesty's Revenue & Customs |
| IMA | Internal Market Act |
| IT | Information Technology |
| MSP | Member of the Scottish Parliament |
| MTFF | Health and Social Care Medium Term Financial Framework |
| MTFS | Medium-Term Financial Strategy |
| NHS | National Health Service |
| OBR | Office for Budget Responsibility |
| OECD | Organisation for Economic Cooperation and Development |
| OGP | Open Government Partnership |
| rUK | Rest of the United Kingdom (i.e. England, Wales and Northern Ireland) |
| SFC | Scottish Fiscal Commission |
| TBC | To be confirmed |
| UK | United Kingdom |

Glossary

| | |
|-------------------------|---|
| Austerity | A set of policies that aim to reduce government budget deficits, usually through spending cuts, tax increases, or a combination of both. |
| Barnett Formula | A formula used by the HM Treasury to calculate consequentialia which form the Block Grant to devolved governments in Scotland, Wales and Northern Ireland. The Barnett formula seeks to give these governments a proportion (or consequential) of UK expenditure incurred in policy areas which are devolved. |
| Budget | A document prepared by the government to present its anticipated tax revenues and proposed spending/expenditure for the coming financial year. |
| Block grant | The grant received by the Scottish Government made up of consequentialia of UK expenditure, calculated by the Barnett Formula. |
| Block grant adjustment | Deductions from the Scottish Government's total Block Grant to reflect devolved tax receipts or social security expenditure. |
| Capital spending | Money spent on providing or improving non-current assets, which include land, buildings and equipment, which will be of use or benefit in providing services for more than one financial year. |
| Capital Spending Review | A review to balance the capital spending ambitions of the new Scottish Government within its fiscal constraints. |

| | |
|------------------------|---|
| Climate emergency | A situation in which urgent action is required to reduce or halt climate change and avoid potentially irreversible environmental damage resulting from it. |
| Climate justice | A climate justice approach recognises that it is those least responsible for the global climate emergency that are being affected first and most severely by it. |
| Consequential | A Barnett Consequential is the change to a devolved administration's assigned budget as a consequence of changes in spending by the UK Government. |
| Demand-led | Refers to expenditure which can be predicted at the beginning of the year e.g. the payment of benefits which will depend on the number of eligible claimants. Usually managed through Annually Managed Expenditure (AME). |
| Fair work | Work that offers effective voice, opportunity, security, fulfilment and respect; that balances the rights and responsibilities of employers and workers and that can generate benefits for individuals, organisations and society. |
| Fiscal framework | The Fiscal Framework agreement was published alongside the Scotland Act 2016 setting out the new funding arrangements, fiscal rules and borrowing powers for the Scottish Government. |
| Funding outlook | Projection of future funding built up by forecasting separate elements of funding and then aggregating these to produce a path for the total level of potential funding. |
| Gross domestic product | A measure of the size and health of a country's economy over a period of time (usually one quarter or one year). |
| Just transition | A just transition is both the outcome – a fairer, greener future for all – and the process that must be undertaken in partnership with those impacted by the transition to net zero. Just transition is how we get to a net zero and climate resilient economy, in a way that delivers fairness and tackles inequality and injustice. |
| National outcomes | The Scottish Government's broad policy aims. |

| | |
|--------------------------|---|
| Net zero | Achieving an overall balance between emissions produced and emissions taken out of the atmosphere. |
| Priority families | Six household types identified within the Tackling Child Poverty Delivery Plan (2018-22) ¹⁹ as being at higher risk of child poverty. |
| Resource Spending | Money that is spent on day-to-day resources and administration costs. |
| Resource Spending Review | A review to balance the resource spending ambitions of the new Scottish Government within its fiscal constraints. |
| Scotland Reserve | Enables the Scottish Government to manage volatility associated with the fiscal powers. |
| Social security | Monetary assistance from the state for people with an inadequate or no income. |
| UK Spending Review | Allocation of funding to government departments. |
| Universal credit | A UK social security payment to help eligible individuals pay for living costs. |
| Wellbeing economy | An economy that is inclusive and that promotes sustainability, prosperity and resilience, where businesses can thrive and innovate, and that supports all of our communities across Scotland to access opportunities that deliver local growth and wellbeing. |

¹⁹ Scottish Government, [Every child, every chance: tackling child poverty delivery plan 2018-2022](#), March 2018

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Figure 3: Modelled funding and spending trajectories

ANNEX

ANNEX A: Consultation Questions

Q1. In Chapter 1 we have identified three priorities to guide the Resource Spending Review process:

- To support progress towards meeting our child poverty targets
- To address climate change
- To secure a stronger, fairer, greener economy

Setting these as priorities helps us consider where spend should be targeted and re-directed. Do you agree that our resource spending should focus on these?

We welcome your views on these three priorities for this Resource Spending Review.

Q2. In Chapter 2 we have identified the primary drivers of public spending over the Resource Spending Review period including:

- Changing demographics
- Demand on the health service
- Public sector workforce
- Inflation

We welcome your views on these and any other public spending drivers you think we should consider.

Q3. In Chapter 2 we have identified the growth of the public sector workforce as a key driver of public spending. How can we use policy interventions to maximise the value achieved from the public sector workforce in the effective delivery of public services, while ensuring the sector is an attractive, rewarding place to work?

We welcome your views on this.

Q4. In Chapter 3 we have identified a number of ways in which we will be exploring how to get best value out of Scotland's public spending, including:

- Improving cross-government collaboration
- Public service reform
- Prevention and invest to save initiatives
- The public sector workforce
- Better targeting
- Targeted revenue raising

We welcome your views on these, and other ways to maximise the positive impact of public spending.

Q5. In Chapter 3 we have shared that we will be conducting an equality assessment of the Resource Spending Review's findings.

We welcome your views on any particular equality and human rights impacts which we should consider in the context of the priorities (question 1) and primary drivers of public spending (question 2) we have set out.

Q6. In Chapter 3 we shared that this Resource Spending Review is taking a consultative approach to ensure that we engage with people and organisations across Scotland as we develop multi-year financial plans. Our intention is to use the Resource Spending Review to continue the Scottish conversation on public spending going forwards.

We welcome your views on how best to continue our engagement with people and organisations after the Resource Spending Review.



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This publication is available at www.gov.scot

Any enquiries regarding this publication should be sent to us at

The Scottish Government
St Andrew's House
Edinburgh
EH1 3DG

ISBN: 978-1-80201-756-4 (web only)

Published by The Scottish Government, December 2021

Produced for The Scottish Government by APS Group Scotland, 21 Tennant Street, Edinburgh EH6 5NA
PPDAS980866 (12/21)

ANNEX A: Consultation Questions

Q1. In Chapter 1 we have identified three priorities to guide the Resource Spending Review process:

- To support progress towards meeting our child poverty targets
- To address climate change
- To secure a stronger, fairer, greener economy

Setting these as priorities helps us consider where spend should be targeted and re-directed. Do you agree that our resource spending should focus on these?

We welcome your views on these three priorities for this Resource Spending Review.

Renfrewshire Council - response to Q1:

These priorities broadly reflect those outlined within the national COVID recovery strategy and are core partnership priorities in Renfrewshire within our existing social and economic renewal plans which were developed as a response to COVID. These plans were informed by a COVID community impact assessment undertaken in 2020, which is currently being refreshed.

In Renfrewshire, partners are developing a new Fairer Renfrewshire programme, which will ensure partners have a strong focus on tackling the inequalities which have been exacerbated by the pandemic, particularly in relation to child poverty, financial insecurity and wider wellbeing. The cost of living crisis requires all partners to look at new ways of supporting people from low income households – families and individuals.

In light of our local experience gained through our community impact assessment, the focus on wellbeing in terms of mental and physical health needs to be front and centre of our national and local priorities. Health inequalities in particular were particular drivers of deprivation in Scotland prior to the pandemic in relation to factors such as alcohol and drug use, obesity, mental health etc, and the prioritisation of population health and wellbeing approaches needs to be more fully recognised in our spending priorities as we recover from the impact of the pandemic.

In addition, children and young people need to continue to be recognised as a significant priority within national funding priorities. Whilst funding has been provided in recent years in terms of attainment, early years and to support the response to the Promise, it is important to recognise that the pandemic has significantly impacted Scotland's children and young people, and that investment in this demographic group in terms of promoting life chances and improving health and wellbeing is required now – to improve individual outcomes and to reduce future reliance on services in the future.

In relation to the funding of these priorities, we support the commitment of the Cabinet Secretary for Finance and the Economy to review the ring-fencing of funding as part of this spending review, providing the significant advantage of allowing councils to use resources across all services that support local and national priorities.

ANNEX A: Consultation Questions

Q2. In Chapter 2 we have identified the primary drivers of public spending over the Resource Spending Review period including:

- Changing demographics
- Demand on the health service
- Public sector workforce
- Inflation

We welcome your views on these and any other public spending drivers you think we should consider.

Renfrewshire Council - response to Q2:

The need to build such drivers into spending forecasts is well-rehearsed and particularly critical as we emerge from the pandemic and continue to experience rising inflation on energy prices and increasing material and supply chain costs across all sectors.

Public sector bodies such as local authorities are operating in a hugely challenging environment as they work together to promote recovery from the wider impacts of the pandemic. COVID exacerbated the existing inequalities which existed across communities, and now coupled with the cost of living crisis and wider global economic and social upheaval, citizens, communities and businesses are likely to see these impacts deepen further.

The key drivers outlined above are relevant and linked to these challenges, however whilst the increasing ageing population and need to grow the working age population remain important medium term considerations for the ongoing sustainability of health and social care services, there requires to be more focus on inequalities which are widening across communities. These inequalities are drivers of demand in health, social care and wider public sector services. A driver of future spending should be on early intervention and prevention, particularly in relation children and young people and health and wellbeing, and the development of local place based approaches to tackling inequality.

The climate emergency and the need to move at pace to transition to net zero carbon emissions, needs to be more strongly reinforced within the spending priorities. The scale of investment required by public sector organisations to achieve this ambition will be a significant challenge to secure without new and innovative approaches being adopted in relation to funding.

ANNEX A: Consultation Questions

Q3. In Chapter 2 we have identified the growth of the public sector workforce as a key driver of public spending. How can we use policy interventions to maximise the value achieved from the public sector workforce in the effective delivery of public services, while ensuring the sector is an attractive, rewarding place to work?

We welcome your views on this.

Renfrewshire Council - response to Q3:

The local authority workforce, as with other public sector organisations, remains under significant pressure. Increasingly, recruitment to posts across local authority service areas are becoming difficult to fill, as is retention of staff. Funding pay settlements is increasingly challenging for local authority budgets and with anticipated inflationary pressure this looks set to worsen in the short to medium term.

National shortage of workforce is a key areas of concern for local authorities. To reduce reliance on agency workers where gaps are difficult to fill, areas such as development in professional apprenticeships would be welcome to enable local authorities to grow their own skilled workforces.

In addition, removal of barriers to international employment would be welcome, which would bring benefits such as developing young people in areas where particular authorities have a high population of their workforce at or around assumed retirement age; in addition an international workforce would enhance diversity, new ways of working and stabilise attrition in areas such as Health and Social Care.

Flexible and Hybrid Working: to minimise the cost of equipment and facility requirements and to support recruitment and retention, genuine flexible/hybrid/remote working policies should be supported and modernised. In addition, consideration of the 4-day working week and associated policy and funding for local authorities could also weave into this flexible and agile working, supporting the workforce wellbeing and work-life balance. This brings a risk of gaps which will need to be managed. This would also support the Equality and Inclusion agenda.

Career Paths is also a key consideration, as many local authority employees are in roles where they have been at the top of their grade for some time with limited options to develop their careers, affecting retention rates. Agile and flexible approaches to re-organisation and restructure to enable development and fulfilment will allow the workforce to take more responsibility, develop and improve retention.

In addition to valuing the workforce through pay and conditions, a key driver of job satisfaction relates to the ability to improve outcomes across local communities. COVID has been a catalyst for closer working relationships at local levels, and it is vital that public sector organisations are able to build on this progress and work together within specific communities to support the needs of local people. The majority of local authority staff work and live within their local authority boundary, experiencing first-hand the difference they can make at a local level.

The role of local authorities in terms of joining up services and wrapping services around individuals and families should be promoted, with investment prioritised to develop this type of support at a local level.

ANNEX A: Consultation Questions

Q4. In Chapter 3 we have identified a number of ways in which we will be exploring how to get best value out of Scotland's public spending, including:

- Improving cross-government collaboration
- Public service reform
- Prevention and invest to save initiatives
- The public sector workforce
- Better targeting
- Targeted revenue raising

We welcome your views on these, and other ways to maximise the positive impact of public spending.

Renfrewshire Council - response to Q4:

In order to maximise the impact of local authority spending, planning for the medium to long-term is essential. If we wish to properly tackle the local and national priorities facing our communities, we must implement policies, initiatives and projects that span financial years and whose outcomes take time to materialise.

One critical tool we need to allow this proper planning is multi-year settlement information from the Scottish Government. We recognise that there will be annual updates to indicative spending plans; the last two years have shown clearly how quickly we must respond to our changing environment. It would, however, be a key factor in providing more financial certainty to councils and their communities.

As noted in our response to Q1 also, a reduction in the specific direction or ring-fencing of funding would certainly lead to improved local flexibility, allowing councils to direct funds towards priorities that most benefit their communities and provide best value, high quality services.

A commitment from the Scottish Government to improve core funding for local government would be welcome. While local government is supportive of (and is instrumental in the delivery of) many Scottish Government priorities, practically all growth in the local government settlement in recent years has been directly related to the funding of Scottish Government priorities as opposed to addressing core budget challenges for councils like pay and supplies inflation.

We would also support improved cross-sector collaboration to ensure that councils are sharing best practice with each other and in the wider public sector, including exploring opportunities for shared services or collaborative strategic leadership.

ANNEX A: Consultation Questions

Q5. In Chapter 3 we have shared that we will be conducting an equality assessment of the Resource Spending Review's findings.

We welcome your views on any particular equality and human rights impacts which we should consider in the context of the priorities (question 1) and primary drivers of public spending (question 2) we have set out.

Renfrewshire Council - response to Q5:

As detailed in our response to questions 1 and 2, a key driver of public spending should be tackling widening levels of inequality being experienced across communities, which have been exacerbated by COVID and the impacts of which are deepening further due to the cost of living crisis. It is important to involve people with lived experience in any equality impact assessments undertaken.

Q6. In Chapter 3 we shared that this Resource Spending Review is taking a consultative approach to ensure that we engage with people and organisations across Scotland as we develop multi-year financial plans. Our intention is to use the Resource Spending Review to continue the Scottish conversation on public spending going forwards.

We welcome your views on how best to continue our engagement with people and organisations after the Resource Spending Review.

Renfrewshire Council - response to Q6:

The Scottish Government may wish to consider putting in place a standing Citizen's / Business Assembly, or other consultation activity or forum, that would allow the conversation on public spending in Scotland to continue in a supported way, using the voice of lived experience to inform approaches adopted in the future.



To: Finance, Resources and Customer Services Policy Board

On: 30 March 2022

Report by: Director of Finance and Resources

Heading: Civic Hospitality

1. Summary

1.1 The following requests for civic hospitality have been received for financial year 2022/23.

- a) Correspondence has been received from Renfrew Record Club requesting civic hospitality to accompany their 50th Anniversary celebrations in June 2022. They have suggested the possibility of a civic reception for 35 people at the Glynhill Hotel, Renfrew.

Following consultation with the Provost, it is proposed that the Board agree to provide hospitality in the form of a lunch on 27th June 2022 at a cost of £900 and that it be delegated to the Director of Finance & Resources in consultation with the Provost to make the necessary arrangements.

- b) Correspondence has been received from the Renfrew Rotary Club requesting civic hospitality to accompany their 70th anniversary celebrations on 16th September 2022. They have suggested the possibility of a civic reception for 125 people at the Ralston Golf Club, Paisley.

Following consultation with the Provost, it is proposed that the Board agree to provide hospitality in the form of a dinner at a cost of approximately £2500; and that it be delegated to the Director of Finance & Resources in consultation with the Provost to make the necessary arrangements.

- c) Correspondence has been received from Paisley Pirates in relation to their 75th Anniversary. The club have suggested the possibility of civic hospitality in the form of a dinner for 100 people on 19th August 2022 at the Glynhill Hotel, Renfrew.

Following consultation with the Provost, it is proposed that the Board agree to provide hospitality as detailed above at a cost of approximately £2,900; and that it be delegated to the Director of Finance & Resources in consultation with the Provost to make the necessary arrangements.

- d) Correspondence has been received from Enable, Renfrew in relation to their 60th Anniversary. Enable have suggested the possibility of civic hospitality in the form of a dinner for 100 people on 29th September 2022 at the Glynhill Hotel, Renfrew.

Following consultation with the Provost, it is proposed that the Board agree to provide hospitality as detailed above at a cost of approximately £2,900, and that it be delegated to the Director of Finance & Resources in consultation with the Provost to make the necessary arrangements.

- e) Correspondence has been received from our twin town of Gladsaxe in Denmark, in relation to an educational and cultural visit they are planning with Renfrew High School in June 2022. They have suggested the possibility of a civic reception in the form of a hot buffet for 90 guests on 6th June 2022 at Lapwing Lodge.

Following consultation with the Provost, it is proposed that the Board agree to provide hospitality as detailed above at the cost of approximately £2200, and that it be delegated to the Director of Finance & Resources in consultation with the Provost to make the necessary arrangements

- f) Correspondence has been received from St George's Church, Paisley in relation to their 60th Anniversary of Glenburn Church, Paisley. They have suggested the possibility of civic hospitality in the form of an afternoon tea for 100 guests at St George's Outreach Centre on 24th April 2022 to accompany this.

Following consultation with the Provost, it is proposed that the Board agree to provide the hospitality as detailed above at a cost of approximately £900, and that it be delegated to the Director of Finance & Resources in consultation with the Provost to make the necessary arrangements.

- g) There will be a small ceremony and a plaque unveiling on 20th April 2022 to commemorate the Paisley Canal disaster, which claimed the lives of 85 people on 10th November 1810. A local business has donated this plaque and it is anticipated that a small civic reception would follow the unveiling.

Following consultation with the Provost, it is proposed that the Board agree to a small reception for approximately 20 people for tea, coffee and cake at the cost of £150, and that it be delegated to the Director of Finance & Resources in consultation with the Provost to make the necessary arrangements.

- 1.2 The budget provision for 2022/23 for Civic Hospitality (including international Links) is £46,460. Should the above be agreed, and taking account of previous decisions, the remaining balance would be approximately £18,410.

2. Recommendations

- 2.1 That the Board agrees to: (a) provide the hospitality as detailed above for Renfrew Record Club, Renfrew Rotary Club, Paisley Pirates, Enable Renfrew, Gladsaxe, St George's Church and the unveiling for the Paisley Canal disaster; (b) that it be delegated to the Director of Finance & Resources in consultation with the Provost to make the necessary arrangements.
-

Implications of the Report

1. **Financial** – The costs of the request from civic hospitality will be met from the 2022/23 budget provision.
2. **HR & Organisational Development** - None
3. **Community/Council Planning** – Civic receptions provide recognition of the contributions made by individuals and organisations to the fabric of life in Renfrewshire.
4. **Legal** - none.
5. **Property/Assets** - none.
6. **Information Technology** – none
7. **Equality & Human Rights**

- (a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8. **Health & Safety** - none
9. **Procurement** - none
10. **Risk** – none
11. **Privacy Impact** - none.
12. **Climate Risk** – none
13. **Cosla Policy Position** – not applicable

List of Background Papers

- (a) Background Paper 1 – Email correspondence from Renfrew Record Club
- (b) Background Paper 2 – Email correspondence from Renfrew Rotary Club
- (c) Background Paper 3 – Email correspondence from Paisley Pirates
- (d) Background Paper 4 – Email correspondence from Enable Renfrew
- (e) Background Paper 5 – Email correspondence from our twin town of Gladsaxe
- (f) Background Paper 6 – Email correspondence from St George's Church

The foregoing background papers will be retained within Finance & Resources for inspection by the public for the prescribed period of four years from the date of the meeting. The contact officer within the service is Donna Gallagher, Member Services Officer (Telephone – 0141 618 6794, e-mail – donna.gallagher-pt@renfrewshire.gov.uk

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To: Finance, Resources and Customer Services Policy Board

On: 30 March 2022

Report by: Chief Executive and the Director of Environment and Infrastructure

Heading: Notification of Correction to Report - Framework Contract for Roads Related Maintenance Works (RC-CPU-20-172)

1. Summary

- 1.1 The purpose of this report is to notify the Finance, Resources and Customer Services Policy Board of an evaluation error in the Framework Contract for Roads Related Maintenance Works recommended for award at the Finance, Resources and Customer Services Policy Board on 2 February 2022.
 - 1.2 This notification of correction to report is submitted in accordance with Standing Order 28 – Rescinding of Decisions of the Procedural Standing Orders.
-

2. Recommendations

- 2.1 The Finance, Resources and Customer Services Policy Board are asked to note that:
 - 2.1.1 Following recommendations to make awards at the Finance , Resources and Customer Services Policy Board on 2 February 2022, two evaluation errors were identified which formed part of the selection process meaning that those tender submissions should have been rejected rather than recommended for award. These errors had an impact on award of the following Lots:
 - Lot 6 – Pre-Patching in Advance of Surface Dressing; and
 - Lot 7 – Works to Roads Related Structures.

- 2.1.2 the Strategic Commercial and Procurement Manager agreed the modification to the recommendations approved to ensure compliance with the invitation to tender. As a result, once the errors were identified, two parties were excluded from award. One from Lot 6 (Hillhouse Quarry Group Limited t/a MacAsphalt) and one from Lot 7 (WI&A Gilbert Limited).
- 2.1.3 As only one supplier (Chemcem Scotland Limited) would remain on Lot 7, and in accordance with the invitation to tender, a decision has been taken not to award Lot 7 as the Strategic Commercial and Procurement Manager accepted this would fail to allow for the competition required under said Lot 7.
- 2.1.4 Framework Contracts have now been awarded to all other parties listed in Appendix 2 of the Contract Authorisation Report for a Framework Contract for Roads Related Maintenance Works (RC-CPU-20-172) to the Finance , Resources and Customer Services Policy Board on 2 February 2022.
-

3. Background

- 3.1 The Framework Contract for Roads Related Maintenance Works was approved at the Finance, Resources and Customer Services Policy Board on 2 February 2022. Under Procedural Standing Order clause 28 - Rescinding of Decisions, this report explains the material change in circumstances that has since occurred.
- 3.2 An evaluation error which formed part of the selection process has been found and this error impacted on the award of the following Lots:
- Lot 6 – Pre-Patching in Advance of Surface Dressing; and
 - Lot 7 – Works to Roads Related Structures.
- 3.3 The Invitation to Tender had a selection requirement which placed a limit on fee percentages Tenderers were to include within their Tender Submission. The Invitation to Tender stipulated that Tenderers who tendered a fee percentage in excess of this limit would have their bid rejected.
- 3.4 One Tenderer (Hillhouse Quarry Group Limited t/a MacAsphalt) who submitted a bid for Lot 6 – Pre-Patching in Advance of Surface Dressing tendered a fee percentage in excess of the limit. As a result, their bid has been rejected and Hillhouse Quarry Group Limited t/a MacAsphalt were not awarded a place on Lot 6.
- 3.5 One Tenderer (WI&A Gilbert Limited) who submitted a bid for Lot 7 – Works to Roads Related Structures tendered a fee percentage in excess of the limit. As a result, their bid has been rejected. Consequently, this left only one (1) Tenderer

in this Lot. As this Lot was to be ranked to ensure capacity and competition, it was not awarded as awarding to only one tenderer would not offer the required competition and so no longer demonstrated best value.

- 3.6 The revised scores achieved by each Tenderer in Lot 6 – Pre-Patching in Advance of Surface Dressing are as set out in Appendix 1 (attached to this report).
- 3.7 The revised list of Suppliers awarded a place on Lot 6 – Pre-Patching in Advance of Surface Dressing are as set out in Appendix 2 (attached to this report).

Implications of the Report

- 1. **Financial**
The cost of all Package Orders (Call-Off Contracts) issued under this Framework Contract will be met by the individual Service budgets.
- 2. **HR & Organisational Development**
Not applicable.
- 3. **Community/Council Planning**
Reshaping our place, our economy and our future – the Framework Contract proposed will support the delivery of this outcome.
- 4. **Legal**
The tendering procedure for this Works Framework Contract was conducted in accordance with the Public Contracts (Scotland) Regulations 2015, as amended under the Open Procedure and Renfrewshire Council's Standing Orders Relating to Contracts for over GPA threshold Works contracts.
- 5. **Property/Assets**
The Council's roads infrastructure will be maintained to a high standard.
- 6. **Information Technology**
No Information Technology implications have been identified or are anticipated.
- 7. **Equality & Human Rights**
The recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations

and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8. **Health & Safety**

All Suppliers health and safety credentials were evaluated by Corporate Health and Safety and met the Council's requirements regarding health and safety.

9. **Procurement**

The procurement procedures outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.

10. **Risk**

All Suppliers insurances have been assessed and evaluated to confirm that they have met the minimum requirements regarding insurable risk.

11. **Privacy Impact**

No Privacy Impact implications have been identified or are anticipated.

12. **Cosla Policy Position**

No Cosla Policy implications have arisen or anticipated.

13. **Climate Risk**

The level of impact associated with works connected with the Framework Contract has been assessed using the Scottish Government Sustainability Test and is considered to be high risk. Suppliers awarded Package Orders (Call-off Contracts) under the Framework Contract will be required to organise their activities in such a way that the impact they have on the environment is minimised.

List of Background Papers

Contract Authorisation Report for a Framework Contract for Roads Related Maintenance Works (RC-CPU-20-172) to the Finance, Resources and Customer Services Policy Board on 2 February 2022

Author: Brian Bradley, Senior Procurement Specialist, Corporate Procurement Unit, brian.bradley@renfrewshire.gov.uk

Appendix 1 Evaluation scoring

| Lot 6 – Pre-Patching in Advance of Surface Dressing | | | |
|--|--------------|----------------|--------------|
| Tenderer | Price | Quality | Total |
| Finco Contracts Ltd | 70.00% | 30.00% | 100.00% |
| John McGeady Limited | 54.12% | 30.00% | 84.12% |
| JH Civil Engineering Limited | 51.46% | 27.50% | 78.96% |
| Luddon Construction Limited | 44.35% | 30.00% | 74.35% |
| John McQuillan (Contracts) Limited | 35.15% | 22.50% | 52.16% |

Appendix 2 Places on the Framework to be awarded for Year One

| Lot 6 – Pre-Patching in Advance of Surface Dressing |
|--|
| Finco Contracts Ltd |
| John McGeady Limited |
| JH Civil Engineering Limited |



To: Finance, Resources and Customer Services Policy Board

On: 30th March 2022

Report by: The Chief Executive and the Director of Finance and Resources

Heading: Contract Authorisation Report for Occupational Health and Wellbeing (RC-CPU-20-312)

1. Summary

- 1.1 The purpose of this report is to seek approval of the Finance, Resources and Customer Services Policy Board to award a contract for Occupational health and wellbeing.
- 1.2 The recommendation to award a contract follows a procurement exercise which was conducted in accordance with the Crown Commercial Services Occupational health, Employee Assistance Programmes and Eye Care Services ("the Framework") RM6182, Lot 1 Occupational Health and Employee Assistance Programmes, Fully Managed following a Further competition and Renfrewshire Council's Standing Orders Relating to Contracts for an above Government Procurement Agreement (GPA) Threshold.
- 1.3 The Contract Strategy was approved and signed by the Director of Finance, HR Manager and Procurement Operations Manager (on behalf of the Strategic Commercial and Procurement Manager) on the 10th January 2022.

2. Recommendations

It is recommended that the Finance, Resources and Customer Services Policy Board authorise the Head of Corporate Governance:

- 2.1 To award the Contract (a Call-Off Contract) for Occupational health and wellbeing following a Further competition procedure under Lot 1 Occupational Health and Employee Assistance Programmes of the Crown Commercial Services Framework Agreement for Occupational health, Employee Assistance Programmes and Eye Care Services (RM6182) to People Asset Management Ltd in accordance with the Framework Call-Off Award Procedure;
- 2.2 The Contract will be for an initial period of 3 (three) years, with the Council option to extend on two (2) separate occasions up to a period of 12 (twelve) months. It is envisaged that the Contract will commence on the 1st May 2022 however the actual date will be confirmed in the Order Form;
- 2.3 The Contract value for the initial 3 (three) years will not exceed £1,164,000 excluding VAT. Where the options to extend are utilised, the additional value will not exceed £388,000 excluding VAT for each 12-month period, therefore if the full extensions are taken up, the total value for 5 (five) years will be up to £1,940,000 excluding VAT depending on the level of service instructed.

3. Background

- 3.1 Renfrewshire Council are seeking to appoint an experienced Occupational health provider to provide an Occupational health service. It is Renfrewshire Council's corporate policy to adopt a supportive approach, working in partnership with employees to improve their own health through healthy lifestyles; increasing their energy, strength and resilience and maximising their attendance at work, Occupational Health is concerned with any health issues that you feel may affect Council employees work, or any work issue that may affect their health, however, it is important to note that the Occupational Health Service is not intended to substitute or replace general medical care or GP.
- 3.2 The appointed Supplier will be expected to deliver occupational health and wellbeing services aimed at preventing industrial injury and supporting the management of sickness absence. This includes: management referrals, pre-placement screening, vaccinations, health surveillance, ill health retirement, fitness for work and statutory medicals . It is anticipated that the Supplier will be expected to offer occupational psychology to assist employees experiencing mental health issues and also provide full access to their

employee assist programme. The Council seeks to achieve greater productivity and higher employee engagement and recognises that an effective, modern and proactive occupational health service, which reflects best practice, can assist in achieving these requirements.

- 3.3 The procurement exercise was conducted in accordance with the Call-Off Award Procedure of the Crown Commercial Services Occupational health, Employee Assistance Programmes and Eye Care Services (“the Framework”) RM6182. An expression of interest (EOI) was published to all 6 suppliers under Lot 1 of the Framework on the 12th January 2022, 2 (two) of the suppliers noted an interest by the submission deadline of 2pm on the 19th January 2022. Suppliers who did not respond to the EOI in accordance with the Call-Off Award Procedure were not invited to participate in the Further Competition Procedure.
- 3.4 The Further competition documents were published to the 2 (two) tenderers via the Public Contract Scotland Tenders Portal on the 27th January 2022 with a submission deadline of 12 noon on the 17th February 2022. At submission deadline only 1 (one) tender submission was received from People Asset Management Ltd.
- 3.5 Following the Further competition requirements, the Supplier selection requirements were already met at the Framework Award stage Per the Call-Off Award Procedure the tender submission received was evaluated against the set of award criteria published with the Further Competition procedure of quality / price (60% quality and 40% price). The score relative to the award criteria and tender submission for People Asset Management Ltd is detailed below:

| Tenderer Name | Quality Score (60%) | Price Score (40%) | Total Score (100%) |
|-----------------------------|----------------------------|--------------------------|---------------------------|
| People Asset Management Ltd | 53.75% | 40.00% | 93.75% |

- 3.6 It is recommended that the Contract, a Call-Off Contract under Lot 1 of the Framework, is awarded to People Asset Management Ltd, who based on evaluation, have provided the most economically advantageous tender. The Contract will be formed under the Framework Award Procedure using the Order Form and relevant call off and joint schedules.

- 3.7 Community benefits were requested as part of the Further Competition Procedure and People Asset Management Ltd advised within their tender submission that the following community benefits will be delivered as part of the Contract:
- 2 x Work Experience Placement for an individual 16+ years of age
 - 2 x Work Experience Placement for an individual aged 14 to 16 years of age
 - 4 x Industry Awareness Events
- 3.8 For information, the values stated in 2.3 above are based on the following services (but not limited to): management referrals, preplacement screening, vaccinations, health surveillance, ill health retirement, fitness for work and statutory medicals. This also includes the option to implement a first day absence system.
-

Implications of the Report

1. **Financial** – The financial status of People Asset Management Ltd was assessed by Crown Commercial Services at the time of awarding a place onto the Framework Agreement and were deemed to meet the minimum requirements in relation to financial stability.
2. **HR & Organisational Development** – The occupational health and wellbeing contract will be managed and monitored by HR and Organisational Development.
3. **Community/Council Planning** –
 - **Tackling inequality, ensuring opportunities for all** – The occupational health and wellbeing service will be available to all employees and will deliver a service that seeks to achieve greater productivity and higher employee engagement and recognises that an effective, modern and proactive occupational health service, which reflects best practice, can assist in achieving these requirements.
 - **Working together to improve outcomes** – the Council has a corporate responsibility to offer an occupational health service for employees. This service will support and work in partnership with employees to improve their own health through healthy lifestyles;

increasing their energy, strength and resilience and maximising their attendance at work.

4. **Legal** – This Procurement was carried out in accordance with the Crown Commercial Services Occupational health, Employee Assistance Programmes and Eye Care Services (“the Framework”) RM6182, Lot 1 Occupational Health and Employee Assistance Programmes, Fully Managed Further Competition Procedure of the Framework Call-Off Award Procedure and Renfrewshire Council’s Standing Orders Relating to Contracts for a contract above GPA Threshold.
5. **Property/Assets** – No property/assets implications have arisen or are anticipated.
6. **Information Technology** – Cyber Security was evaluated by the Council’s ICT Services and People Asset Management Ltd has confirmed that they have achieved Cyber Essential Accreditation.
7. **Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals’ human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council’s website.
8. **Health & Safety** – People Asset Management Ltd health and safety credentials were evaluated by Corporate Health and Safety and met the Council’s minimum requirements regarding health and safety.
9. **Procurement** – This procurement procedures outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.
10. **Risk** – People Asset Management Ltd insurance documentations were evaluated by Crown Commercial Service at the time of awarded People Asset Management Ltd onto the Framework and were deemed to meet the minimum requirements. The Council’s Risk Manager has also confirmed that the levels of insurance are adequate for the requirements of the Framework and this Contract.

11. **Privacy Impact** – As part of the procurement process, a data protection impact assessment was conducted by the Council's Information Governance team. People Asset Management Ltd will be required to confirm and agree to the Data Protection requirements as noted within the Order form and relevant schedule.
12. **Cosla Policy Position** – No Cosla policy position implications have arisen or are anticipated.
13. **Climate Risk** - The level of impact associated with provision of this service has been assessed using the Scottish Government Sustainability Test and no climate change implications were noted as part of this Contract.

List of Background Papers

None

Author: Gillian Gordon, Senior Procurement Specialist, Corporate Procurement Unit, gillian.gordon@renfrewshire.gov.uk



To: Finance, Resources and Customer Services Policy Board

On: 30 March 2022

Report by: Chief Executive

Heading: Contract Award: Paisley Art Centre: Phase 2 - Main Works (RC-CPU-19-292)

1. **Summary**

- 1.1 The purpose of this paper is to seek approval of the Finance, Resources and Customer Services Policy Board to award a contract for the Paisley Art Centre: Phase 2 – Main works to Clark Contracts Limited.
 - 1.2 The procurement exercise was conducted as a Regulated Works contract in accordance with the Procurement Reform (Scotland) Act 2014, Procurement (Scotland) Regulations 2016 and Renfrewshire Council's Standing Orders relating to Contracts.
 - 1.3 A Contract Strategy was approved by the Procurement Manager and the Programme Director – City Deal and Infrastructure in May 2021 for this requirement.
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2. **Recommendations**

It is recommended that the Finance, Resources and Customer Services Policy Board:

- 2.1 authorise the Head of Corporate Governance to award the Contract for the Paisley Art Centre: Phase 2 – Main Works (RC-CPU-19-292) to Clark Contracts Limited.

- 2.2 Authorise the award of this Contract for the Contract Sum of £2,698,040.70 excluding V.A.T and 2.29% contingency.
 - 2.3 Note the anticipated Date of Possession of the Site is 16 May 2022 and anticipated Date for Completion of the Works is 18 March 2023. The actual dates will be confirmed in the Council's Letter of Acceptance.
 - 2.4 Note the award of this Contract requires the provision of a Performance Bond, Collateral Warranties and adequate Public Liability Insurance as indicated within the tender documentation.
-

3. **Background**

- 3.1 In January 2014 Renfrewshire Council approved the Paisley Town Centre Heritage Regeneration Strategy (The Untold Story), setting out the need for change to the function and performance of the town based on its outstanding heritage and cultural assets.
- 3.2 The upgrade of Paisley Arts Centre (PAC) is identified as a key element of the longer-term regeneration of Paisley Town Centre. The upgrade will improve: the technical capability of the venue to host a diversity of performances; improve the customer welcome, overall customer experience and dwell time; ensuring better sustainability over the long term.
- 3.3 The Arts Centre is housed in the old Laigh Kirk and has been used as an Arts Centre since 1987, and it has become well established on the theatre, music and comedy touring circuits. However, in the past 30 years, it has not received any significant investment or upgrade internally, and is now looking tired and dated, with a less than acceptable customer experience.
- 3.4 An advanced works contract for lightweight demolition and strip out works for the Paisley Art Centre was completed in January 2022. The advanced works contract was to prepare the building for the Phase 2 – Main Works Contract and de-risk the main construction works element of the project.
- 3.5 This report seeks approval to award a contract following the procurement exercise for the Paisley Art Centre: Phase 2 – Main

Works, the main construction works element of the Paisley Art Centre project (the “Contract”).

3.6 The form of contract for the works is the SBCC Standard Building Contract with Quantities for use in Scotland (SBC/Q/Scot), 2016 Edition as supplemented and amended by the Council specific “Employer’s Amendments”.

3.7 The Contract, a main works package, was tendered as a Regulated Contract for public works in accordance with the Procurement (Scotland) Regulations 2016 using the Competitive Procedure with Negotiation (CPN) in accordance with the Council’s Standing Orders relating to Contracts.

3.8 The CPN process that was adopted was mapped by the following stages:

- Stage 1 (Invitation to Participate);
- Stage 2 (Invitation to Tender – Initial);
- Stage 3 (Negotiation);
- Stage 4 (Final Tender).

The Council reserved the right to award at the end of Stage 2 if a fully compliant offer was received, which would mean that it was not necessary to proceed to stages 3 and 4.

3.9 Stage 1 of this process was open to all interested bidders, who met the minimum selection criteria and a Contract Notice for this Contract was dispatched via the Public Contracts Scotland advertising portal on 11 June 2021. The Stage 1 Invitation to Participate documentation (ITP) was available for downloading from the Public Contracts Scotland – Tender portal on the same date.

3.10 During Stage 1, there were twenty-four (24) expressions of interest in the Contract. By the closing date set for submission, 12 noon on 12 July 2021, six (6) Candidates had submitted a request to participate (RTP).

3.11 The RTPs were evaluated against a pre-determined set of criteria in the form of the Single Procurement Document (SPD) Scotland by representatives from the Council’s Corporate Procurement Unit. All six (6) Candidates satisfied the Council’s minimum requirements within the SPD selection criteria.

3.12 As part of the selection process, and to reduce the number of otherwise qualified Candidates, Candidates had to respond to questions relating to previous experience, technical capacity and capability with projects similar in nature, scope and scale to the PAC Main Works Contract.

3.13 A panel of representatives from the Renfrewshire Council's Property Services assessed the six (6) Candidate's response to the questions and the five (5) highest scoring Candidates were selected to proceed to the Stage 2 (Invitation to Tender – Initial). The contract notice indicated the Council's intention was to invite five Candidates to Stage 2, where a minimum of five compliant RTP's were received.

3.14 The selection score for each Candidate within Stage 1 - RTP is noted below:

| Candidate | Score (100%) | Ranking |
|---|---------------------|----------------|
| Tilbury Douglas Construction Limited | 76.50% | 1 |
| Clarks Contracts Limited | 73.00% | 2 |
| Fleming Buildings Limited | 70.50% | 3 |
| Linear Projects Limited | 63.50% | 4 |
| Colorado Construction & Engineering Limited | 59.00% | 5 |
| McKelvey Construction Limited | 54.50% | 6 |

3.15 The Stage 2(Invitation to Tender – Initial) (ITT) was made available for downloading by the five (5) shortlisted Candidates via the Public Contracts Scotland – Tender portal on 22 October 2021. By the closing date and time of 12 noon on 15 December 2021, two (2) Candidates (then Tenderers) had each submitted an initial tender. Three (3) Candidates declined to respond during the tender period. Reasons for not responding included lack of capacity due to current projects and unwillingness to agree to the published Employer's Amendments.

3.16 During the tender evaluation period, the Council issued clarifications to each tenderer to clarify their bid. One (1) of the two (2) initial tender submissions was withdrawn in accordance with the information and instructions to tenderers as the tenderer could not remove qualifications which were deemed non-compliant.

3.17 The remaining tender submission received was assessed against the published Award Criteria with a weighting of 50% Price and 50% Quality by a suitably qualified evaluation panel which included members of the Council's Property Services and Corporate Procurement Unit. The Tenderer's scores relative to the Award Criteria are detailed in the table below:

| Tenderer | Technical Score | Price Score | Total Score |
|-------------------------|------------------------|--------------------|--------------------|
| Clark Contracts Limited | 31.65% | 50.00% | 81.65% |

- 3.18 The Council is satisfied that the tender submission by Clark Contracts Limited is the most economically advantageous tender.
- 3.19 The Council had the option within the CPN to proceed to further stages of negotiation and final tender (Stages 3 and 4). As the tender submission by Clark Contracts Limited is compliant and within budget, the project team is utilising the right to award the contract at the conclusion of stage 2 of the CPN process in accordance with the process outlined in paragraph 3.8 of this report.
- 3.20 Mandatory community benefits were required for this Contract and Clark Contracts Limited confirmed the commitment to deliver one (1) employment opportunity for either an unemployed individual from a Priority Group and/ or a young person (age 16-24) from the Council's most deprived local data zones (SIMD 1 and 2).

In addition to the mandatory community benefits required, Clark Contracts Limited confirmed in their offer that the following community benefits will be delivered through this Contract:

| Community Benefit Description | No of People / Activity |
|---|-------------------------|
| Job for young person (age 16-24) (SIMD 1 and 2) | 1 |
| Work Experience for individual in full time education | 1 |
| Industry Awareness Event | 1 |
| S/NVQ for existing or new employee | 1 |
| Financial Support for a Community Project | 1 |

Implications of the Report

1. **Financial** - No financial implications have arisen or are anticipated. Financial and Economic Standing have been assessed as part of the selection criteria – which Clark Contracts Limited passed. The project will be funded from existing approved resources.
2. **HR & Organisational Development** – No HR & Organisational Development implications have arisen or are anticipated
3. **Community/Council Planning** –

- *Our Renfrewshire is thriving* – the refurbishment of the Paisley Art Centre will contribute to the regeneration of Paisley, helping establish the town as place to host culture and art events.
- *Our Renfrewshire is fair* - Tenderers were assessed within Award Criteria regarding their approach to ensuring fair working practices throughout their organisation and supply chain i.e. payment of the living wage, training and development opportunities etc.
- *Reshaping our place, our economy and our future* - The contract will deliver the refurbishment of Paisley Art Centre, establishing the facility as an arts venue contributing to the regeneration of Paisley and associated economic benefits for Renfrewshire.
- *Tackling inequality, ensuring opportunities for all* – The contract will deliver a broad range of Community Benefits including employment opportunities for individuals currently in receipt of employability support, work placements, support with careers events and a range of business and mentoring support opportunities.
- *Creating a sustainable Renfrewshire for all to enjoy* – the contract will deliver refurbishment of a Grade A listed building, situated in the centre of Paisley creating an attractive and functional space for building users and improving the environment for all. Sustainability Key Performance Indicators (KPIs) will be tracked through the project.
- *Working together to improve outcomes* – consultation with key stakeholders and user groups is ongoing to ensure that the building achieves the ambition of the town.

4. **Legal** - The procurement of this Regulated works contract has been conducted in accordance with the Procurement Reform (Scotland) Act 2014, Procurement (Scotland) Regulations 2016 and the Council's Standing Orders Relating to Contract.
5. **Property/Assets** - The purpose of this project is to implement the design, upgrade and modernisation of the category A listed Paisley Art Centre as part of the longer-term regeneration of Paisley Town Centre. The use of the building is leased to Renfrewshire Leisure Limited, trading as One Ren therefore the Contractor is required to provide Collateral warranties and Sub-Contractor Collateral warranties to One Ren as a third-party beneficiary of the works.
6. **Information Technology** – No IT implications have arisen or are anticipated.

7. **Equality & Human** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** - Clark Contracts Limited's health and safety credentials were evaluated by Corporate Health and Safety and met the Council's minimum requirements regarding health and safety.
9. **Procurement** – The procurement procedures outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.
10. **Risk** – Clark Contracts Limited's insurances have been assessed and evaluated and confirm that they will meet the minimum requirements regarding insurable risk.
11. **Privacy Impact** - No Privacy Impact implications have been identified or are anticipated.
12. **Cosla Policy Position** – No Cosla Policy Position implications have arisen or are anticipated.
13. **Climate** – The level of impact associated with the works has been assessed using the Scottish Government Sustainability Test and supports the Council's aims to protect and preserve Paisley's heritage and cultural assets. Sustainability KPIs have been set in the Contract and will be monitored by the project team for the duration of the works.

List of Background Papers

None.

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To: Finance, Resources and Customer Services Policy Board

On: 30th March 2022

Report by: The Chief Executive and the Director of Finance and Resources

Heading: Contract Award: Paisley Grammar School Community Campus – Multi Disciplinary Design Team (RC-CPU-21-153)

1. Summary

- 1.1 The purpose of this report is to seek the approval of the Finance, Resources and Customer Services Policy Board to award a Services Contract for Paisley Grammar School Community Campus – Multi Disciplinary Design Team (RC-CPU-21-153)(the “ Contract”) to Ryder Architecture Limited.
 - 1.2 The recommendation to award the Contract follows a procurement exercise which was conducted in accordance with the Competitive Procedure with Negotiation (CPN) under the Public Contracts (Scotland) Regulations 2015 and the Council’s Standing Orders Relating to Contracts.
 - 1.3 A Contract Strategy addendum was approved by the Strategic Commercial and Procurement Manager and the Head of Property Services on 24th November 2021, this was to amend and update the Contract Strategy approved on 7th September 2021.
-

2. Recommendations

It is recommended that the Finance, Resources and Customer Services Policy Board:

- (a) Authorise the Head of Corporate Governance to award a Contract for the Paisley Grammar School Community Campus – Multi Disciplinary Design Team (RC-CPU-21-153) to Ryder Architecture Limited;
- (b) Authorise the Fee of £2,827,228.00 excluding VAT for this Contract including the authorisation of a 25% contingency to be added to cover for unforeseen circumstances;
- (c) Note the contract period of five (5) years, starting 25th April 2022 until 24th June 2027. The actual starting date will be confirmed in the Council's Letter of Acceptance to Ryder Architecture Limited;
- (d) Note that this Contract requires the provision of Collateral Warranties and Sub Consultant Collateral Warranties as indicated within the tender documentation.

3. **Background**

- 3.1 This procurement is for the appointment of a Multi-Disciplinary Design Team for the Paisley Grammar School Community Campus project ("PGSCC").

Renfrewshire Council require to replace the existing Paisley Grammar School and wish to integrate the school with both the local community and enterprise organisations to form a new Paisley Grammar School Community Campus

This Contract is for the appointment of an Architect led Multi-Disciplinary Design Team ("MDDT") to deliver services from Stage 0-7 (inclusive) in accordance with the RIBA 2020 Plan of Work.

- 3.2 The PGSCC will accommodate a roll of circa 1200 pupils and will benefit from a community café and community space. The project is being part funded by the Scottish Futures Trust (SFT) within the Stage 2 Learning Estate Investment Programme (LEIP). The project will be managed by an in-house Project Management Team, who may be supported by an external Project Manager at key milestones and will be assisted by a, Quantity Surveyor, Building Information Modelling (BIM) Manager, Principal Designer and Passivhaus Certifier disciplines procured via an appropriate procurement route.

- 3.2 The School will be constructed on a site which has been acquired by the Council and which formed part of the former Chivas Brothers bottling plant at 111-113 Renfrew Road, Paisley, PA3 4DY.
- 3.3 The appointed MDDT will be novated to the appointed Principal Contractor, at the end of RIBA stage 4: Technical Design. A Principal Contractor is being procured for the PGSCC Project and the estimated date of the Principal Contractor award is late June 2022.
- The appointed MDDT is required to participate in early contractor engagement with the appointed Principal Contractor and it is anticipated that the Principal Contractor shall be appointed no later than the commencement of RIBA Stage 2.
- 3.4 The Contract has bespoke Terms of Appointment.
- 3.5 The CPN process that was adopted was mapped by the following stages;
- Stage 1 (Invitation to Participate - Selection);
 - Stage 2 (Invitation to Tender – Initial ITT);
 - Stage 3 (Negotiation);
 - Stage 4 (Final Tender - Award).
- The Council reserved the right to award at the end of Stage 2 if a fully compliant offer was received, without the requirement to proceed to stages 3 and 4.
- 3.6 Stage 1 of this process was open to all interested bidders, who met the minimum criteria set out in the Invitation to Participate - Selection. The contract notice was published on the Find a Tender and Public Contracts Scotland websites on 7th September 2021 with the Invitation to Participate documents available for download from the Public Contracts Scotland – Tender portal on the same date.
- 3.7 During Stage 1, sixty-five (65) companies expressed an interest in the Contract. By the closing date set for Stage 1 submissions, 12 noon on 20th October 2021, twelve (12) Candidates had submitted a request to participate (RTP).
- 3.8 The 12 RTPs were each evaluated against a pre-determined set of criteria in the form of the Single Procurement Document (SPD) Scotland by representatives from the Council's Corporate Procurement Unit and Property Services.
- All twelve (12) Candidates satisfied the Council's minimum requirements within the SPD selection criteria.
- 3.9 As part of the selection process, and to reduce the number of otherwise qualified Candidates, in accordance with the Invitation to Participate, Candidates had to respond to questions relating to previous

experience, technical capacity and capability with projects similar in nature, scope and scale to this Contract. In addition, Candidates also had to achieve a technical score of 70% to be considered for Stage 2.

- 3.10 A panel of representatives from the Council's Property Services team and representatives from an external consultant, Brown and Wallace, assessed each of the twelve (12) Candidate responses to the questions and the five (5) highest scoring Candidates were selected to proceed to Stage 2 (Invitation to Tender – Initial ITT).

The Contract Notice for this procurement indicated the Council's intention to reduce the number of candidates to five (5) who would be selected to Stage 2 initial tender. However, the Council reserved the right to invite less than 5 Candidates to tender if it did not receive 5 RTPs which met the minimum requirements.

- 3.11 The selection score for each Candidate within Stage 1 – RTP is noted below:

| Candidate | Weighting | Technical Rank |
|---|------------------|-----------------------|
| JMArchitects Limited | 93.00% | 1 |
| A consortium led by Ryder Architecture Limited* | 92.00% | 2 |
| AHR Architects Limited | 89.00% | 3 |
| Holmes Miller Ltd | 89.00% | 3 |
| NORR Consultants Limited | 89.00% | 3 |
| Architype Limited | 87.00% | 6 |
| Stallan Brand Architecture + Design Limited | 85.00% | 7 |
| Building Design Partnership Limited | 84.00% | 8 |
| Sheppard Robson Limited | 83.00% | 9 |
| Atkins Limited | 78.00% | 10 |
| Scott Brownrigg Limited | 77.00% | 11 |
| Halliday Fraser Munro Limited | 74.00% | 12 |

- 3.12 The top 5 ranked Candidates from Stage 1 were invited by invitation issued on 25th November 2021 via the Public Contracts Scotland – Tender portal to submit an initial tender for Stage 2. By the closing date and time set for return, 2pm on 23rd December 2021, all five (5) Candidates (now defined as Tenderers) had each submitted an initial tender.

- 3.13 The tenders received were assessed against the published Award Criteria based on weightings of 20% price and 80% Quality. These

were assessed by an evaluation panel consisting of the Council's Property Services team and the Corporate Procurement Unit. The Tenderer scores relative to the Award Criteria are detailed in the table below:

| Tenderer | Price Score | Quality Score | Total score |
|---|--------------------|----------------------|--------------------|
| A consortium led by Ryder Architecture Limited* | 17.98% | 75.40% | 93.38% |
| Holmes Miller Ltd | 15.96% | 71.90% | 87.86% |
| JMArchitects Limited | 18.43% | 69.30% | 87.73% |
| NORR Consultants Limited | 18.57% | 68.45% | 87.02% |
| AHR Architects Limited | 15.79% | 68.50% | 84.29% |

*Other members of the consortium; Jennings Aldas (2019) Ltd t/a Aldas, Atelier Ten (Scotland) Ltd, EnviroCentre Limited, Robin Mackenzie Partnership, Rybka Ltd, Space Zero (North) Ltd, Woolgar Hunter

- 3.14 The Council had an option with the Competitive Procedure with Negotiation to proceed to further stages (Stage 3 and Stage 4), it was agreed by the project team that it was not necessary to take up these options as tenders received were within budget and all tenders met the minimum requirements as set out within the Invitation to Tender Documents. In the Stage 2 Invitation to Tender, the Council had reserved the right not to utilise these stages.
- 3.15 The Council is satisfied that the Tender Submission from Ryder Architecture Limited is the most economically advantageous tender submission.
- 3.16 A Consortium Guarantee will require to be provided by all members of the Consortium bid before the Contract is awarded.
- 3.17 Mandatory Community Benefits were included as a condition of this contract which a consortium led by Ryder Architecture Limited confirmed they would adhere to. The commitment was to deliver 4 Graduate positions.

In addition to the mandatory Community Benefits requested, a consortium led by Ryder Architecture Limited confirmed in their offer that the following Community Benefits would also be made available to the Council for this Contract:

| Community Benefit Description | No of People / Activity |
|--|-------------------------|
| Modern Apprenticeship | 1 |
| Work Experience Placement for an individual 16+ years of age | 6 |
| Work Experience Placement for an individual in full time education | 6 |
| Business advice/support to a local SME /Social Enterprise/ Voluntary organisation | 3 |
| Commitment to ensure that supply chain opportunities are prioritised for Renfrewshire based businesses | 1 |
| Industry Awareness Events | 3 |
| Industry Skill Transfer to Schools. | 3 |
| Non financial support for a Social Enterprise or other approved community initiative | 3 |

Implications of the Report

1. **Financial** – No financial implications have arisen or are anticipated. Financial and Economic Standing have been assessed as part of the tender selection criteria – which Ryder Architecture Limited and all consortia members passed. The project will be part funded by the Scottish Futures Trust (SFT) within the Stage 2 Learning Estate Investment Programme (LEIP).
2. **HR & Organisational Development** - No HR & Organisational Development implications have arisen or are anticipated.
3. **Community/Council Planning** –
 - *Our Renfrewshire is fair* - Tenderers were assessed within Award Criteria regarding their approach to ensuring fair working practices throughout their organisation and supply chain i.e. payment of the living wage, training and development opportunities etc.
 - *Reshaping our place, our economy and our future* - The work from the design to the main works will create many employment opportunities across Renfrewshire. The Community Campus itself will redevelop an empty space and it will provide a base for learning and development for current and future generations.

- *Building strong, safe and resilient communities* - The new Paisley Grammar is not just a school, but a Community Campus a place that provides space for those in Community, a place of safety and security that will help nurture and bring communities together.
 - *Tackling inequality, ensuring opportunities for all* - This project and the objectives and work that will be achieved has the power to tackle the inequalities that exist here in Renfrewshire throughout all communities. It has the ability to deliver opportunities for all this could be through Community Benefits and the wider work of the project.
 - *Creating a sustainable Renfrewshire for all to enjoy* - In the design, the main works and the final outcome of the new Paisley Grammar School Community Campus it will provide a fresh new learning base for over a thousand young people. It will give back to the communities that it serves a new community space to be utilised and it will create a sustainable energy efficient place for all to enjoy and be part of.
 - *Working together to improve outcomes* - The new Paisley Grammar School Community Campus will improve many outcomes throughout its lifetime. This will be through the strengthening of the partnership working between school and community. Providing good quality services and improving new ICT developments and opportunities.
4. **Legal** - The procurement of this contract has been conducted in accordance with the Competitive Procedure with Negotiation under the Public Contracts (Scotland) Regulations 2015 and the Council's Standing Orders Relating to Contracts.
5. **Property/Assets** – The Council identified the construction of a new Paisley Grammar Community Campus as its learning estate investment priority in May 2019 and the purpose of this project is to inform the design of environmentally and economically sustainable buildings. The Council's investment in its learning estate offers the opportunity for a place-based approach to local outcomes. integrating local services to support communities.
6. **Information Technology** - No IT implications have arisen or are anticipated.
7. **Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for example it is for noting only. If required following implementation, the

actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8. **Health & Safety** – Ryder Architecture Limited and all consortia members health and safety credentials were evaluated by Corporate Health and Safety and met the Council's minimum requirements regarding health and safety.
9. **Procurement** – The procurement procedure outlined within this report ensures that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern government.
10. **Risk** – Ryder Architecture Limited and all consortia members insurances have been assessed and evaluated to confirm that they have met the minimum requirements regarding insurable risk.
11. **Privacy Impact** – No Privacy Impact implications have been identified or are anticipated.
12. **Cosla Policy Position** – No Cosla Policy Position implications have arisen or are anticipated.
13. **Climate Risk** - The level of impact associated with provision of these works has been assessed using the Scottish Government Sustainability Test and is considered to be low risk. The Contract required mandated community benefits in line with the SFT funding requirements. Additional community benefits were offered detailed in 1.18 above.

List of Background Papers

(a) None

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To: Finance, Resources and Customer Services Policy Board

On: 30th March 2022

Report by: Joint Report by the Chief Executive and the Director of Finance and Resources

Heading: Contract Award: Paisley Grammar School Community Campus – Quantity Surveyor (RC-CPU-21-276)

1. Summary

- 1.1 The purpose of this report is to seek the approval of the Finance, Resources and Customer Services Policy Board to award a Services Contract for the Paisley Grammar School Community Campus – Quantity Surveyor (RC-CPU-21-276) (“Contract”) to Faithful+Gould Limited.
 - 1.2 The recommendation to award the Contract follows a procurement exercise which was conducted in accordance with the Open Procedure in accordance with the Public Contracts (Scotland) Regulations 2015 and the Council’s Standing Orders Relating to Contracts.
 - 1.3 A Contract Strategy addendum was approved by the Strategic Commercial, Procurement Manager and the Head of Property Services in November 2021, this was to amend and update the approved Contract Strategy for this requirement from September 2021.
-

2. Recommendations

It is recommended that the Finance, Resources and Customer Services Policy Board:

- (a) Authorise the Head of Corporate Governance to award a contract for the Paisley Grammar School Community Campus – Quantity Surveyor (RC-CPU-21-276) to Faithful+Gould Limited;
 - (b) Authorise the Fee Schedule Sum of £201,090.00 excluding VAT for this Contract including the authorisation of a 25% contingency to be added to cover for unforeseen circumstances;
 - (c) Note the contract is anticipated to commence on 2 May 2022. The actual commencement date will be confirmed in the Council's Letter of Acceptance to Faithful+Gould Limited. The contract will run throughout the design and construction phase of the project and come to an end one year after practical completion of the building contract which is anticipated to be 17 December 2026
 - (d) Note that this Contract requires the provision of Collateral Warranties as indicated within the tender documentation.
-

3. **Background**

3.1 The new Paisley Grammar School Community Campus ("PGSCC") will accommodate a roll of circa 1200 pupils and will benefit from a community café and community space. The project is being part funded by the Scottish Futures Trust (SFT) within the Stage 2 Learning Estate Investment Programme (LEIP). The project will be managed by an in-house Project Management Team, who may be supported by an external Project Manager at key milestones and will be assisted by a Multi-Disciplinary Design Team (MDDT), Quantity Surveyor, Building Information Modelling (BIM) Manager, Principal Designer and Passivhaus Certifier disciplines procured via an appropriate procurement route.

3.2 This procurement is for the appointment of a Quantity Surveyor for the Paisley Grammar Community Campus project.

Renfrewshire Council require to replace the existing Paisley Grammar School and wish to integrate the school with both the local community and enterprise organisations to form a new Paisley Grammar School Community Campus.

The appointed Quantity Surveyor will join Renfrewshire Council's team for the development of a new Passivhaus Secondary School in line with the SFT LEIP requirements. The Quantity Surveyor will join this team

during the pre-construction phase at RIBA Stage 0: Strategic Definition.

- 3.3 The School will be constructed on a site which has been acquired by the Council and which was part of the former Chivas Brothers bottling plant at 111-113 Renfrew Road, Paisley, PA3 4DY.
- 3.4 The Contract has bespoke Terms of Appointment.
- 3.5 For the procurement of this Contract, a contract notice was published via Public Contracts Scotland advertising portal to the Find a Tender Service (“FTS”) on 28 January 2022 with the tender documentation available for download from the Public Contracts Scotland-Tender platform on this date once published on FTS.
- 3.6 During the live tender period, seventeen (17) organisations expressed an interest in the Contract. By the closing time and date set for return of electronic tender submissions, 10:00 hrs on 28 February 2022, seven (7) organisations submitted a tender response, three (3) declined to respond and ten (10) did not submit a response.
- 3.7 Tenderers were required to complete a Single Procurement Document (SPD) to be submitted with their tender submission in accordance with Regulation 60 of the Public Contracts (Scotland) Regulations 2015. The seven (7) tender submissions received contained a completed SPD which was evaluated against a pre-determined set of criteria in the form of the SPD by representatives from the following Council services: Property Services, the Corporate Procurement Unit, Corporate Risk and Corporate Health and Safety. The seven (7) tender submissions received complied with the minimum criteria of the SPD.
- 3.8 All seven (7) tender submissions progressed to evaluation against the award criteria weighting of 20% Price and 80% Quality.
- 3.9 The scores relative to the seven (7) tenderers are noted below:

| Candidate | Price (20%) | Quality (80%) | Weighting |
|---------------------------------|--------------------|----------------------|------------------|
| Faithful+Gould Limited | 20.00% | 79.10% | 99.10% |
| Robinson Low Francis LLP | 15.41% | 76.35% | 91.76% |
| Thomson Gray Limited | 17.16% | 74.60% | 91.76% |
| Doig and Smith Ltd | 18.24% | 70.40% | 88.64% |

| | | | |
|---|--------|--------|--------|
| Gardiner & Theobald LLP | 9.89% | 77.60% | 87.49% |
| ArcadisConsulting (UK) Limited | 10.32% | 77.00% | 87.32% |
| Turner & Townsend Ltd | 11.59% | 71.20% | 82.79% |

3.10 The evaluation of tender submissions received identified that the submission by Faithful+Gould Limited was the most economically advantageous tender.

3.11 Community benefits were requested as part of this procurement process and Faithful+Gould Limited confirmed that the following community benefits would be made available to the Council for this Contract:

| Community Benefit Description | No of People / Activity |
|--|--------------------------------|
| Work Experience Placement for an individual 16+ years of age | 1 |
| Work Experience Placement for an individual aged 14 to 16 years of age | 2 |
| Industry Awareness Events | 1 |
| Industry Skill Transfer to Schools | 1 |
| Financial Support for a Community Project | 1 |

Implications of the Report

1. **Financial** - No financial implications have arisen or are anticipated. Financial and Economic Standing have been assessed as part of the tender selection criteria – which Faithful+Gould Limited passed. The project will be part funded by the Scottish Futures Trust (SFT) within the Stage 2 Learning Estate Investment Programme (LEIP).
2. **HR & Organisational Development** - - No HR & Organisational Development implications have arisen or are anticipated.
3. **Community/Council Planning –**

- *Our Renfrewshire is fair* - Tenderers were assessed within Award Criteria regarding their approach to ensuring fair working practices throughout their organisation and supply chain i.e. payment of the living wage, training and development opportunities etc.
- *Reshaping our place, our economy and our future* - The work from the design to the main works will create many employment opportunities across Renfrewshire. The Community Campus itself will redevelop an empty space and it will provide a base for learning and development for current and future generations.
- *Building strong, safe and resilient communities* - The new Paisley Grammar is not just a school, but a Community Campus a place that provides space for those in Community, a place of safety and security that will help nurture and bring communities together.
- *Tackling inequality, ensuring opportunities for all* - This project and the objectives and work that will be achieved has the power to tackle the inequalities that exist here in Renfrewshire throughout all communities. It has the ability to deliver opportunities for all this could be through Community Benefits and the wider work of the project.
- *Creating a sustainable Renfrewshire for all to enjoy* - In the design, the main works and the final outcome of the new Paisley Grammar School Community Campus it will provide a fresh new learning base for over a thousand young people. It will give back to the communities that it serves a new community space to be utilised and it will create a sustainable energy efficient place for all to enjoy and be part of.
- *Working together to improve outcomes* - The new Paisley Grammar School Community Campus will improve many outcomes throughout its lifetime. This will be through the strengthening of the partnership working between school and community. Providing good quality services and improving new ICT developments and opportunities.

4. **Legal** - The procurement of this Contract was conducted as an above GPA Threshold (Services Contract) using the Open Procedure in accordance with the Public Contracts (Scotland) Regulations 2015 and the Council's Standing Orders Relating to Contracts.

5. **Property/Assets** - The Council identified the construction of a new Paisley Grammar Community Campus as its learning estate investment priority in May 2019 and the purpose of this project is to inform the design of environmentally and economically sustainable buildings. The Council's investment in its learning estate offers the opportunity for a

place-based approach to local outcomes. integrating local services to support communities.

6. **Information Technology** - No IT implications have arisen or are anticipated.
7. **Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** - Faithful+Gould Limited health and safety credentials were evaluated by Corporate Health and Safety and met the Council's minimum requirements regarding health and safety.
9. **Procurement** – The procurement procedure outlined within this report ensures that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern government.
10. **Risk** - Faithful+Gould Limited insurances were assessed and evaluated to confirm that they meet the minimum requirements regarding insurable risk..
11. **Privacy Impact** - No Privacy implications have been identified or are anticipated.
12. **Cosla Policy Position** – No COSLA Policy Position implications have arisen or are anticipated.
13. **Climate Risk** – The level of impact associated with provision of the service has been assessed using the Scottish Government Sustainability Test and is considered to be low to no risk.

List of Background Papers

- (a) None
-

Author: Laura Gillan – Strategic Commercial Category Manager – Construction
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To: Finance, Resources and Customer Services Policy Board

On: 30 March 2022

Report by: The Chief Executive

Heading: Contract Award: Paisley Museum Re-imagined: Exhibition Fit Out (RC-CPU-21-281)

1. **Summary**

- 1.1 The purpose of this paper is to seek approval of the Finance, Resources and Customer Services Policy Board to award a contract for the Paisley Museum Re-imagined: Exhibition Fit Out (RC-CPU-21-281) to The Hub Consulting Limited t/a The Hub.
 - 1.2 The Contract is for works and the procurement exercise was conducted in accordance with the Public Contract (Scotland) Regulations 2015 and the Renfrewshire Council's Standing Orders relating to Contracts.
 - 1.3 A Contract Strategy was approved by the Procurement Manager and the Project Director – City Deal and Infrastructure in April 2021 for this requirement.
-

2. **Recommendations**

It is recommended that the Finance, Resources and Customer Services Policy Board:

- 2.1 authorise the Head of Governance to award a contract for the Paisley Museum Re-imagined: Exhibition Fit Out (RC-CPU-21-281) to The Hub Consulting Limited t/a The Hub ("Contract").

2.2 Authorise the award of this Contract for the Contract Sum of £6,865,951.52 excluding V.A.T and an additional 10% contingency.

2.3 Note the Contract has sectional completion requirements and the proposed date of possession and proposed dates for completion of those sections are noted below. Any changes to these dates will be confirmed in the Council's Letter of Acceptance:

| Section | Dates of possession of sections | Dates for completion of sections |
|-----------|---|----------------------------------|
| Section 0 | N/A, however section 0 will commence at the issue date of the Letter of Acceptance. | 17 March 2023 |
| Section 1 | 30 August 2023 | 22 September 2023 |
| Section 2 | 30 August 2023 | 22 September 2023 |
| Section 3 | 25 September 2023 | 10 November 2023 |
| Section 4 | 13 November 2023 | 13 December 2023 |

2.4 Note the award of this Contract requires the provision of a Performance Bond and Collateral Warranties as indicated within the tender documentation.

2.5 authorise that the Head of Governance may enter into a Vesting Agreement with the appointed Contractor in the form provided and as indicated in the Procurement Documents for payment of materials stored off site.

3. **Background**

3.1 In January 2014 Renfrewshire Council approved the Paisley Town Centre Heritage Regeneration Strategy (The Untold Story), setting out the need for change to the function and performance of the town based on its outstanding heritage and cultural assets. The redevelopment of Paisley Museum is the signature project identified within the Strategy. The ambition is to create a world class experience for visitors and local communities, showcasing the internationally significant collections, and embodying the spirit and character of the communities of Renfrewshire and the regional connections with the world.

3.2 Paisley Museum Re-Imagined Project will deliver a cultural facility of significance for Scotland. The project will help to transform Paisley's perception of itself, develop a visitor economy, lead the regeneration of the town centre and once again give Paisley a confident, outward-facing profile to the world.

- 3.3 The project is underpinned by a series of high-level strategic aims that will turn it into a:
- leading international museum — telling the story of Paisley as a pattern and a town
 - visitor destination drawing its audience from Scotland, UK and overseas
 - hub for learning, skills development, innovation and research
 - community resource at the heart of Paisley's local life; and
 - means of restoring civic pride, and increased feeling of community ownership
- 3.4 This report seeks approval to award a contract following the procurement exercise for the exhibition fit out element of the Paisley Museum Re-imagined Project.
- 3.5 The form of contract for the exhibition fit out contract is the SBCC Standard Building Contract with Quantities for Use in Scotland, SBC/Q/Scot 2016 Edition as supplemented and amended by the Council's specific 'Employer's Amendments'.
- 3.6 The exhibition fit out contract was tendered using the Competitive Procedure with Negotiation ("CPN"), in accordance with both the Public Contract (Scotland) Regulations 2015 and the Council's Standing Orders Relating to Contracts.
- 3.7 The CPN process that was adopted was mapped by the following stages:
- Stage 1 (Invitation to Participate);
 - Stage 2 (Invitation to Tender – Initial);
 - Stage 3 (Negotiation); and
 - Stage 4 (Final Tender).
- The Council reserved the right to award at the end of Stage 2 if a fully compliant and affordable tender was received, which would mean that it was not necessary to proceed to stages 3 and 4.
- 3.8 Stage 1 of this process was open to all interested bidders, who met the minimum selection criteria. The Contract Notice was published on the Find a Tender Service and Public Contract Scotland websites on 23 April 2021 with the procurement documents available for download from the Public Contracts Scotland – Tender portal on the same date.
- 3.9 During Stage 1, there were twenty-three (23) expressions of interest in the Contract. By the closing date set for submission, 12 noon on 24 May 2021, nine (9) Candidates had submitted a request to participate (RTP).

- 3.10 The RTPs were evaluated against a pre-determined set of criteria in the form of the Single Procurement Document (SPD) Scotland by representatives from the Council's Corporate Procurement Unit. All nine (9) Candidates satisfied the Council's minimum requirements within the SPD selection criteria.
- 3.10 As part of the selection process, and to reduce the number of otherwise qualified Candidates, in accordance with the Invitation to Participate as allowed under Regulation 66 of the Public Contracts (Scotland) Regulations 2015, Candidates had to respond to questions relating to previous experience, technical capacity and capability with projects similar in nature, scope and scale to the PMR – Exhibition Fit Out Contract.
- 3.11 A panel of representatives from the Paisley Museum Re-imagined project team assessed each of the nine (9) Candidate responses to the questions and the five (5) highest scoring Candidates were selected to proceed to the Stage 2 (Invitation to Tender – Initial). The Contract Notice indicated the Council's intention was to invite the top five highest scoring Candidates to Stage 2.
- 3.12 The selection score for each Candidate within Stage 1 - RTP is noted below:

| Candidate | Score | Ranking |
|--|--------|---------|
| The Hub Consulting Limited/ ta The Hub | 91.00% | 1 |
| HYPPOS B.V. (consortium bid "Hypsos Paisley Team") | 70.50% | 2 |
| BECK Interiors Limited | 70.00% | 3 |
| Bruns B.V. | 70.00% | 4 |
| Elmwood Projects Limited | 60.50% | 5 |
| Empty S.L. Branch in UK | 58.00% | 6 |
| Pico In-Creative (UK) Limited. | 54.50% | 7 |
| ISG Construction Limited | 51.00% | 8 |
| Stage One Creative Services Limited | 50.50% | 9 |

- 3.13 The initial invitation to tender (ITT) was made available for downloading by the five (5) shortlisted Candidates via the Public Contracts Scotland – Tender portal on 2 June 2021. By the closing date and time of 12 noon on 30 July 2021, five (5) Candidates (then Tenderers) had each submitted an initial tender.
- 3.14 The tenders received was assessed against the published Award Criteria based on an overall weighting of 30% Price and 70% Quality by a suitably qualified evaluation panel which included members of the Corporate Procurement Unit and the Paisley Museum Project Team,

including representatives from external Consultants Currie & Brown UK Limited, Gardiner & Theobald LLP and Opera Amsterdam B.V. The Tenderer's scores relative to the Award Criteria are detailed in the table below:

| Tenderer | Price Score | Quality Score | Total Score | Rank |
|--|-------------|---------------|-------------|------|
| The Hub Consulting Limited t/a The Hub | 28.19% | 52.75% | 80.94% | 1 |
| BECK Interiors Limited | 29.49% | 49.30% | 78.79% | 2 |
| Elmwood Project Limited | 30.00% | 43.60% | 73.60% | 3 |
| Bruns B.V. | 24.15% | 46.10% | 70.25% | 4 |
| HYPPOS B.V. (consortium bid "Hypsos Paisley Team") | 25.26% | 40.45% | 65.71% | 5 |

- 3.15 In addition to 3.7 above the contract notice, reserved the right to award the Contract following the initial tender stage or conduct successive stages of negotiation and retender (Stages 3 and 4) with the three (3) highest scoring Tenderers to improve the tenders with consideration to the affordability of the works and the characteristics, reduction or removal of one or more elements of the Contract which are not minimum requirements.
- 3.16 The Council elected to shortlist the three (3) highest scoring Tenderers after Stage 2 (Invitation to Tender – Initial) to Stage 3 (negotiation) in October 2021 and the three (3) Tenderers accepted the Council's invitation to negotiate.
- 3.17 The Stage 3 negotiation phase was conducted in accordance with Public Contracts (Scotland) Regulations 2015 (Regulation 30). The Council ended the Stage 3 negotiation phase on 5th November 2021.
- 3.18 After stage 3, the Council issued a Stage 4 (Final Tender) and this Final ITT was issued via the PCS-tender portal on 8 November 2021, inviting the three (3) Tenderers to submit a final tender. By the final tender submission deadline of 12 noon on 21 December 2021 all three (3) Tenderers had submitted a final tender.
- 3.19 The three (3) final tenders received were assessed against the published Award Criteria by a suitably experienced panel. In accordance with the Procurement Documents, Tenderers had the option to either submit revised responses to the quality criteria or hold to their initial tender proposals. Each Tenderer chose to submit updated responses and the scores relative to the Award Criteria for each revised proposal are detailed in the table below:

| Tenderer | Price Score | Quality Score | Total Score | Rank |
|--|-------------|---------------|-------------|------|
| The Hub Consulting Limited t/a The Hub | 28.58% | 58.90% | 87.48% | 1 |
| BECK Interiors Limited | 28.46% | 52.55% | 81.01% | 2 |
| Elmwood Project Limited | 30.00% | 45.85% | 75.85% | 3 |

- 3.20 The evaluation of final tenders identified that the submission by The Hub Consulting Limited t/a The Hub was the most economically advantageous tender.
- 3.21 The Contract allows for a 5% retention which will be released in stages until completion of the Contractor's obligations under the Contract.
- 3.22 Community Benefits were requested as part of the procurement process and The Hub Consulting Limited t/a The Hub have committed to delivering the following Community Benefits as part of the Contract:

| Community Benefit Outcome/ Activity | No. of People/ Activity |
|--|-------------------------|
| Job for an unemployed individual from a Priority Group | 1 |
| Job for a young person (age 16-24) - from the councils most deprived local datazones (SIMD 1 and 2) | 1 |
| Graduate (Site Management) | 2 |
| Work Experience Placement for an individual 16+ years of age from the councils most deprived local datazones (SIMD 1 and 2) | 1 |
| Work Experience Placement for an individual in full time education | 1 |
| Business advice/support to a local SME /Social Enterprise/ Voluntary organisation | 1 |
| Commitment to ensure that supply chain opportunities are prioritised for Renfrewshire based businesses | 1 |
| Event to promote supply chain opportunities | 1 |
| S/NVQ (or equivalent) for <ul style="list-style-type: none"> • New Employee • Existing Employee • Supply Chain Employee | 1 |
| Industry Awareness Events <ul style="list-style-type: none"> • Schools • Invest in Renfrewshire – Employability • Further Education | 1 |
| Industry Skill Transfer to Schools. | 1 |
| Financial Support for a Community Project | 1 |

Implications of the Report

1. **Financial** - No financial implications have arisen or are anticipated. Financial and Economic Standing have been assessed as part of the tender selection criteria – which The Hub Consulting Limited passed. The project will be funded from existing approved resources.
2. **HR & Organisational Development** – No HR & Organisational Development implications have arisen or are anticipated.
3. **Community/Council Planning –**
 - *Our Renfrewshire is fair* - Tenderers were assessed within Award Criteria regarding their approach to ensuring fair working practices throughout their organisation and supply chain i.e. payment of the living wage, training and development opportunities etc.
 - *Reshaping our place, our economy and our future* – The Museum Re-Imagined Project will deliver a cultural facility of significance for Scotland. The £42m project will help to transform Paisley's perception of itself, develop a visitor economy, lead the regeneration of the town centre and once again give Paisley a confident, outward-facing profile to the world. It will also bring a £79million economic boost to the town over the next 30 years, with 138 jobs supported during construction, and 48.5 jobs per year through revenue and visitor spending. The exhibition fit out contract will contribute to the refurbishment of the Paisley Museum
 - *Tackling inequality, ensuring opportunities for all* – The contract will deliver a broad range of Community Benefits including employment opportunities for individuals currently in receipt of employability support, employment for graduates, work placements, support with careers events and a range of business and mentoring support opportunities.
 - *Creating a sustainable Renfrewshire for all to enjoy* – In January 2014 Renfrewshire Council approved the Paisley Town Centre Heritage Regeneration Strategy (The Untold Story), setting out the need for change to the function and performance of the town based on its outstanding heritage and cultural assets. The redevelopment of Paisley Museum is the signature project identified within the Strategy. The ambition is to create a world class experience for visitors and local communities, showcasing the amazing

internationally significant collections, and embodying the spirit and character of the communities of Renfrewshire.

- *Working together to improve outcomes* – consultation with key stakeholders and user groups is ongoing to ensure that the building achieves the ambition of the town. The project team have already worked with more than approximately 1800 people and undertaken over 200 events to capture and help tell their stories and these will feature in the museum when it reopens.
4. **Legal** - The procurement of this works contract has been conducted in accordance with the Competitive Procedure with Negotiation of the Public Contracts (Scotland) Regulations 2015 and the Council's Standing Orders Relating to Contracts and the Council's Financial Regulations.
 5. **Property/Assets** – the project is underpinned by the following strategic aims which will enhance the Council's asset by turning the Paisley Museum into a:
 - leading international museum — telling the story of Paisley as a pattern and a town
 - visitor destination drawing its audience from Scotland, UK and overseas
 - hub for learning, skills development, innovation and research
 - community resource at the heart of Paisley's local life; and
 - means of restoring civic pride, and increased feeling of community ownership
 6. **Information Technology** – No IT implications have arisen or are anticipated.
 7. **Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
 8. **Health & Safety** – The Hub Consulting Limited t/a The Hub's health and safety credentials were evaluated by Corporate Health and Safety

and met the Council's minimum requirements regarding health and safety.

9. **Procurement** – The procurement procedures outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.
10. **Risk** – The Hub Consulting Limited t/a The Hub's insurances have been assessed and evaluated and confirm that they will meet the minimum requirements regarding insurable risk.
11. **Privacy Impact** - No Privacy Impact implications have been identified or are anticipated.
12. **Cosla Policy Position** – No Cosla Policy Position implications have arisen or are anticipated.
13. **Climate Risk** – The level of impact associated with the works has been assessed using the Scottish Government Sustainability Test and is considered to be low risk.

List of Background Papers

(a) none.

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To: Finance, Resources and Customer Services Policy Board

On: 30th March 2022

Report by: The Chief Executive and the Chief Officer Renfrewshire Health and Social Care Partnership

Heading: Provision of an Adaptations and Small Repair Service (RC-CPU-21-373)

1. Summary

- 1.1 The purpose of this report is to seek the approval of the Finance, Resources and Customer Services Policy Board to award a contract to Bridgewater Housing Association Limited for the provision of an Adaptations and Small Repair Service.
- 1.2 This procurement exercise has been conducted by Renfrewshire Council, as the lead Council in collaboration with East Renfrewshire Council in accordance with 33. 1(b) of The Public Contracts (Scotland) Regulations 2015 and Standing Order 14 of the Council's Standing Orders Relating to Contracts.
- 1.3 A Contract Strategy for this contract was approved by the Strategic Commercial and Procurement Manager and the Chief Finance Officer Renfrewshire Health and Social Care Partnership on the 17th February 2022.
-

2. Recommendations

- 2.1 It is recommended that the Finance, Resources and Customer Services Policy Board authorise the Head of Corporate Governance:
- 2.1.1 To award the Contract for the Provision of Adaptions and Small Repair Service to Bridgewater Housing Association Limited;
 - 2.1.2 To award the Contract for eleven (11) months from 1st May 2022 to 31st March 2023; and
 - 2.1.3 To award the Contract at a maximum value of £349,756.52 excluding VAT for the entire contract period, with the spend pertaining to Renfrewshire Council being no more than £201,229.88 excluding VAT.
-

3. Background

- 3.1 From April 2009, in accordance with the Housing (Scotland) Act 2006, Local Authorities have had a duty to provide financial assistance to owner occupiers with a disability to enable the owner occupier to have adaptations carried out to their home to support and make the home more accessible. The Duty applies where individual owner occupier's needs have been assessed, and the Council has deemed it a priority for those owner occupier's needs to be met and, following assessment adaptations are agreed as the best way to meet these needs. The financial assistance for the recommended adaptations from the Council is offered through grants.
- 3.2 This is a lotted contract for the provision of both services and works and allows each council to enter into a call off contract for their individual requirements under Lot 1 – Adaptations and Lot 2 – Small Repairs.
- 3.3 The Head of Policy and Commissioning (HOPAC) agreed to the procurement of a negotiated contract without competition made in accordance with 33. 1(b) of The Public Contracts (Scotland) Regulations 2015 and the Council's Standing Orders Relating to Contracts order 14. Negotiated contract without competition.
- 3.4 This tender was issued to Bridgewater Housing Association Limited via the Public Contract Scotland Tender portal on 22nd February 2022 with a tender closing date of 12 noon on the 3rd March 2022.
- 3.5 The tender document included a Single Procurement Document (SPD) as required by the Council's Standing Orders relating to Contracts and

the tender response submitted was evaluated against a pre-determined set of criteria within that SPD by representatives from the following Council Services: Corporate Procurement Unit, Corporate Risk and also by representatives of the Renfrewshire Health and Social Care Partnership – all requirements were met. Bridgewater Housing Association Limited as part of their tender submission confirmed that they would deliver the service for the price as detailed in the tender.

3.6 Community Benefits were sought as part of the procurement process and Bridgewater Housing Association Limited advised within their tender submission that the following Community Benefits would be delivered as part of this Contract:

- 1 x Work Experience Placement for an individual aged 14 to 16 years of age
- 1 x Non financial support for a Community Project

Implications of the Report

1. **Financial** – Using Dun & Bradstreet, the financial status of Bridgewater Housing Association Limited was assessed which confirmed that the organisation satisfied the Council's requirements in relation to financial stability.
2. **HR & Organisational Development** - None
3. **Community/Council Planning –**
 - Our Renfrewshire is well – enabling people to live independently in their own homes
 - Our Renfrewshire is fair - ensuring that all those who require the service are supported to access the service
 - Reshaping our place, our economy and our future – the provider is an accredited Living Wage employer and will provide support to a Community Project within Renfrewshire.
 - Tackling inequality, ensuring opportunities for all – the adaptations and small repair service will allow people to remain independent in their own homes
 - Working together to improve outcomes – The services delivered will help to improve outcomes for residents within Renfrewshire
4. **Legal** – The procurement of this contract has been conducted in accordance with The Public Contracts (Scotland) Regulations 2015 and the Council's Standing Orders relating to Contracts.

5. **Property/Assets** - None
6. **Information Technology** - None
7. **Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – Bridgewater Housing Association Limited's Health and Safety submission has been evaluated by Corporate Health and Safety and meets the Council's requirements.
9. **Procurement** – The procurement procedures outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.
10. **Risk** – Bridgewater Housing Associations Limited's insurances have been assessed and evaluated and meet the minimum requirements regarding insurable risk.
11. **Privacy Impact** - The contract contains Renfrewshire Council's General Conditions of Contract data protection provisions. Bridgewater Housing Associations Limited has signed the Data Processor Agreement.
12. **Cosla Policy Position** –Not Applicable.
13. **Climate Change** – No climate change implications were noted as part of this Contract.

List of Background Papers

none

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To: Finance, Resources and Customer Services Policy Board

On: 30th March 2022

Report by: The Chief Executive and the Chief Officer Renfrewshire Health and Social Care Partnership

Heading: Provision of Adults' Residential Services at Cherrywood Care Home
(RC-CPU-21-078)

1. Summary

- 1.1 The purpose of this report is to seek the approval of the Finance, Resources and Customer Services Policy Board to award a contract to The Mungo Foundation for the Provision of Adults' Residential Services at Cherrywood Care Home.
- 1.2 The recommendation to award this Contract follows a procurement exercise which was conducted as a Negotiated Procedure without prior publication in accordance with the Council's Standing Orders Relating to Contracts and regulation 76 of the Public Contracts (Scotland) Regulations 2015, as amended, for a Social and Other Specific Services contract.
- 1.3 A Contract Strategy for this contract was approved by the Strategic Commercial and Procurement Manager and the Head of Mental Health, Learning Disabilities and Addictions, Renfrewshire Health and Social Care Partnership on 14th June 2021.
-

2. Recommendations

2.1 It is recommended that the Finance, Resources and Customer Services Policy Board authorise the Head of Corporate Governance:

2.1.1 To award the Contract for the Provision of Adults' Residential Services at Cherrywood Care Home to The Mungo Foundation;

2.1.2 To award the Contract for one (1) year which is anticipated to commence on 1st May 2022 to 30th April 2023, the exact date will be confirmed in the Council's Letter of Acceptance; and

2.1.3 To award the Contract up to a maximum value of £1,234,841.40 excluding VAT for the one (1) year period. This maximum value applies where the Health and Social Care Partnership choose to take up the maximum of nine placements available at the service.

3. Background

3.1 The service is located in Elderslie and offers care home placements for a maximum of nine adults with learning disabilities who may also have a physical impairment. It provides accommodation, equipment, provisions, personal care, support and supervision where required and appropriate to the individual. The service is person centred and will be provided in accordance with each person's Care Assessment and Care and Support Plan.

3.2 The procurement process for this Contract was conducted as a Negotiated Procedure without Prior Publication in accordance with the Council's Standing Orders Relating to Contracts and Regulation 76 of the Public Contracts (Scotland) Regulations 2015, as amended for a Social and Other Specific Services Contract.

3.3 The Invitation to Contract was issued to The Mungo Foundation via the Public Contracts Scotland-Tender portal on 20th December 2021 with a tender closing date of 12 noon on 24th January 2022.

3.4 The Invitation to Contract included a Single Procurement Document (SPD) as required by the Council's Standing Orders relating to Contracts. The Mungo Foundation met all the stated minimum criteria within the SPD.

3.5 The Mungo Foundation technical and commercial submission was evaluated against pre-determined criteria by representatives from the

following Council Services: Corporate Procurement Unit, Corporate Risk, Health and Safety and also by representatives of the Renfrewshire Health and Social Care Partnership – all requirements were met. The Mungo Foundation as part of the tender submission confirmed that they would deliver the service under the Contract for the Price as noted at 2.1.3 above.

- 3.6 Community Benefits were sought as part of the procurement process. The Mungo Foundation have offered the following community benefits as part of their tender submission:

| Community Benefit offered | Number of Community Benefits |
|--|-------------------------------------|
| Work Experience Placement for an individual 16+ years of age. | 2 |
| S/NVQ (or equivalent) for: <ul style="list-style-type: none"> • New Employee • Existing Employee • Supply Chain Employee | 3 |
| Participation in an industry awareness event: <ul style="list-style-type: none"> • Schools • Invest in Renfrewshire – Employability • Further Education | 1 |

Implications of the Report

1. **Financial** – Using Dun & Bradstreet, the financial status of The Mungo Foundation was assessed. This confirmed that the organisation satisfied the Council's requirements in relation to financial stability.
2. **HR & Organisational Development** – None
3. **Community/Council Planning** –
 - Our Renfrewshire is well – Promote the health and wellbeing of service users
 - Our Renfrewshire is fair – Developing an environment where service users feel comfortable, safe and secure
 - Tackling inequality, ensuring opportunities for all – Supporting service users to grow and achieve their full potential
 - Working together to improve outcomes – People are involved in the planning, development, design and delivery of services that help them to achieve the outcomes they want.

4. **Legal** – This procurement process was conducted as a contract for Social and Other specific Services in accordance with the Council's Standing Orders Relating to Contracts and the Public Contracts (Scotland) Regulations 2015, as amended.
5. **Property/Assets** - None
6. **Information Technology** - None
7. **Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – The Mungo Foundation Health and Safety submission has been evaluated by Corporate Health and Safety and meets the Council's requirements.
9. **Procurement** – The procurement procedures outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.
10. **Risk** – The Mungo Foundation insurances have been assessed and evaluated and meet the minimum requirements regarding insurable risk.
11. **Privacy Impact** - The contract contains Renfrewshire Council's General Conditions of Contract data protection provisions.
12. **Cosla Policy Position** – Not Applicable.
13. **Climate Change** – No climate change implications were noted as part of this Contract.

List of Background Papers

none

Author: Sarah Ford, Senior Procurement Specialist, Corporate Procurement Unit, Sarah.Ford@renfrewshire.gov.uk



To: Finance, Resources and Customer Service Policy Board

On: 30 March 2022

Report by: The Chief Executive and the Director of Environment and Infrastructure

Heading: Contract Award: Provision of an Operational Management System

1. Summary

- 1.1 The purpose of this report is to seek the approval of the Finance, Resources and Customer Services Policy Board to award a Services Contract for the Provision of an Operational Management System (RC-CPU-21-245) to Webaspx Limited.
 - 1.2 The recommendation to award a Call-Off Contract follows a procurement exercise conducted as a Further Competition under Lot 2b Environmental Planning under the Crown Commercial Services Data & Application Solutions Framework Agreement (ref: RM3821).
 - 1.3 A Contract Strategy was approved by the Head of Operations and Infrastructure on 6th January 2022.
-

2. **Recommendations**

It is recommended that the Finance, Resources and Customer Services Policy Board:

- 2.1 Authorise the Head of Corporate Governance to award a Contract for the Provision of an Operational Management System to Webaspx Limited;
- 2.2 Note the initial service term of 3 years with the Council having the option to extend the service term for up to a further 2 years, subject to contract performance. The anticipated starting date is 20th April 2022. The actual starting date will be confirmed in the Council's Letter of Acceptance to Webaspx Limited.
- 2.3 Authorise the total contract value of up to £366,139 excluding VAT.
- 2.4 Note the award of this Contract is subject to the completion of the Crown Commercial Services Data & Application Solutions Order Form as indicated within the tender documentation.

3. **Background**

- 3.1 This procurement is for the appointment of a Supplier to provide a replacement software solution to facilitate the improved operational management of several services Environment and Infrastructure currently deliver including, but not limited to the following services;

- Waste management
- Street cleaning
- Winter maintenance
- Grass cutting
- Gully emptying

This software is replacing the Council's existing solution and is capable of modelling efficient routes and providing performance data for managers to review improvement delivery options of current services including vehicle routing, vehicle size and work schedules.

- 3.2 This procurement exercise has been tendered as a Further Competition under Crown Commercial Services Data & Application Solutions Framework Agreement (ref: RM3821) Lot 2b Environmental Planning.
- 3.3 Lot 2b of the Crown Commercial Services Data & Application Solutions Framework Agreement has fifteen suppliers currently registered on the Crown Commercial Services Contracts Finder Platform. All fifteen Suppliers were invited to participate in the Further Competition issued on 20th January 2022

with the tender documentation available for downloading from the Public Contract Scotland-Tender platform on this date.

- 3.4 By closing date set for return of electronic tenders of 12 noon on 4th February 2022, two Suppliers invited to tender submitted a response with thirteen failing to provide a response.
- 3.5 The two Suppliers completed the European Single Procurement Document (ESPD) when applying for a place on the Crown Commercial Services Framework Agreement (RM3821).
- 3.6 The two Supplier responses received were evaluated against the award criteria of 70% Quality and 30% Price as set out in the Further Competition. The Supplier responses received were evaluated by representatives from the following Council services: Environment & Infrastructure, the Corporate Procurement Unit, ICT, Cyber Security, Corporate Risk and Corporate Health and Safety.
- 3.7 The scores relative to the award criteria for each Supplier are noted below:

| | | Quality (70%) | Price (30%) | Total (100%) |
|----------|---------------------|--------------------------|------------------------|-------------------------|
| 1 | Webaspx Limited | 54.25 | 30.00 | 84.25 |
| 2 | Bramble Hub Limited | 38.88 | 15.00 | 53.88 |

- 3.8 The evaluation of Supplier responses received identified that the response by Webaspx Limited was the most economically advantageous to the Council.
- 3.9 Community Benefits were sought for this Contract and Webaspx Limited has committed to the following:

| Community Benefit Description | No of People / Activity |
|---|------------------------------------|
| Work Experience Placement for an individual 16+ years of age | 3 |
| Industry Awareness Events | 1 |
| Industry Skill Transfer to Schools | 1 |
| Business advice/support to an SME /Social Enterprise/ Voluntary organisation | 3 |

Implications of the Report

1. **Financial** – The cost for this contract will be met through Environment & Infrastructures Operational & Infrastructure's revenue budget
2. **HR & Organisational Development** – No TUPE implications.
3. **Community/Council Planning** –
 - Our Renfrewshire is fair - Tenderers were assessed within this procurement process in regard to their approach to ensuring fair working practices throughout their organisation and supply chain i.e. payment of the living wage, training, and development opportunities.
 - Creating a sustainable Renfrewshire for all to enjoy – Webaspx Limited has committed to deliver Community Benefits as detailed within section 3.9 of this report.
4. **Legal** - The procurement of this contract was carried out in accordance with the Crown Commercial Services Framework Agreement RM3821 Call-Off Award Procedure and the Council's Standing Orders Relating to Contracts
5. **Property/Assets** - there are no property/assets implications of the report
6. **Information Technology** – Introduction of a new technology solution which has been assessed against, and meets, the technical and security standards required by the Council, and which will require integration with existing technologies to exploit existing master data sets.
7. **Equality & Human Rights**
 - (a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8. **Health & Safety** - Webaspx Limited's health and safety credentials were evaluated by Corporate Health and Safety and met the Council's minimum requirements regarding health and safety.
9. **Procurement** - The procurement procedure outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency, and modern Government
10. **Risk** – Webaspx Limited's insurances were evaluated by Corporate Risk and met the Council's minimum requirements regarding insurable risk.
11. **Privacy Impact** – a Data privacy impact assessment (DPIA) has been carried out for this procurement
12. **Cosla Policy Position** – No Cosla Policy Position implications have arisen or are anticipated.
13. **Climate Risk** – the Operational Management System will support the Council's climate objectives by increasing the volume and quality of recycling and reducing the climate impact of collecting and processing waste.

Author: Kerri-Anne Ben Ammar, Acting- Senior Procurement Specialist,
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To: Finance, Resources and Customer Services Policy Board

On: 30th March 2022

Report by: The Chief Executive and the Director of Children's Services

Heading: Provision of Specialised Services in Supported Accommodation and Related Specialist Support Services for Women and Their Children Affected by Domestic Abuse

(RC-CPU-21-093)

1. Summary

- 1.1 The purpose of this report is to seek the approval of the Finance, Resources and Customer Services Policy Board to award a contract to Renfrewshire Women's Aid (SCIO) for the Provision of Specialised Services in Supported Accommodation and Related Specialist Support Services for Women and Their Children Affected by Domestic Abuse.
- 1.2 The recommendation to award this Contract follows a procurement exercise which was conducted as a Negotiated Procedure without prior publication in accordance with the Council's Standing Orders Relating to Contracts and regulation 76 of the Public Contracts (Scotland) Regulations 2015 as amended for a Social and other Specific Services contract.
- 1.3 A Contract Strategy for this contract was approved by the Strategic Commercial and Procurement Manager and the Head of Child Care and Criminal Justice on 3rd November 2021.
-

2. Recommendations

2.1 It is recommended that the Finance, Resources and Customer Services Policy Board authorise the Head of Corporate Governance:

2.1.1 To award the Contract for the Provision of Specialised Services in Supported Accommodation and Related Specialist Support Services for Women and Their Children Affected by Domestic Abuse to Renfrewshire Women's Aid (SCIO);

2.1.2 To award the Contract for three (3) years with the option to extend for up to 24 months, anticipated to commence on 1st May 2022 to 30th April 2025 and ending on 30th April 2027 should the extension options be taken; the exact dates to be confirmed in the Council's Letter of Acceptance.

2.1.3 To award the Contract up to a maximum value of £1,240,695 excluding VAT for the entire period of the contract (equal to £248,139 per annum).

3. Background

3.1 This contract will replace an existing contract with Renfrewshire Women's Aid (SCIO).

3.2 The service provides local help, support and information to women and women with children and young people affected by domestic abuse. The type of support offered includes: support services within temporary accommodation, an advice centre, one to one support, advocacy, legal and welfare rights information and group support.

3.3 The procurement process for this Contract was conducted as a Negotiated Procedure without Prior Publication in accordance with the Council's Standing Orders Relating to Contracts and Regulation 76 of the Public Contracts (Scotland) Regulations 2015, as amended for a Social and Other Specific Services Contract.

3.4 The Invitation to Contract was issued to Renfrewshire Women's Aid (SCIO) via the Public Contracts Scotland-Tender portal.

3.5 The Invitation to Contract included a Single Procurement Document (SPD) as required by the Council's Standing Orders relating to Contracts. Renfrewshire Women's Aid (SCIO) met all the stated minimum criteria within the SPD.

3.6 Renfrewshire Women's Aid (SCIO) technical and commercial submission was evaluated against pre-determined criteria by representatives from the following Council Services: Corporate Procurement Unit, Corporate Risk, Health and Safety, Children's Services and a representative of the Renfrewshire Health and Social Care Partnership – all requirements were met. Renfrewshire Women's Aid (SCIO) as part of the tender submission confirmed that they would deliver the services under the Contract for the Price as stated in 2.1.3 above.

3.7 Community Benefits were sought as part of the procurement process. Renfrewshire Women's Aid (SCIO) have offered the following community benefits as part of their tender submission:

| Community Benefit offered | Number of Community Benefits |
|---|-------------------------------------|
| S/NVQ (or equivalent) for: <ul style="list-style-type: none">• New Employee• Existing Employee• Supply Chain Employee | 8 |

Implications of the Report

1. **Financial** – Using Dun & Bradstreet, the financial status of Renfrewshire Women's Aid (SCIO) was assessed. This confirmed that the organisation satisfied the Council's requirements in relation to financial stability.
2. **HR & Organisational Development** – None
3. **Community/Council Planning** –
 - Reshaping our place, our economy and our future – Service Users and the wider community are better informed of the causes and impact of domestic abuse.
 - Building strong, safe and resilient communities – The contract will provide help, support and information services that are aimed at empowering women and children to make informed choices and find appropriate routes to safety.
 - Tackling inequality, ensuring opportunities for all – Supporting delivery of the Scottish Government Equally Safe Strategy to ensure it is implemented and is successful in achieving its aims.

4. **Legal** – This procurement process was conducted as a contract for Social and Other specific Services in accordance with the Council's Standing Orders Relating to Contracts and the Public Contracts (Scotland) Regulations 2015.
5. **Property/Assets** - None
6. **Information Technology** - None
7. **Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – Renfrewshire Women's Aid (SCIO) Health and Safety submission has been evaluated by Corporate Health and Safety and meets the Council's requirements.
9. **Procurement** – The procurement procedures outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.
10. **Risk** – Renfrewshire Women's Aid (SCIO) insurances have been assessed and evaluated and meet the minimum requirements regarding insurable risk.
11. **Privacy Impact** – A Data Protection Impact Assessment (DPIA) is not required as the Council does not share any personal data with Renfrewshire Women's Aid (SCIO). Renfrewshire Women's Aid (SCIO) is a Data Controller in the delivery of this contract and will comply with Renfrewshire Council's General Conditions of Contract Health and Social Care February 2021 data protection provisions.
12. **Cosla Policy Position** – Not Applicable.
13. **Climate Change** – No climate change implications were noted as part of this Contract.

List of Background Papers

none

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To: Finance, Resources and Customer Services Policy Board

On: 30th March 2022

Report by: The Chief Executive

Heading: Contract Award: Public Realm Works – High Street and Weighhouse Close (RC-CPU-21-234)

1. Summary

- 1.1 The purpose of this report is to seek the approval of the Finance, Resources and Customer Services Policy Board to award a Works Contract for Public Realm Works – High Street and Weighhouse Close (RC-CPU-21-234) to Landscapes and Contracts Limited;
 - 1.2 The recommendation to award the Contract follows a procurement exercise conducted in accordance with the Council's Standing Orders Relating to Contracts for a below Regulated Procurement (Works) contract using the Open Tender Procedure.
 - 1.3 A Contract Strategy was approved by the Category Manager – City Deal and Infrastructure and the Project Director – City Deal and Infrastructure on 22 November 2021.
-

2. Recommendations

- 2.1 It is recommended that the Finance, Resources and Customer Service Policy Board:

- (a) Authorises the Head of Corporate Governance to award a Contract for the Public Realm Works – High Street and Weighhouse Close (RC-CPU-21-234) to Landscapes and Contracts Limited.
 - (b) Authorise the total of the Prices up to £375,821.33 excluding VAT and an additional 6.4% contingency for any unforeseen works where all 6 basements are included.
 - (c) Note the *starting date* will be confirmed in the Letter of Acceptance but is anticipated to be 18th April 2022 and the *completion date* will be 24 weeks from the *starting date*.
 - (d) Note contract award is subject to agreement with each of the six (6) basement owners to allow the Contractor access to undertake the structural alterations. As indicated in the Procurement Documents, the Council reserves the right to remove one, some or all basements from the scope of works prior to contract award.
-

3. Background

- 3.1 In support of the Paisley Town Centre Heritage Asset Strategy, funding was secured for a second Paisley Townscape Heritage/Conservation Area Regeneration Scheme (TH.CARS2). Grant awards from Historic Environment Scotland and the National Lottery Heritage Fund (formerly Heritage Lottery Fund) were secured.
- 3.2 As part of the TH.CARS2 project, several town centre areas were identified for public realm enhancement with a programme of resurfacing & hard landscaping sympathetic to the existing historic character of the locations contained within the Paisley Town Centre Conservation Area
- 3.3 The total available budget for public realm works, as identified within the approved TH.CARS2 cost plan, is £750,000.
Funded as follows:

| | |
|--------------------------------|----------|
| National Lottery Heritage Fund | £309,208 |
| Renfrewshire Council | £261,215 |
| Historic Environment Scotland | £179,577 |

This total budget includes professional fees (design, survey & project management costs) for both the development and delivery phases. The TH.CARS2 project funding must be fully spent by 31 March 2023 and the approved programme identifies the completion of the public realm works by December 2022.

- 3.4 This procurement exercise is for the appointment of a suitably experienced contractor to undertake the implementation of refurbished hard landscaping on two (2) footpaths, one on High Street and one on the corner with Townhead Terrace and Storie Street. There are existing basements within sections of the

High Street which will require new support beams and support systems to be installed which will allow paving to be extended to meet the building facades.

- 3.5 To initiate this procurement process a Contract Notice was published on the Public Contracts Scotland advertising portal on Thursday 13 January 2022 with the tender documentation available for downloading from the Public Contracts Scotland – Tender portal from this date.
- 3.6 During the live tender period, there were fourteen (14) expressions of interest in the tender. By the closing date set for the return of electronic tender submissions, 4pm on Monday 21 February 2022, two (2) organisations submitted a tender response, five (5) declined to respond and seven (7) did not reply.
- 3.7 In accordance with the Council's Standing Orders Relating to Contracts (order 11.5), Tenderers were required to complete a Single Procurement Document (SPD(Scotland)) to be submitted with their tender submission. Both tender submissions were evaluated against a pre-determined set of criteria by representatives from the following Council services: City Deal and Infrastructure project team, the Corporate Procurement Unit, Corporate Risk and Corporate Health & Safety.
- 3.8 The two (2) tender submissions received complied with the minimum selection criteria of the SPD(Scotland) were then each evaluated against the Award Criteria weighting of 60% Quality 40% Price. One of the tender submissions was deemed non-compliant as it did not comply with the information and instructions for Tenderers.
- 3.9 The scores relative to the Award Criteria for the remaining tender submission is noted below:

| | | Quality (70%) | Price (30%) | Total (100%) |
|----------|---|--------------------------|------------------------|-------------------------|
| 1 | Landscapes and Contracts Limited | 53.25% | 30.00% | 83.25% |

- 3.10 The evaluation of tender submissions received identified that the submission by Landscapes and Contracts Limited was the most economically advantageous tender.
- 3.11 The form of Contract will be the NEC3 Engineering and Construction Contract Short form, as amended and supplemented by the additional Z clauses.
- 3.12 Community Benefits were requested as part of the procurement process and Landscapes and Contracts Limited confirmed that the following Community Benefits would be made available to the Council for this Contract:

| Community Benefit Description | No of People / Activity |
|--|-------------------------|
| Modern Apprenticeship (Groundworks or Administration) | 1 |
| Work Experience Placement for an individual 16+ years of age | 2 |
| Work Experience Placement for an individual aged 14 to 16 years of age | 1 |
| S/NVQ (or equivalent) for <ul style="list-style-type: none"> • New Employee • Existing Employee • Supply Chain Employee | 2 |

Implications of the Report

1. **Financial** – The cost for these works will be met from the existing grant funding from Historic Environment Scotland (HES) and National Lottery Heritage Fund (NLHF) for the Paisley Townscape Heritage/ Conservation Area Regeneration Scheme (TH.CARS2).
2. **HR & Organisational Development** – No TUPE implications.
3. **Community/Council Planning** –
 - Our Renfrewshire is fair - Addressing the inequalities that limit life's chances. Tenderers were assessed within this procurement process in regard to their approach to Fair Work First throughout their organisation and supply chain i.e. payments of the living wage, training and development opportunities.
 - Our Renfrewshire is safe – A central requirement for Property Services is to ensure that Council operated property, facilities and assets are properly maintained in a manner that complies with existing statutory legislation (Statutory Compliance). An improved school environment provides a safer educational experience.
 - Tackling inequality, ensuring opportunities for all – promoting skills and learning for life.
 - Creating a sustainable Renfrewshire for all to enjoy – Landscapes and Contracts Limited has committed to deliver Community Benefits as set out within section 3.12 of this report.
4. **Legal** – The Procurement of this Contract was conducted as a below Regulated Procurement (Works) Open Procurement Procedure in accordance with the Council's Standing Orders Relating to Contracts.
5. **Property/Assets** – The Contract will facilitate improvement of the footpaths at a high-profile location – meeting Paisley High Street on the

main route to the Paisley Museum which is currently undergoing its £42million refurbishment and extension.

In order to undertake the full scope of works, the Council requires agreement from the owners of six (6) basements to permit the Contractor access to undertake structural alterations. Minutes of Agreement are required with each basement owner prior to contract award.

6. **Information Technology** – No information Technology implications have arisen or are anticipated.
7. **Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – Landscapes and Contracts Limited health and safety credentials were evaluated by Corporate Health and Safety and met the Council's minimum requirements regarding health and safety.
9. **Procurement** – The procurement procedures outlined within this report ensures that the Council meets its statutory requirements in respect of procurement procedures, efficiency, and modern Government.
10. **Risk** – Landscapes and Contracts Limited insurances have been assessed and evaluated to confirm that they meet the minimum requirements regarding insurable risk.
11. **Privacy Impact** – No Privacy Impact implications have been identified or are anticipated.
12. **Cosla Policy Position** – No COSLA Policy Position implications have arisen or are anticipated.
13. **Climate Risk** – The level of impact associated with provision of these work has been assessed using the Scottish Government Sustainability Test and is considered low risk.

List of Background Papers

(a) None

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To: Finance, Resources and Customer Service Policy Board

On: 30th March 2022

Report by: The Chief Executive and the Director of Communities and Housing

Heading: Contract Award: PAS2035 Retrofit Design, Specification and Co-Ordination (Housing Investment and Regeneration Programmes) (RC-CPU-21-333)

1. Summary

- 1.1 The purpose of this report is to seek the approval of the Finance, Resources and Customer Services Policy Board to award a Services Contract for PAS2035 Retrofit Design, Specification and Co-Ordination (Housing Investment and Regeneration Programmes) (RC-CPU-21-333) to ECD Architects Ltd.
 - 1.2 The recommendation to award the NEC3 Professional Service Short Contract follows a procurement exercise conducted in accordance with the Public Contracts (Scotland) Regulations 2015 and the Council's Standing Orders Relating to Contracts for an above Threshold Services Contract using the Open Tender Procedure.
 - 1.3 A Contract Strategy was approved by the Director of Communities and Housing Services and the Strategic Commercial and Procurement Manager on 20th December 2021.
-

2. Recommendations

It is recommended that the Finance, Resources and Customer Services Policy Board:

- 2.1 Authorise the Head of Corporate Governance to award a Contract for PAS2035 Retrofit Design, Specification and Co-Ordination (Housing Investment and Regeneration Programmes) to ECD Architects Ltd.
- 2.2 Authorise the total contract value of up to £3,308,990.00 excluding VAT.
- 2.3 Note that the anticipated starting date is 26th May 2022 and the anticipated completion date is 25th May 2026. The Council has the sole option to extend the completion date by up to 12 months, subject to contract performance. The actual starting date and completion date will be confirmed in the Council's Letter of Acceptance to ECD Architects Ltd.
- 2.4 Note that ECD Architects Ltd are required to enter into a Data Processor Agreement and Sub Contractor Collateral Warranties as a requirement of this Contract .

3. Background

- 3.1 This procurement is for the appointment of a multi-disciplinary design team who will be responsible for the design, specification, and coordination of retrofit and regeneration works for the housing investment programme, as set out within the Housing Revenue Account (HRA) Capital Investment Plan which was approved by Council on 3rd March 2022. This will include investment works within the eight approved housing-led regeneration areas, as well as Energy Efficient Scotland: Area Based Schemes (EES:ABS) programmes and investment in housing stock to meet the Energy Efficiency Standard for Social Housing (ESSH).

The programme will include internal and external works to domestic properties (a mix of both Council owned and privately owned properties of various archetypes), such work to ensure the property achieves a standard compliant with PAS2035:2019, which is the specification for energy retrofit for domestic buildings. The Council is adopting a whole house retrofit approach to housing investment and regeneration works, as this is a more cost effective approach than undertaking multiple works over time and reduces disruption to residents. Delivering a whole house retrofit approach to PAS2035 standard is critical to achieving a high-performance design solution to improve the thermal performance of the Council's housing stock.

- 3.2 To initiate this procurement process a contract notice was published on Find a Tender via the Public Contracts Scotland advertising portal on Tuesday 21st

December 2021 with the tender documentation available for download from the Public Contract Scotland Tender platform on this date.

- 3.3 During the live tender period, 27 organisations expressed an interest in this opportunity. By the closing date set for the return of electronic tender submissions, 12 noon on Tuesday 8th February 2022, 4 organisations submitted a tender response, 5 organisations declined, and 18 organisations did not respond.
- 3.4 Tenderers were required to complete a Single Procurement Document (SPD) to be submitted with their tender submission. All 4 tender submissions were evaluated against a pre-determined set of criteria in the form of the SPD by representatives from the following Council services: Property Services, the Corporate Procurement Unit, Corporate Risk and Corporate Health and Safety.
- 3.5 All 4 tender submissions received complied with the minimum selection criteria of the SPD. The 4 tender submissions were each evaluated against the Award Criteria on a weighting of 70% quality and 30% price.
- 3.6 The scores relative to the Award Criteria for each of the 4 tender submissions are noted below:

| | | Quality (70%) | Price (30%) | Total (100%) |
|----------|--|--------------------------|------------------------|-------------------------|
| 1 | ECD Architects Ltd | 58.00 | 24.00 | 82.00 |
| 2 | Holmes Miller Ltd | 58.75 | 16.00 | 74.75 |
| 3 | Architype Limited | 61.79 | 6.00 | 67.79 |
| 4 | Diamond and Company (Scotland) Limited | 36.05 | 30.00 | 66.05 |

- 3.7 The evaluation of tender submissions received identified that the tender submission by ECD Architects Ltd was the most economically advantageous tender.
- 3.8 The form of Contract will be NEC3 Professional Services Short Contract April 2013 with Z Clauses.
- 3.9 This Contract is funded from the Housing Revenue Account (HRA) Capital Programme budget.
- 3.10 Community Benefits were requested as part of the procurement process and ECD Architects Ltd has committed to the following:

| Community Benefit Description | No of People / Activity |
|--|--------------------------------|
| Job for a young person (age 16-24) from a recognised priority group e.g. from the councils' most deprived data zones | 1 |
| Modern Apprenticeship | 1 |
| Work Experience Placement for an individual 16+ years of age | 2 |
| Work Experience Placement for an individual in full time education | 2 |
| Industry Awareness Events | 4 |
| Business advice/support to a local SME /Social Enterprise/ Voluntary organisation | 1 |
| Commitment to ensure that supply chain opportunities are prioritised for Renfrewshire based businesses | 1 |
| Financial Support for a Social Enterprise or other approved community initiative | 1 |
| Non financial support for a Social Enterprise or other approved community initiative | 2 |

- 3.11 The Council also requested voluntary community benefits in addition to the contractual community benefits offered. Tenderers were asked to take into account the nature of this Contract and its location. ECD Architects Ltd have also offered the following voluntary community benefits:

| Additional Voluntary Community Benefits |
|---|
| Staff working on the Contract would provide volunteering days to worthwhile causes in the Renfrewshire area (charities, community groups or food banks) |

Implications of the Report

1. **Financial** – The cost for this contract will be met through the Housing Revenue Account Capital Programme budget.
2. **HR & Organisational Development** – No TUPE implications.
3. **Community/Council Planning** –
 - Our Renfrewshire is fair - Tenderers were assessed within this procurement process in regard to their approach to ensuring fair working practices throughout their organisation and supply chain i.e. payment of the living wage, training and development opportunities.

- Creating a sustainable Renfrewshire for all to enjoy – ECD Architects Ltd has committed to deliver Community Benefits as detailed within section 3.10 + 3.11 of this report.
 - Driving Housing Regeneration - The designs and the subsequent works will ensure that the housing stock is up to standard and protected for the future, while reducing carbon and helping to reduce residents' energy bills within the 8 neighbourhoods.
 - Keeping local places clean and attractive – Sitting separately from the PAS2305 services, ECD Architects Ltd will also provide a detailed design solution, and investment plans for the upgrade of the external environment, physical landscape and facilities within eight local .The Landscaping design element of this Contract will provide an improvement of the physical environment and infrastructure.
 - Providing good quality services - Tenderers were assessed within this procurement process in regard to their technical ability to ensure the services provided were of a good quality standard.
4. **Legal** - The procurement of this Services Contract has been conducted as an above Threshold Open Procurement Procedure in accordance with the Public Contracts (Scotland) Regulations 2015 and Renfrewshire Council's Standing Orders Relating to Contracts.
 5. **Property/Assets** -The design element of this contract will ensure that energy efficiency and other retrofit works are suitable for each and every property. Subsequently the Retrofit Coordinator will ensure that the designs are implemented by the works contractor as intended. The designs and the subsequent works will ensure that the housing stock is up to standard and protected for the future, while reducing carbon and helping to reduce residents' energy bills.
 6. **Information Technology** – No Information Technology implications are anticipated.
 7. **Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the

Council's website.

8. **Health & Safety** - ECD Architects Ltd.'s health and safety credentials were evaluated by Corporate Health and Safety and met the Council's minimum requirements regarding health and safety.
9. **Procurement** - The procurement procedure outlined within this report ensures that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government
10. **Risk** – ECD Architects Ltd.'s insurances have been assessed and evaluated to confirm that they meet the Council's minimum requirements regarding insurable risk.
11. **Privacy Impact** –Housing Services will liaise with the Information Governance team to complete a Data Protection Impact Assessment (DPIA). ECD Architects Ltd will complete and return a Data Processor Agreement.
12. **Cosla Policy Position** – No Cosla Policy Position implications have arisen or are anticipated.
13. **Climate Risk** – - The level of impact associated with provision of these services has been assessed using the Scottish Government Sustainability Test and is considered to be low risk. **Waste Prevention/ Reuse/ Recondition/ Remanufacture** – There is an opportunity to reduce waste through extending products or materials useful life, through reuse , recondition or remanufacturing internally or externally. The Contractor will be required to consider waste prevention in their design where possible. **Energy Consumption** - there is an opportunity to reduce energy consumption by replacing roof insulation, external wall panels, offering better insulation, and reducing heat loss. The contractor will be required to consider energy saving measures in their design where possible to make the housing stock more energy efficient and as a result, reduce carbon emissions.

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To: Finance, Resources and Customer Services Policy Board

On: 30 March 2022

Report by: The Chief Executive and the Director of Finance and Resources

Heading: Supply and Delivery of 600 Laptops

1. Summary

- 1.1 The purpose of this report is to seek approval of the Finance, Resources and Customer Services Policy Board to award a Contract for the Supply and Delivery of 600 Laptops (RC-CPU-21-415) to HP Inc. UK Limited.
- 1.2 This procurement exercise was conducted as a direct award using the Scottish Procurement single supplier Framework for Mobile Client Devices (SP-19-020) and in accordance with the Council's Standing Orders Relating to Contracts.
- 1.3 The Contract Strategy was approved by the Head of Digital Transformation and Customer Services on 26 February 2022 and the Procurement Operations Manager on 24 February 2022.
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2. Recommendation

- 2.1 It is recommended that the Finance, Resources and Customer Services Policy Board authorise the Head of Corporate Governance to:

- 2.2 Award a Contract for the Supply of 600 Laptops following the direct award procedure under the Scottish Procurement single supplier Framework for Mobile Client Devices (SP-19-020) to HP Inc. UK Limited.
 - 2.3 For a fixed price Contract value of £280,200 excluding VAT for 600 laptops.
 - 2.4 The Contract will be in place from point of order in mid-April 2022 until full delivery of the laptops is received by end of October 2022.
-

3. **Background**

- 3.1 The Council requires the supply and delivery of 600 laptops for Renfrewshire staff.
 - 3.2 In accordance with Standing Orders relating to Contracts 29.5, the Scottish Government single supplier Framework for Mobile Client Devices (SP-19-020) is suitable for this purchase. The framework is a single supplier framework and call off contracts are only possible via the direct award procedure under this Framework. The prices under the framework are fixed for the Framework period unless the Scottish Government has agreed a price review as laid out in the Framework.
 - 3.3 HP Inc. UK Limited is the only supplier on this Framework and has advised that there is approximately a 24 week lead time for the delivery of laptops. Therefore, the Council has determined that if an order for 600 laptops is placed in April 2022, the laptops will likely be delivered by October 2022 when the Council's current supply is due to run out.
 - 3.4 Since the beginning of the Covid-19 pandemic, there has been an unprecedented demand for mobile computing devices due to increase in home working which has had a significant impact on the manufacture and distribution of IT products. Scottish Procurement has also advised that there are ongoing worldwide constraints and suppliers have been impacted by the uncertainty surrounding lead times. Therefore, the Council plans to raise the Order for the supply of 600 laptops in April 2022 to ensure that sufficient stock will be available for October 2022 when the current stock will be depleted.
 - 3.5 The costs in respect of this Contract will be funded by the ICT Capital budget.
 - 3.6 Due to the frequency of spend with HP Inc. UK Limited under this Framework, CPU is continually liaising with HP inc. UK Limited to agree a plan for the delivery of Community Benefits within Renfrewshire.
-

Implications of the Report

1. **Financial** – Costs in respect of this Contract will be funded by the ICT Capital budget.
2. **HR & Organisational Development** - No TUPE implications have arisen or are anticipated.
3. **Community/Council Planning**
 - **Working together to improve outcomes** – this Contract will ensure the Council continues to provide good quality services.
4. **Legal** - The procurement exercise was conducted as a direct award procedure under the Scottish Procurement single supplier Framework for Mobile Client Devices (SP-19-020) and the Council's Standing Orders Relating to Contracts.
5. **Property/Assets** – The Council will have ownership of 600 laptops once received.
6. **Information Technology** – This contract will ensure continuation of the supply of laptops.
7. **Equality & Human Rights**
 - (a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – HP Inc Limited's health and safety credentials were assessed by Scottish Procurement as part of the evaluation for the Framework.
9. **Procurement** – The procurement procedures outlined within this report ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.

10. **Risk** - HP Inc Limited's tender submission in relation to insurances for appointment to the Framework for Mobile Client Devices (SP-19-020) were evaluated and continues to be monitored by the Scottish Procurement.
11. **Privacy Impact** - No Privacy Impact Assessment requirements were identified within this procurement.
12. **Cosla Policy Position** - No Cosla Policy Position implications have arisen or are anticipated.
13. **Climate Risk**
The level of impact associated with provision of this service has been assessed using the Scottish Government Sustainability Test and is considered to be low risk.

List of Background Papers

None.

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To: Finance, Resources and Customer Services Policy Board

On: 30 March 2022

Report by: The Chief Executive and the Director of Environment & Infrastructure Services

Heading: Contract Award: Supply and Delivery of 3, 26Tonne, Refuse Collection Vehicles

1. Summary

- 1.1 The purpose of this report is to seek the approval of the Finance, Resources and Customer Services Policy Board to award a contract for the Supply and Delivery of 3, 26Tonne, Refuse Collection Vehicles RC-CPU- 21-421 to Faun Zoeller (UK) Limited as part of the Council's Vehicle Replacement Programme for 2021/2022.
- 1.2 The recommendation to award the Contract follows a procurement exercise conducted as a mini-competition under Lot 10 (Bodies for Refuse Collection Vehicles) of the Scotland Excel Framework Agreement for the Supply & Delivery of Heavy and Municipal Vehicles (ref: 03/21).
- 1.3 A Contract Strategy was prepared by the Corporate Procurement Unit which covered the purchase of vehicles for the vehicle replacement programmes from 2018/19 to 2022/2023 and was approved by Director of Environment and Communities the predecessor service to Environment and Infrastructure, and the Corporate Procurement Manager in June 2018.

2. **Recommendations**

It is recommended that the Finance, Resources and Customer Services Policy Board:

- 2.1 Authorise the Head of Corporate Governance to award a Contract for the Supply and Delivery of 3, 26Tonne, Refuse Collection Vehicles to Faun Zoeller (UK) Limited made following a mini-competition under Lot 10 of the Scotland Excel Framework Agreement for the Supply & Delivery of Heavy and Municipal Vehicles (ref: 03/21).
- 2.2 Authorise the total contract value of £573,302.19 excluding VAT
- 2.3 Note that Faun Zoeller (UK) limited have committed to a delivery date of 10 December 2022. Delivery of the 3 vehicles will be made to Fleet Services, Underwood Road, Paisley

3. **Background**

- 3.1 As part of the vehicle replacement programme Environment & Infrastructure Services identified a requirement to purchase 3 new euro 6 diesel Refuse Collection Vehicles. In accordance with Standing Order 29.5 of the Standing Order relating to Contracts, the new Scotland Excel Framework Agreement for the Supply & Delivery of Heavy and Municipal Vehicles (ref: 03/21) Lot 10 (Bodies for Refuse Collection Vehicles) was identified as the best option for the vehicle purchases.
- 3.2 This procurement exercise has been tendered as a mini-competition under the Scotland Excel Framework Agreement for the supply & Delivery of Heavy and Municipal Vehicles (ref: 03/21) Lot 10 (Bodies for Refuse Collection Vehicles).
- 3.3 The effective date for this Framework Agreement was 2 March 2022 and this mini-competition was started on 4th March 2022, at which time only 5 of the 8 Suppliers recommended for award had been awarded a place under Lot 10 Bodies for Refuse Collection Vehicles. All 5 Suppliers were invited to participate in the mini- competition issued on 4th March 2022 with the tender documentation available for downloading from the Public Contract Scotland Tender platform on this date.

- 3.4 By closing date set for return of electronic tenders of 12noon on 14th March 2022, 1 Supplier submitted a Tender Submission with 4 failing to provide a response.
- 3.5 The Supplier who submitted a response continues to meet the requirements of the Single Procurement Document (SPD) they completed when applying for a place on the Scotland Excel Framework Agreement for the Supply & Delivery of Heavy and Municipal Vehicles.
- 3.6 The Tender Submission received was evaluated against a price/quality score of 70% / 30%. The quality score achieved through the Framework Agreement evaluation process was carried forward as the quality score attributable to this procurement exercise. The scores achieved by the tenderer are detailed in the table below:

| | | Quality (30%) | Price (70%) | Total (100%) |
|---|---------------------------|------------------|----------------|-----------------|
| 1 | Faun Zoeller (UK) Limited | 27.00 | 70.00 | 97.00 |

- 3.7 Community Benefits were sought for this Contract and Faun Zoeller (UK) Limited has committed to the following:

| Community Benefit Description | No of People / Activity |
|--|-------------------------|
| Work Experience Placement for an individual 16+ years of age | 3 |
| Industry Awareness Events | 1 |
| Financial Support for a Community Project | 1 |

Implications of the Report

- Financial** - The costs under this Contract will be funded from the Environment & Infrastructure Capital budget allocation for the Vehicle Replacement Programme for financial year 2022/2023.
- HR & Organisational Development** - No TUPE implications have arisen or are anticipated.
- Community/Council Planning**

Our Renfrewshire is fair - Tenderers provided information within this procurement process in regard to their approach to ensuring fair working practices throughout their organisation and supply chain i.e. payment of the living wage, training and development opportunities.

Creating a sustainable Renfrewshire for all to enjoy – Faun Zoeller (UK) Limited has committed to deliver Community Benefits as detailed within section 3.7 of this report.

Keeping local places clean and attractive – This Contract is contributing to facilitating increased recycling and reducing waste.

4. **Legal** - The procurement of this Contract was conducted in accordance with the requirements for a mini-competition under Lot 10 of the Scotland Excel Framework Agreement for the Supply & Delivery of Heavy and Municipal Vehicles (ref: 03/21) and the Council's Standing Orders relating to Contracts.
5. **Property/Assets** – No property/asset implications have arisen or are anticipated.
6. **Information Technology** - No Information Technology implications have arisen or are anticipated.
7. **Equality & Human Rights**
 - (a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – Faun Zoeller (UK) Limited's health and safety standards have been assessed and evaluated by Scotland Excel to confirm they meet the minimum requirements regarding insurable risk.
9. **Procurement** – The procurement procedures outlined within this report shall ensure that the Council meets its statutory requirements in respect of procurement procedures, efficiency and modern Government.

10. **Risk** - Faun Zoeller (UK) Limited's insurances have been assessed and evaluated by Scotland Excel confirm they meet the minimum requirements regarding insurable risk.
11. **Privacy Impact** - No Privacy Impact Assessment requirements were identified within this procurement.
12. **Cosla Policy Position** - No Cosla Policy Position implications have arisen or are anticipated.
13. **Climate Risk** – The level of impact associated with provision of the supply of this product has been assessed by Scotland Excel using the Scottish Government Sustainability Test and is considered to be low risk. **Vehicles Emissions** - The continued replacement of Refuse Collection Vehicles with new vehicles of Euro 6 emission standards, helps Renfrewshire Council continue to reduce the carbon footprint of the Refuse Collection fleet by removing older and less environmentally friendly vehicles. The Council will continue to explore alternative fuelled models including electric, hydrogen and hydrotreated vegetable oil (HVO) fuelled vehicles.

List of Background Papers

None.

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To: Finance, Resources and Customer Services Policy Board

On: 30th March 2022

Report by: The Chief Executive and Director of Finance and Resources

Heading: Contract Award: West Primary School – Electrical Upgrade (RC-CPU-20-261)

1. Summary

- 1.1 The purpose of this report is to seek the approval of the Finance, Resources and Customer Services Policy Board to award a Works Contract for West Primary School – Electrical Upgrade (RC-CPU-20-261) to Atalian Servest AMK Limited;
 - 1.2 The recommendation to award the Contract follows a procurement exercise conducted in accordance with the Council's Standing Orders Relating to Contracts for a below Regulated (Works) contract using the Open Tender Procedure.
 - 1.3 A Contract Strategy was approved by the Strategic Commercial and Procurement Manager and the Head of Property Services on 17th December 2021.
-

2. Recommendations

- 2.1 It is recommended that the Finance, Resources and Customer Service Policy Board:
 - (a) Authorises the Head of Corporate Governance to award a Contract for the West Primary School – Electrical Upgrade (RC-CPU-20-261) to Atalian Servest AMK Limited;

- (b) Authorise the Contract Sum of £917,908.83 excluding VAT and an additional 2.5% contingency for any unforeseen works;
- (c) Note the Contract has sectional completion requirements and the proposed date of possession and proposed dates for completion for those sections are noted below. Any changes to these dates will be confirmed in the Council's Letter of Acceptance:

| | Dates of possession of sections | Dates for completion of sections |
|-----------|---------------------------------|----------------------------------|
| Section 1 | 29 th June 2022 | 11 th August 2022 |
| Section 2 | 12 th August 2022 | 21 st October 2022 |

- (d) Note the Contract requires the provision of a Performance Bond and Collateral Warranties as indicated within the tender documentation.
-

3. Background

- 3.1 This procurement exercise is for the appointment of a suitably experienced contractor to carry out electrical upgrades within West Primary School.

A central requirement of Property Services is to ensure that Council Properties, facilities, and assets are of a proper standard, that complies with statutory legislation and that the appropriate records are maintained.

- 3.2 To initiate this procurement process a Contract Notice was published on the Public Contracts Scotland advertising portal on Friday 17th December 2021 with the tender documentation available for downloading from the Public Contracts Scotland – Tender portal from this date.
- 3.3 During the live tender period, eighteen (18) organisations expressed an interest in the tender. By the closing date set for the return of electronic tender submissions, 12 noon on Tuesday 1st February 2022, four (4) organisations submitted a tender response, three (3) organisations declined to respond, and eleven (11) organisations did not respond.
- 3.4 In accordance with the Council's Standing Orders Relating to Contracts 11.5, Tenderers were required to complete a Single Procurement Document (SPD) to be submitted with their tender submission. All four (4) tender submissions were evaluated against a pre-determined set of criteria by representatives from the following Council services: Property Services, the Corporate Procurement Unit, Corporate Risk and Corporate Health & Safety.
- 3.5 All four (4) tender submissions received complied with the minimum selection criteria of the SPD. The four (4) tender submissions were each evaluated against the Award Criteria weighting of 60% Quality 40% Price.

- 3.6 During the Commercial Corrections and Clarifications stage, one (1) tenderer confirmed that they were withdrawing their tender submission.
- 3.7 The scores relative to the Award Criteria for each of the three (3) tender submissions are noted below:

| | | Quality (60%) | Price (40%) | Total (100%) |
|----------|---|--------------------------|------------------------|-------------------------|
| 1 | Atalian Servest AMK Limited | 57.50% | 37.59% | 95.09% |
| 2 | Clark Contracts Limited | 53.75% | 40.00% | 93.75% |
| 3 | A.Alexander & Son (Electrical) Limited | 52.50% | 34.79% | 87.29% |

- 3.8 The evaluation of tender submissions received identified that the submission by Atalian Servest AMK Limited was the most economically advantageous tender.
- 3.9 The form of Contract will be the SBCC Standard Building Contract Without Quantities 2011 Edition (SBC/XQ/Scot), incorporating the Employer Amendments.
- 3.10 A capital budget of £1,300,000.00 has been made available for this contract. The costs for the West Primary School – Electrical Upgrade will be met through the Capital General Services - Lifecycle Maintenance Budget.
- 3.11 Community Benefits were requested as part of the procurement process and Atalian Servest AMK Limited confirmed that the following Community Benefits would be made available to the Council for this Contract.

| Community Benefit Description | No of People / Activity |
|--------------------------------------|--------------------------------|
| Modern Apprenticeship | 2 |

- 3.12 The Council also requested voluntary community benefits in addition to the contractual community benefits offered. Tenderers were asked to take into account the nature of this project and its location. Atalian Servest AMK Limited confirmed that the following Community Benefits would be discussed with the Council on the delivery of the voluntary Community Benefits:

| Additional Voluntary Community Benefits |
|--|
| Site Walk Around |
| Donation of redundant materials |
| Industry Talks |
| Community Involvement |

Implications of the Report

1. **Financial** – The cost for these works will be met by the Capital General Services - Lifecycle Maintenance Budget - Project Code: BXW09 603101
2. **HR & Organisational Development** – No TUPE implications.
3. **Community/Council Planning** –
 - Our Renfrewshire is fair - Addressing the inequalities that limit life's chances. Tenderers were assessed within this procurement process in regard to their approach to Fair Work First throughout their organisation and supply chain i.e. payments of the living wage, training and development opportunities.
 - Our Renfrewshire is safe – A central requirement for Property Services is to ensure that Council operated property, facilities and assets are properly maintained in a manner that complies with existing statutory legislation (Statutory Compliance). An improved school environment provides a safer educational experience.
 - Tackling inequality, ensuring opportunities for all – promoting skills and learning for life.
 - Creating a sustainable Renfrewshire for all to enjoy – Atalian Servest AMK Limited has committed to deliver Community Benefits as set out within section 3.10 and 3.11 of this report.
4. **Legal** – The Procurement of this Contract was conducted as a below Regulated (Works) Open Procurement Procedure in accordance with the Council's Standing Orders Relating to Contracts.
5. **Property/Assets** – The Contract will facilitate the electrical upgrade of West Primary School that will ensure that the Council's assets are upgraded to a proper standard and maintained in a manner that complies with statutory legislation.
6. **Information Technology** – No information Technology implications have arisen or are anticipated.
7. **Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for

example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8. **Health & Safety** - Atalian Servest AMK Limited health and safety credentials were evaluated by Corporate Health and Safety and met the Council's minimum requirements regarding health and safety.
9. **Procurement** – The procurement procedures outlined within this report ensures that the Council meets its statutory requirements in respect of procurement procedures, efficiency, and modern Government.
10. **Risk** – Atalian Servest AMK Limited insurances have been assessed and evaluated to confirm that they meet the minimum requirements regarding insurable risk.
11. **Privacy Impact** – No Privacy Impact implications have been identified or are anticipated.
12. **Cosla Policy Position** – No COSLA Policy Position implications have arisen or are anticipated.
13. **Climate Risk** – The level of impact associated with provision of these works has been assessed using the Scottish Government Sustainability Test and is considered high risk.
 - **Carbon Energy Consumption** – The contractor will be required to consider energy saving measures where possible. As part of the rewire all lighting is being changed to low energy LEDs.
 - **Waste Production** - Contractors will be required to consider waste reduction and recycling measures while undertaking these works. Contractors are required to provide details of their proposed Waste Carrier. Contractors are also required to provide documented procedures for dealing with waste (e.g. waste management plans, waste segregation, recycling etc.).

List of Background Papers

- (a) None

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