

## **Notice of Meeting and Agenda Scotland Excel Executive Sub-committee**

<b>Date</b>	<b>Time</b>	<b>Venue</b>
Friday, 27 March 2020	10:45	Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley

KENNETH GRAHAM  
Clerk

### **Membership**

Provost Bill Howatson (Aberdeenshire Council); Councillor Angus Macmillan Douglas (Angus Council); Councillor Graham Hutchison (City of Edinburgh Council); Provost Norman A Macdonald (Comhairle Nan Eilean Siar); Councillor Stephen Thompson (Dumfries and Galloway Council); Councillor Altany Craik (Fife Council); Bailie Norman MacLeod (Glasgow City Council); Councillor Alister Mackinnon (Highland Council); Vacant position (North Ayrshire Council); Councillor Paul Di Mascio (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council); Councillor Amanda Hawick (Shetland Islands Council) and Councillor Collette Stevenson (South Lanarkshire Council)

Councillor John Shaw (Convener): Councillor Paul Di Mascio (Vice Convener)

### **Video Conferencing**

Members wishing to participate using video conferencing please contact Karen Forrest by email [karen.forrest@scotland-excel.org.uk](mailto:karen.forrest@scotland-excel.org.uk).

### **Members of the Press and Public**

Members of the press and public wishing to attend the meeting please contact [elaine.currie@renfrewshire.gov.uk](mailto:elaine.currie@renfrewshire.gov.uk)

## Further Information

This is a meeting which is open to members of the public.

A copy of the agenda and reports for this meeting will be available for inspection prior to the meeting at the Customer Service Centre, Renfrewshire House, Cotton Street, Paisley and online at <http://renfrewshire.cmis.uk.com/renfrewshire/CouncilandBoards.aspx>

For further information, please either email

[democratic-services@renfrewshire.gov.uk](mailto:democratic-services@renfrewshire.gov.uk) or telephone 0141 618 7112.

## Items of business

### 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.

- |             |  |                |
|-------------|--|----------------|
| <b>1</b>    | <b>Minute</b>  | <b>5 - 12</b>  |
|             | Minute of the meeting of the Executive Sub-committee held on 28 February 2020.                     |                |
| <b>2</b>    | <b>Audit Scotland Annual Audit Plan 2019/20</b>  | <b>13 - 26</b> |
|             | Report by Treasurer.   |                |
| <b>3</b>    | <b>Contract Authorisation: Supply Only and Supply and Distribution of Groceries and Provisions</b> | <b>27 - 52</b> |
|             | Report by Director of Scotland Excel.  |                |
| <b>4</b>    | <b>Outline of the Scotland Excel approach to Contract and Supplier Management</b>                  | <b>53 - 56</b> |
|             | Report by Director of Scotland Excel.  |                |
| <b>5</b>    | <b>Associate Strategy</b>  | <b>57 - 72</b> |
|             | Report by Director of Scotland Excel.  |                |
| <b>6(a)</b> | <b>Request for Associate Membership: Angus Housing Association Limited</b>                         | <b>73 - 74</b> |
|             | Report by Director of Scotland Excel.  |                |
| <b>6(b)</b> | <b>Request for Associate Membership: Edinburgh International Festival Society</b>                  | <b>75 - 76</b> |
|             | Report by Director of Scotland Excel.  |                |
| <b>6(c)</b> | <b>Request for Associate membership: Scottish Canals</b>   | <b>77 - 78</b> |
|             | Report by Director of Scotland Excel.  |                |
| <b>6(d)</b> | <b>Request for Associate Membership: Scottish Fire and Rescue Service</b>                          | <b>79 - 80</b> |
|             | Report by Director of Scotland Excel.  |                |

- 6(e) Request for Associate Membership: Trust Housing Association Limited** **81 - 82**  
Report by Director of Scotland Excel.
- 6(f) Request for Associate Membership: University of Edinburgh** **83 - 84**  
Report by Director of Scotland Excel.
- 7 Review of Job Title for Director of Scotland Excel** **85 - 86**  
Report by Clerk.
- 8 Date of Next Meeting**  
Note that the next meeting of the Executive Sub-committee will be held at 10.45 am on 29 May 2020 in Scotland Excel Meeting Room 1, Renfrewshire House.



## Minute of Meeting Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 28 February 2020	10:45	Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley

### Present

Provost Norman Macdonald (Comhairle Nan Eilean Siar); Councillor Altany Craik (Fife Council); Baillie Norman MacLeod (Glasgow City Council); Councillor John Shaw (Renfrewshire Council); and Councillor Collette Stevenson (South Lanarkshire Council).

### By Video Conference

Provost Bill Howatson (Aberdeenshire Council) and Councillor Stephen Thompson (Dumfries and Galloway Council).

### Chair

Councillor Shaw, Convener, presided.

### In Attendance

J Welsh, Director, H Carr, Head of Strategic Procurement, S Brannagan, Head of Customer and Business Services, L Campbell, Corporate Services Manager, S Brydson, Senior Procurement Specialist, J Hunt, Strategic Programme Manager, A Kowalska, Procurement Co-ordinator and L Cairns, Senior Procurement Specialist (all Scotland Excel); and M Conaghan, Legal and Democratic Services Manager (for items 1 and 2 only), C McCourt, Finance Business Partner, E Currie, Senior Committee Services Officer and K O'Neill, Assistant Democratic Services Officer (all Renfrewshire Council).

### Apologies

Councillor Angus Douglas (Angus Council); Councillor Graham Hutchison (City of Edinburgh Council); Councillor Alister MacKinnon (Highland Council); Councillor Paul Di Mascio (North Lanarkshire Council) and Councillor Amanda Hawick (Shetland Islands Council).

## **Declarations of Interest**

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

### **1 Minute**

There was submitted the Minute of the meeting of the Executive Sub-committee held on 31 January 2020.

In relation to item 4 – Associate Member Update Report – the Director of Scotland Excel advised that the report in relation to Scotland Excel's Associate Strategy would be submitted to the meeting of this Sub-committee to be held on 27 March 2020.

#### **DECIDED:**

(a) That the Minute be approved; and

(b) That it be noted that the report in relation to Scotland Excel's Associate Strategy would be submitted to the meeting of this Sub-committee to be held on 27 March 2020.

### **2 Revenue Budget Monitoring**

There was submitted a revenue budget monitoring report by the Treasurer and the Director of Scotland Excel for the period 1 April 2019 to 3 January 2020.

The report intimated that Scotland Excel was projecting a £14,000 underspend compared to budget by year-end in its core activities and that it was anticipated that projects would contribute £173,000 to core.

The table appended to report provided an analysis of the actual spend to date along with projected net expenditure for 2019/20 and included a summary of movement in the revenue reserve.

It was proposed that the information contained in future revenue budget monitoring reports be presented in a different format and this was agreed.

#### **DECIDED:**

(a) That the report be noted; and

(b) That the information contained in future revenue budget monitoring reports be presented in the format agreed by the Sub-committee.

### **3(a) Contract for Approval: National Flexible Framework for Care and Support Services**

There was submitted a report by the Director of Scotland Excel relative to the award of the first national flexible framework agreement for the provision of care and support services, care at home and supported living services, in Scotland which would operate from 1 April 2020 until 31 March 2024.

The report intimated that the flexible nature of this framework meant that it would re-open on a six-monthly basis throughout its four-year duration to allow new providers to join, ensuring that a diverse range of services and providers were available to meet the varying needs of people across the country, and promote choice for people who needed support.

Scotland Excel had been funded by the Scottish Government to explore collaborative opportunities in the delivery of care and support services in Scotland and following significant stakeholder engagement, a flexible framework was developed to deliver services predominately delivered into people's own homes and communities.

Currently, councils and Health and Social Care Partnerships (HSCPs) in Scotland contracted separately for these services and this flexible framework provided an opportunity to introduce a single procurement approach, minimising repetition to enable commissioners to focus on ensuring that individual needs were understood and that care packages were enabled to support this.

People who currently accessed care and support through an existing council contract should remain under the contracted arrangement until they chose an alternative or, if their care needs were reassessed. It was likely that the new flexible framework would initially be used for new care and support requirements ensuring ongoing service continuity for people in line with the Scottish Government guidance on procurement of care and support services.

The report summarised the procurement process. The advertised value of the flexible framework was £560 million over a four-year period and 22 Councils/HSCPs had confirmed their intention to use the flexible framework throughout its duration. All 32 councils and HSCPs were named on the published contract notice to allow them to use the flexible framework in the future and an overview of the participating councils was detailed in Appendix 1 to the report.

Tender responses had been received from 84 providers across 334 registered services as detailed in Appendix 2 to the report. There were five unsuccessful providers as their bids were non-compliant with the published qualification criteria. There were three providers who were partly successful as some of their tendered services were non-compliant with the published qualification criteria.

Scotland Excel would work with any providers interested in applying to participate when the flexible framework reopened and with successful providers who wished to vary their services.

Based on the evaluation undertaken, and in line with the criteria and weightings set out in the report, it was recommended that 79 providers across the 22 geographical areas be awarded to the flexible framework from its commencement, as outlined in Appendix 3 to the report. It was noted that this appendix required to be amended so that the total score for Glasgow Homecare Limited trading as Home Instead Senior Care Glasgow South stated 77.5 and not 100.

Appendix 4 to the report detailed the Real Living Wage status of bidders.

### **DECIDED:**

(a) That the award of this flexible framework agreement to the providers, as detailed in Appendix 3 to the report, be approved;

(b) That it be noted that Appendix 3 to the report required to be amended so that the total score for Glasgow Homecare Limited trading as Home Instead Senior Care Glasgow South stated 77.5 and not 100;

(c) That authority be delegated to the Director of Scotland Excel, or Head of Strategic Procurement in the Director's absence, to approve recommendations following the evaluation of offers received on the periodic re-opening of the flexible framework, or following the consideration of formal requests from existing providers for the addition of new services; and

(d) That it be noted that the appointment of any new providers to the flexible framework would be included within the annual procurement report.

### **3(b) Contract for Approval: Secure Care Services**

There was submitted a report by the Director of Scotland Excel relative to the award of a renewal framework for secure care which would operate from 1 April 2020 to 31 March 2022, with an option to extend for up to 24 months.

The report intimated that three reviews had been conducted during the last year of the current arrangement and the findings and recommendations could have a significant impact on the future of secure care services in Scotland as they presented a degree of uncertainty with regards to the political, social and legal environment in which these services operated. In order to manage the risk associated with this uncertainty, the new contracts were designed to be capable of adapting to changes in legislation, standards and practice. To ensure service, continuity and stability whilst awaiting the outcome of the reviews, the new contract term would be for a period of two years, with an option to extend for a further period of up to 24 months.

The report summarised the procurement process and all parties responsible for purchasing secure accommodation placements in Scotland, being 32 councils and the Scottish Government, had agreed to use the new contracts from the start date. Appendix 1 to the report detailed the participation and spend summary of all participants.

Tender responses had been received by four providers as detailed in Appendix 2 to the report.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the compliant offers received had been completed and Appendix 2 to the report detailed the scores relative to each bidder.

Based on the evaluation undertaken and in line with the criteria and weightings detailed in the report it was recommended that the contracts be awarded to the four providers as detailed in Appendix 3 to the report.

Appendix 4 to the report detailed the Real Living Wage status of bidders. It was noted that this appendix required to be amended to read that both Rossie Young People's Trust and St. Mary's Kenmure were accredited living wage employers and that Kibble Education and Care Centre paid the Real Living Wage to all employees but were not accredited.

### **DECIDED:**



(a) That the award of contracts for secure care services, as detailed in Appendix 3 to the report, be approved; and

(b) That it be noted that Appendix 4 to the report required to be amended to read that both Rossie Young People's Trust and St. Mary's Kenmure were accredited living wage employers and that Kibble Education and Care Centre paid the Real Living Wage to all employees but were not accredited.

### **3(c) Contract for Approval: Supply and Delivery of Electrical Materials**

There was submitted a report by the Director of Scotland Excel relative to the award of a fourth-generation renewal framework for the supply and delivery of electrical materials which would operate from 1 April 2020 until 31 March 2022, with the option to extend for up to 24 months.

The framework provided councils and other participating bodies with a mechanism to procure a range of electrical products including, but not limited to, cables, wiring accessories, circuit protection, heating, ventilation, safety detectors, and lamps.

The report summarised the outcome of the procurement process for the national framework agreement which incorporated multi-offer lots to provide a choice and flexibility for a range of manufacturer brands. As well as delivering savings, rebates and sustainable procurement initiatives, this renewal also supported recent legislative changes.

The framework had been divided into seven lots as detailed in figure 1 of the report and the total projected contract value was £80 million. Appendix 1 to the report detailed the participation and spend summary for the 31 councils participating in the framework. Tayside Contracts, NHS and Scottish Prison Service had confirmed their intention to participate in the framework.

Tender responses had been received from 13 suppliers however, two tenderers rejected the terms and conditions and withdrew their offers. Appendix 2 to the report provided a summary of the offers received.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of compliant offers had been carried out and Appendix 3 to the report detailed the scoring achieved by each bidder in each lot.

Based on the evaluation undertaken, and in line with the criteria and weightings set out in the report, it was recommended that a multi-supplier framework arrangement be awarded to 11 suppliers across seven lots as outlined in Appendix 3 to the report.

Appendix 4 to the report detailed the Real Living Wage status of bidders at point of tender.

**DECIDED:** That the award of the framework agreement for the supply and delivery of electrical materials, as detailed in Appendix 3 to the report, be approved.

### **3(d) Contract for Approval: Supply and Delivery of Waste Disposal Equipment**

There was submitted a report by the Director of Scotland Excel relative to the award of a third-generation renewal framework for the supply and delivery of waste disposal equipment which would operate from 1 April 2020 until 31 March 2024.

The framework provided councils and other participating bodies with a mechanism to procure a wide range of waste disposal equipment including, but not limited to, large containers, skips, compactors, balers and roll-packers.

The report summarised the outcome of the procurement process for this third-generation framework agreement.

The framework had been divided into four lots as detailed in figure 1 of the report and had been advertised at a value of £5 million over the four-year period. Appendix 1 to the report detailed the participation, spend and savings summary of those 31 councils participating in the framework.

Tender responses had been received from nine suppliers and Appendix 2 to the report provided a summary of the offers received.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of compliant offers had been carried out and Appendix 3 to the report detailed the scoring achieved by each bidder.

Based on the evaluation undertaken, and in line with the criteria and weightings set out in the report, it was recommended that a multi-supplier framework arrangement be awarded to eight suppliers across the four lots and Council geographical areas as outlined in Appendix 3 to the report.

Appendix 4 to the report detailed the Real Living Wage status of bidders.

**DECIDED:** That the award of the framework agreement for the supply and delivery of waste disposal equipment, as detailed in Appendix 3 to the report, be approved.

## **4 Operating Plan Update 2019/20**

There was submitted a report by the Director of Scotland Excel relative to the progress made towards delivering the five-year corporate strategy.

The report intimated that 52 of the 64 actions were progressing in line with plans; five activities were progressing more slowly than anticipated; three activities had been completed during the first three quarters of the financial year; and four activities would commence in the fourth quarter of this financial year.

It was noted that the recommendation in the report referred to the Joint Committee and that this should be the Executive Sub-committee.

**DECIDED:** That the Executive Sub-committee note the progress made in delivering the commitments contained in the Operating Plan 2019/20.

## **5 Date of Next Meeting**

**DECIDED:** That it be noted that the next meeting of the Executive Sub-committee would be held at 10.45 am on 27 March 2020 in Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley.



**Scotland Excel**

**To: Executive Sub-Committee**

**On: 27 March 2020**

**Report  
by  
The Treasurer**

**Report on the Annual Audit Plan 2019/20**

**1. Summary**

- 1.1 The Annual Audit Plan 2019/20 for Scotland Excel is submitted for Members' information. It outlines Audit Scotland's planned activities during their audit of the 2019/20 financial year.

**2. Recommendations**

- 2.1 It is recommended that the Executive Sub-Committee notes the Annual Audit Plan 2019/20 by Audit Scotland (Appendix 1).

**3. Background**

- 3.1 Based on its analysis of the risks facing Scotland Excel, Audit Scotland has submitted an Audit Plan that outlines its approach to the audit of the 2019/20 annual accounts. This will assess whether the accounts provide a true and fair view of the organisation's financial position, and also whether they have been prepared in accordance with proper accounting practice, i.e. the 2019 Code of Practice on Local Authority Accounting in the UK.
- 3.2 The Audit Plan outlines the responsibilities of the Joint Committee and Treasurer and of Audit Scotland; its assessment of key challenges and risks and the approach and timetable for completion of the audit.
- 3.3 The Annual Audit Plan 2019/20 includes a section on Audit Risks. Within this section, the identified risks are included in the audit plans of many bodies that Audit Scotland work with and their inclusion is not a reflection of any specific risk within Scotland Excel.



# Scotland Excel

Annual Audit Plan 2019/20



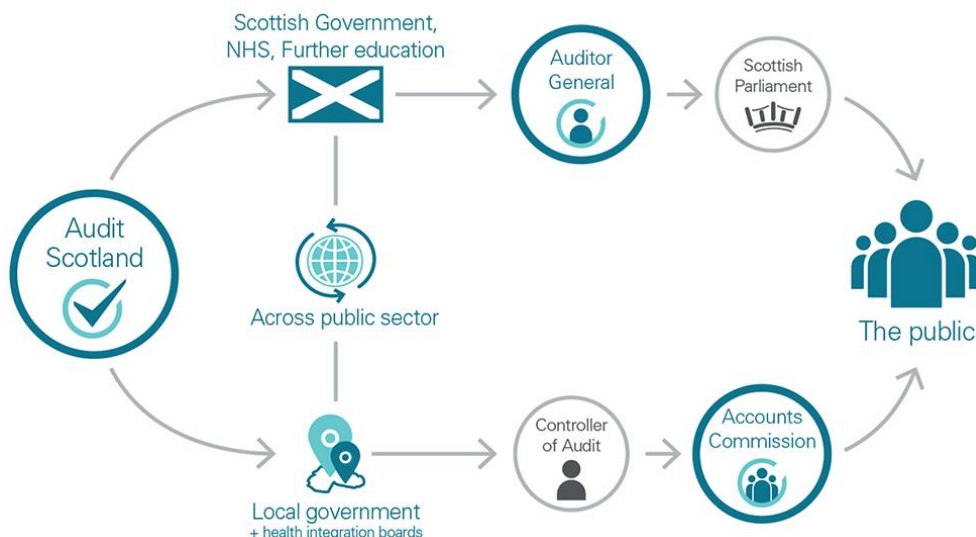
 AUDIT SCOTLAND

Prepared for Scotland Excel  
March 2020

## Who we are

The Auditor General, the Accounts Commission, and Audit Scotland work together to deliver public audit in Scotland:

- The Auditor General is an independent crown appointment, made on the recommendation of the Scottish Parliament, to audit the Scottish Government, NHS, and other bodies and report to Parliament on their financial health and performance.
- The Accounts Commission is an independent public body appointed by Scottish ministers to hold local government to account. The Controller of Audit is an independent post established by statute, with powers to report directly to the Commission on the audit of local government.
- Audit Scotland is governed by a board, consisting of the Auditor General, the chair of the Accounts Commission, a non-executive board chair, and two non-executive members appointed by the Scottish Commission for Public Audit, a commission of the Scottish Parliament.



## About us

Our vision is to be a world-class audit organisation that improves the use of public money.

Through our work for the Auditor General and the Accounts Commission, we provide independent assurance to the people of Scotland that public money is spent properly and provides value. We aim to achieve this by:

- carrying out relevant and timely audits of the way the public sector manages and spends money
- reporting our findings and conclusions in public
- identifying risks, making clear and relevant recommendations.



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# Risks and planned work

1. This Annual Audit Plan contains an overview of the planned scope and timing of our audit which is carried out in accordance with International Standards on Auditing (ISAs), the [Code of Audit Practice](#), and [guidance on planning the audit](#). This plan sets out the work necessary to allow us to provide an independent auditor's report on the annual accounts and meet the wider scope requirements of public sector audit.

2. The wider scope of public audit contributes to assessments and conclusions on financial management, financial sustainability, governance and transparency and value for money.


## Adding value

3. We aim to add value to Scotland Excel through our external audit work by being constructive and forward looking, by identifying areas for improvement, and by recommending and encouraging good practice. In so doing, we intend to help Scotland Excel promote improved standards of governance, better management and decision making, and more effective use of resources.


## Audit risks

4. Based on our discussions with staff, attendance at committee meetings, and a review of supporting information, we have identified the following significant risks for Scotland Excel. We have categorised these risks into financial statements risks and wider dimension risks. The key audit risks, which require specific audit testing, are detailed in [Exhibit 1](#).

### Exhibit 1 2019/20 Significant audit risks

 Audit Risk	Source of assurance	Planned audit work
<b>Financial statements risks</b>		
<p><b>1 Risk of material misstatement caused by management override of controls</b></p> <p>ISA 240 requires that audit work is planned to consider the risk of fraud, which is presumed to be a significant risk in any audit. This includes consideration of the risk of management override of controls to change the position disclosed in the financial statements.</p>	Owing to the nature of this risk, assurances from management are not applicable in this instance.	<ul style="list-style-type: none"> <li>Detailed testing of journal entries.</li> <li>Review of accounting estimates.</li> <li>Focused testing of accruals and prepayments.</li> <li>Evaluation of significant transactions that are outside the normal course of business.</li> </ul>
<p><b>2 Risk of material misstatement caused by fraud over income</b></p> <p>As set out in ISA 240, there is a presumed risk of fraud in the recognition of income. There is a risk</p>	Income is closely monitored and discussed at regular budget monitoring meetings. Significant differences from actuals compared to	<ul style="list-style-type: none"> <li>Analytical procedures on income streams.</li> <li>Detailed testing of income transactions focusing on whether income is</li> </ul>

	Audit Risk	Source of assurance	Planned audit work
	<p>that income may be materially misstated in the financial statements.</p> <p>While the majority of Scotland Excel's income is requisitions from member authorities, a significant amount is generated through projects and other work. The extent and complexity of this other income means that there is an inherent risk of fraudulent or erroneous reporting of income to achieve a desired financial position.</p>	<p>projected income are investigated.</p> <p>The Scotland Excel, "Income Review Board", meets regularly to monitor income generating performance against targets and, identify future income generation opportunities for the organisation. Senior Officers from Scotland Excel meet regularly with chief officers from local authorities to promote the widening activities of the organisation.</p>	<p>processed in the correct accounting year.</p>
3	<p><b>Risk of material misstatement caused by fraud over expenditure</b></p> <p>Most public-sector bodies are net expenditure bodies and therefore the risk of fraud is more likely to occur in expenditure. There is a risk that expenditure may be materially misstated in the financial statements.</p> <p>Scotland Excel incurs expenditure on a range of activities. The extent and complexity of expenditure means that there is an inherent risk of fraudulent or erroneous reporting of expenditure to achieve a desired financial position.</p>	<p>Expenditure is closely monitored and discussed at regular budget monitoring meetings. Significant differences from actuals compared to projected expenditure are investigated.</p> <p>An on-going review of Purchase to Pay processes within Scotland Excel is continuing in line with the on-going development and expansion of the Business World system being rolled out by Renfrewshire Council.</p>	<ul style="list-style-type: none"> <li>Analytical procedures on expenditure streams.</li> <li>Detailed testing of expenditure transactions focusing on whether expenditure is processed in the correct accounting year.</li> </ul>
4	<p><b>Risk of material misstatement caused by accounting for pensions</b></p> <p>Scotland Excel recognised a net liability relating to its share of Strathclyde Pension Fund of £3.621 million at 31 March 2019. There is a significant degree of subjectivity in the measurement and valuation of the pension fund liability. The valuation is based on specialist assumptions and estimates, and changes can result in material changes to the valuation.</p> <p>Additionally, successful legal action was brought against the UK government in relation to pension schemes for judges and firefighters in 2018/19, on the grounds of age discrimination. The judgements for these pension schemes will impact on Strathclyde Pension Fund as it</p>	<p>Any significant estimates and judgements are clearly explained in the Notes to the Accounts.</p> <p>Where these are required, they are based on the best information available at the time of the estimate and on both a professional and a prudent approach, either by Renfrewshire Council staff, or appointed experts, such as the Pension Fund Actuary.</p>	<ul style="list-style-type: none"> <li>Completion of 'review of the work of Management's expert' for the pension fund actuary.</li> <li>Review of the estimates used, and assumptions made in calculating the pension fund liability.</li> </ul>

 Audit Risk	Source of assurance	Planned audit work
<p>had similar arrangements in place. Uncertainty remains over the remedy for the legal judgements. The expected impact of the legal judgements, or remedy if agreed, will need to be reflected in the pension fund liability valuation in 2019/20.</p>		
<b>Wider dimension risks</b>		
<p><b>5 Financial sustainability</b></p> <p>The 2019/20 Revenue Estimates highlight increasing operating costs in the medium-term, putting pressures on available resources. Part of these pressures are being mitigated by increasing income and surpluses from projects. However, the extent and timing of project income is not certain and varies year to year.</p> <p>Even with increases in project income and surpluses, it is likely savings will be required in the medium term to achieve a breakeven position and maintain reserves at an appropriate level.</p>	<p>The Joint Committee agreed the 2019/20 budget in December 2018, noting the requirement for savings over the year. Scotland Excel is projecting a break even position for 2019/20 which includes an over recovery of income against budget. The Joint Committee of Scotland Excel agreed the budget for 2020/21 in December 2019 within which 16% of total income projected is from non-requisition sources.</p>	<ul style="list-style-type: none"> <li>Review of budget monitoring reports and future Revenue Estimates and discussions with management on Scotland Excel's medium-term financial position.</li> <li>Conclude on financial position and financial sustainability within the Annual Audit Report.</li> </ul>

Source: Audit Scotland

## Reporting arrangements

**5.** Audit reporting is the visible output for the annual audit. All Annual Audit Plans and the outputs as detailed in [Exhibit 2](#), and any other outputs on matters of public interest, will be published on our website: [www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk).

**6.** Matters arising from our audit will be reported on a timely basis and will include agreed action plans. Draft reports will be issued to the relevant officer(s) to confirm factual accuracy.

**7.** We will provide an independent auditor's report to the Joint Committee and Accounts Commission, setting out our opinions on the annual accounts. We will provide the Joint Committee and the Accounts Commission with an Annual Audit Report on the audit containing observations and recommendations on significant matters which have arisen during the audit.

## Exhibit 2 2019/20 Audit outputs

Audit Output	Target date	Committee Date
Annual Audit Plan	12 March 2020	27 March 2020
Annual Audit Report	4 September 2020	18 September 2020
Independent Auditor's Report	4 September 2020	18 September 2020

Source: Audit Scotland

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## Audit fee

**8.** The proposed audit fee for the 2019/20 audit of Scotland Excel is £6,010 (2018/19 £5,880). In determining the audit fee, we have taken account of the risk exposure of Scotland Excel, the planned management assurances in place, and the level of reliance we plan to take from the work of internal audit. Our audit approach assumes receipt of the unaudited annual accounts, with a complete working papers package, on 22 June 2020.

**9.** Where our audit cannot proceed as planned, for example, through late receipt of unaudited financial statements or being unable to take planned reliance from the work of internal audit, a supplementary fee may be levied. An additional fee may also be required in relation to any work or other significant exercises out with our planned audit activity.

## Responsibilities

### Joint Committee and Treasurer

**10.** Audited bodies have the primary responsibility for ensuring the proper financial stewardship of public funds, compliance with relevant legislation, and establishing effective arrangements for governance, propriety, and regularity that enable them to successfully deliver their objectives.

**11.** The audit of the financial statements does not relieve management or the Joint Committee, as those charged with governance, of their responsibilities.

### Appointed auditor

**12.** Our responsibilities as independent auditors are established by the Local Government (Scotland) Act 1973 and the Code of Audit Practice (including supplementary guidance) and guided by the Financial Reporting Council's Ethical Standard.

**13.** Auditors in the public sector give an independent opinion on the financial statements and other information within the financial statements. We also review and report on the arrangements within Scotland Excel to manage its performance and use of resources. In doing this, we aim to support improvement and accountability.

# Audit scope and timing

## Financial Statements

**14.** The annual accounts, which include the financial statements, will be the foundation and source for most of the audit work necessary to support our judgements and conclusions. We also consider the wider environment and challenges facing the public sector. Our audit approach includes:

- understanding the business of Scotland Excel and the associated risks which could impact on the financial statements
- assessing the key systems of internal control, and establishing how weaknesses in these systems could impact on the financial statements
- identifying major transaction streams, balances, and areas of estimation and understanding how Scotland Excel will include these in the financial statements
- assessing the risks of material misstatement in the financial statements
- determining the nature, timing, and extent of audit procedures necessary to provide us with sufficient audit evidence as to whether the financial statements are free of material misstatement.

**15.** We will give an opinion on whether the financial statements:

- give a true and fair view in accordance with applicable law and the 2019/20 Code of the state of the state of affairs of Scotland Excel as at 31 March 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2019/20 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

## Other information in the annual accounts

**16.** We also review and report on other information published within the annual accounts including the Management Commentary, Annual Governance Statement, and the Remuneration Report. We give an opinion on whether these have been compiled in accordance with the appropriate regulations and frameworks in our independent auditor's report.

**17.** We also read and consider any information in the annual accounts other than the financial statements and audited part of the Remuneration Report and report on any uncorrected material misstatements.

## Materiality

**18.** We apply the concept of materiality in planning and performing the audit. It is used in evaluating the effect of identified misstatements on the audit, and of any uncorrected misstatements, on the financial statements and in forming our opinions in the independent auditor's report.



19. The calculated materiality values for Scotland Excel are set out in [Exhibit 3](#).

### Exhibit 3

#### Materiality values

Materiality	Amount
<b>Planning materiality</b> – This is the figure we calculate to assess the overall impact of audit adjustments on the financial statements. It has been set at 1% of gross expenditure for the year ended 31 March 2019 based on the 2018/19 audited annual accounts.	£59,000
<b>Performance materiality</b> – This acts as a trigger point. If the aggregate of errors identified during the financial statements audit exceeds performance materiality this would indicate that further audit procedures should be considered. Using our professional judgement, we have calculated performance materiality at 75% of planning materiality.	£44,000
<b>Reporting threshold (i.e., clearly trivial)</b> – We are required to report to those charged with governance on all unadjusted misstatements more than the 'reporting threshold' amount. This has been calculated at 5% of planning materiality.	£3,000



Source: Audit Scotland

### Timetable

20. To support the efficient use of resources it is critical that the annual accounts timetable is agreed with us to produce the unaudited accounts. We have included an agreed timetable at [Exhibit 4](#).

### Exhibit 4

#### Annual accounts timetable

 Key stage	 Date
Consideration of unaudited annual accounts by those charged with governance	19 June 2020
Latest submission date of unaudited annual accounts with complete working papers package	22 June 2020
Latest date for final clearance meeting with Treasurer or finance officer	2 September 2020
Issue of Letter of Representation and proposed independent auditor's report	18 September 2020
Agreement of audited unsigned annual accounts	18 September 2020
Issue of Annual Audit Report to those charged with governance	18 September 2020
Independent auditor's report signed	23 September 2020

### Internal audit

21. Internal audit is provided by the internal audit function at Renfrewshire Council. As part of our planning process, we carry out an annual assessment of the internal audit function to ensure that it operates in accordance with Public Sector Internal Audit Standards (PSIAS). This has been carried out by the Renfrewshire Council audit team and concluded that the internal audit function at Renfrewshire Council

complies with PSIAS and that appropriate documentation standards and reporting procedures are in place.

### Using the work of internal audit

**22.** Auditing standards require internal and external auditors to work closely together to make best use of available audit resources. We seek to use the work of internal audit wherever possible to avoid duplication. We do not plan to use the work of internal audit for our financial statements audit work. However, we have considered the findings of the work of internal audit as part of our planning process.

### Audit dimensions

**23.** Our standard audits are based on four audit dimensions that frame the wider scope of public sector audit requirements. These are: financial sustainability, financial management, governance and transparency, and value for money.

**24.** The Code of Audit Practice includes provisions relating to the audit of small bodies. Where the application of the full wider audit scope is judged by auditors not to be appropriate to an audited body, then the annual audit work can focus on the appropriateness of the disclosures in the Annual Governance Statement and the financial sustainability of the body and its services. In light of the nature of operations and arrangements for processing transactions, we plan to apply the small body provisions of the Code of Audit Practice to the 2019/20 audit of Scotland Excel.

### Financial sustainability

**25.** As auditors, we consider the appropriateness of the use of the going concern basis of accounting as part of the annual audit. We will also comment on financial sustainability in the longer term. We define this as medium-term (two to five years) and longer-term (longer than five years) sustainability. We will carry out work and conclude on:

- the effectiveness of financial planning in identifying and addressing risks to financial sustainability in the short, medium, and long term
- the appropriateness and effectiveness of arrangements in place to address any identified funding gaps
- whether Scotland Excel can demonstrate the affordability and effectiveness of funding and investment decisions it has made.

### Governance and transparency

**26.** Governance and transparency is concerned with the effectiveness of scrutiny and governance arrangements, leadership and decision making and transparent reporting of financial and performance information. We will review, conclude and report on the appropriateness of disclosures in the Annual Governance Statement.

### Independence and objectivity

**27.** Auditors appointed by the Accounts Commission or Auditor General must comply with the Code of Audit Practice and relevant supporting guidance. When auditing the financial statements, auditors must also comply with professional standards issued by the Financial Reporting Council and those of the professional accountancy bodies. These standards impose stringent rules to ensure the independence and objectivity of auditors. Audit Scotland has robust arrangements in place to ensure compliance with these standards, including an annual “fit and proper” declaration for all members of staff. The arrangements are overseen by the Director of Audit Services, who serves as Audit Scotland’s Ethics Partner.



**28.** The engagement lead (i.e. appointed auditor) for Scotland Excel is Mark Ferris, Senior Audit Manager. Auditing and ethical standards require the engagement lead to communicate any relationships that may affect the independence and objectivity of audit staff. We are not aware of any such relationships pertaining to the audit of Scotland Excel.

## Quality control

**29.** International Standard on Quality Control (UK and Ireland) 1 (ISQC1) requires that a system of quality control is established, as part of financial audit procedures, to provide reasonable assurance that professional standards and regulatory and legal requirements are being complied with and that the independent auditor's report or opinion is appropriate in the circumstances.

**30.** The foundation of our quality framework is our Audit Guide, which incorporates the application of professional auditing, quality and ethical standards and the Code of Audit Practice (and supporting guidance) issued by Audit Scotland and approved by the Auditor General for Scotland. To ensure that we achieve the required quality standards Audit Scotland conducts peer reviews and internal quality reviews. Additionally, the Institute of Chartered Accountants of Scotland (ICAS) have been commissioned to carry out external quality reviews.

**31.** As part of our commitment to quality and continuous improvement, Audit Scotland will periodically seek your views on the quality of our service provision. We welcome feedback at any time and this may be directed to the engagement lead.

# Scotland Excel

## Annual Audit Plan 2019/20

If you require this publication in an alternative format and/or language, please contact us to discuss your needs: 0131 625 1500 or [info@audit-scotland.gov.uk](mailto:info@audit-scotland.gov.uk)

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## **Scotland Excel**

**To: Executive Sub Committee**

**On: 27 March 2020**

**Report  
by  
Director Scotland Excel**

**Tender: Supply Only and Supply & Distribution of Groceries and Provisions**

**Schedule: 1219**

**Period: 1 May 2020 until 30 April 2022 (with the option to extend for up to two 1-year periods until 30 April 2024)**

### **1. Introduction and Background**

The current framework for groceries and provisions will expire on 30 April 2020. This proposed renewal framework will operate from 1 May 2020 until 30 April 2022 (with the option to extend for up to two 1-year periods until 30 April 2024).

This framework will provide councils with a mechanism to procure a range of dairy and chilled products, dried goods, ambient products, crisps, confectionery, soft drinks and water. Product groupings with significant spend are juices, squashes and cordials, cheese, flour and flour-based mixes, soft drinks, butter, spreads and margarine, canned fish, yoghurt and water. There is likely to be a range of council functions accessing the framework, including schools, nurseries, leisure centres, community centres, social work, council buildings and civic centres.

The renewal incorporates a number of enhancements to the current framework, including the option for manufacturers to be able to bid directly. It is anticipated that this will create greater brand flexibility, enhance locally sourced produce and increase the inclusion of sustainable products.

The report summarises the outcome of the procurement process for this national framework arrangement.

### **2. Scope, Participation and Spend**

As part of the strategy development, the User Intelligence Group (UIG) endorsed the inclusion of five lots as summarised in figure 1.

**Figure 1: Lotting Structure**

Lot No.	Description	Estimated % Spend Through Lot
1	Supply & Distribution of Dairy & Chilled Products	17%
2	Supply & Distribution of Dried Goods and Ambient Products	32%
3	Supply & Distribution of Crisps, Confectionery, Soft Drinks and Water	21%
4	Distribution of Groceries and Provisions	5%
5	Supply Only of Groceries and Provisions	25%

This lotting structure recognises the current marketplace and is designed to more closely align with council requirements, whilst continuing to maximise opportunities for Small and Medium Enterprises (SMEs).

The framework was advertised to permit access by all 32 councils in Scotland. As detailed in Appendix 1, 30 councils and Tayside Contracts have confirmed their intention to participate in this framework. Orkney Islands still have their own arrangements in place and Shetland Islands Council did not confirm their intention to participate in the framework.

Historical spend data suggests a forecast framework spend of c.£26m per annum, and the framework has been advertised with a value of up to £30 million per annum. This takes into account growth through the increase in funding for early learning and childcare provision from 600 hours to 1140 hours from August 2020, as every child receiving a funded early learning and childcare session will receive a free meal from August 2020. This also allows for further growth with Councils potentially extending free school meals to primary 4 pupils and beyond. Furthermore, additional costs may be incurred due to the upcoming changes to the Nutritional Requirements for Food & Drink in Schools (Scotland) Regulations 2008 and Setting the Table 2018 standards for nurseries (guidance publication for food provision in early years childcare provision).

### **3. Procurement Process**

A Prior Information Notice (PIN) was published on 13 May 2019 resulting in expressions of interest from 24 companies. This led to 20 supplier meetings, which helped to inform key elements of the development strategy, including - ability to service, market trends, community benefits, sustainability and product range/specification.

The User Intelligence Group (UIG), consisting of procurement and technical representatives from participating councils, endorsed the procurement strategy at regional events in July 2019. A working group of technical representatives from the councils reviewed the specifications and the technical criteria to be

adopt during the tender process. This group also played an integral role in evaluating technical responses from bidders.

The procurement exercise followed an open tender procedure to encourage maximum competition and participation. All bidders were evaluated against selection criteria using the European Single Procurement Document (ESPD), and the stated award criteria. The award criteria included technical and commercial sections, evaluated against the following weightings:

- Lot 1 – 4 Supply & Distribution of Groceries and Provisions
  - Technical 25%
  - Commercial 75%
- Lot 5 Supply Only of Groceries and Provisions
  - Technical 27%
  - Commercial 73%

Within the technical section, bidders were required to evidence their knowledge and experience by responding to a series of technical areas which are detailed in figure 2.

The differences in the weightings reflects an additional emphasis in lot 5 (a supply only lot) on sustainable procurement benefits – this is detailed further in section 6 of this report.

**Figure 2: Technical Scoring**

Description	Lot 1 – 4 Weighting	Lot 5 Weighting
Fair Work Practices	4	4
Community Benefits Confirmation	4	4
Supply Chain Traceability	4	4
Allergens & Specifications	4	4
Core Product Reviews	1	1
Substitution of Products	3	3
Servicing the Contract	2	2
CO2 Emissions, Food Miles & Route Planning within Scotland	1	1
Recycling - Cradle to Cradle	2	4
<b>Total score</b>	<b>25</b>	<b>27</b>

Within the commercial section for lot 1 - 3, bidders were invited to offer a net delivered price for each of the core products used by councils. Bidders also had the ability to offer variant pricing for individual geographic council sub-lots, due to the varying distribution requirements of each council.

The commercial section for lot 4 required bidders to offer a distribution percentage on-cost for each geographic council sub-lot.

Finally, within the commercial section for lot 5, bidders were invited to offer a net delivered price to a distributor for each of the products that they were able to supply on the core product list (these products account for approximately 80% of the overall spend).

#### **4. Report on Offers Received**

Offers were received from 17 tenderers, a summary of which is provided in Appendix 2 (List of Tenderers with SME Status).

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the offers received was carried out. Appendix 3 confirms the scoring achieved by each bidder, of which, 15 are recommended for award.

There were 2 unsuccessful tenderers: FrieslandCampina UK Limited and The Whent Limited. The commercial offer submitted by both suppliers was uncompetitive when compared to other offers for this lot.

#### **5. Recommendations**

The 15 recommended suppliers provide the choice, scope and range of Groceries and Provisions required by councils as well as representing best value and providing geographical coverage. These 15 suppliers also represent a mix of small, medium and large organisations, with 10 of the recommended suppliers classified as SMEs and 1 supplier classified as Micro.

As shown in Appendix 3, Scotland Excel did not receive any bids for Orkney Islands Council and Shetland Islands Council despite full engagement with organisations such as the Soil Association and Scotland Food and Drink to encourage participation from local suppliers. Continued engagement with appropriate council officers will follow to explore further opportunities.

For the recommended suppliers, Renfrewshire Council's Environmental Services team has assessed self-audit documentation, as well as the latest audit reports from relevant Food Enforcement Authorities to ensure compliance with the relevant legislation, and that they have robust processes in place to manage a contract of this nature. All relevant reports were considered satisfactory and compliant with defined requirements.

## 6. Benefits

### Savings

Scotland Excel conducted a benchmarking exercise for each council based on the available historic spend information. The results of this benchmarking are detailed in Appendix 1.

The projected average saving across all councils is 1.4%, which equates to an estimated total saving of approximately £371K per annum based on current forecast spend levels. The projected savings per council ranges from a cost of 0.8% to a saving of 11.4%. These costs / savings are largely dependent on the menus adopted by each council, the sustainability of the products they are using and the suppliers tendering for each council. Scotland Excel will continue to work with councils to derive further savings by identifying opportunities to reduce costs by considering brand swaps or alternative pack sizes.

### Price Stability

Price Stability was not scored for this tender due to uncertainty from Brexit, however a price stability clause was inserted to cover any implications of this. Of the recommended suppliers, 6 suppliers have offered 6 months fixed pricing, 1 has offered 9 months fixed pricing and 8 have offered 12 months fixed pricing.

### Sustainable Procurement Benefits

Within the technical section of the tender, Scotland Excel included a number of sustainability related method statements including the following:

- Carbon dioxide (CO2) emissions, food miles & route planning
- Recycling cradle to cradle

All manufacturers bidding on Lot 5 Supply Only of Groceries and Provisions provided input on their drive to improve packaging as manufacturers have more influence over the packaging used for their products. One manufacturer committed to ensure 100% of its plastic packaging is fully reusable, recyclable or compostable by 2025 and to increase the use of recycled plastic content in packaging. Another manufacturer has removed plastic straws from packaging and a foil tab system introduced instead.

Definitions of “country of origin of Scotland” and “manufactured in Scotland” were included within the tender to allow both elements to be monitored and recorded correctly. The origin of all products was captured through the tender process and this will be tracked during the life of the framework through quarterly management information returns.

### Community Benefits

Suppliers were asked to commit to the delivery of community benefit initiatives, per council, against pre-agreed spend threshold levels outlined within the community benefits method statement. The benefits aim to be reflective of the National Indicators outlined within the Scottish Government’s National Performance framework, and their underlying vision and goals. Councils will accrue ‘community benefit points’ based on their level of spend with a supplier.

These 'points' correlate to a negotiable benefit that the council can elect to receive at any given point throughout the lifetime of the framework. All suppliers have committed to delivering these benefits.

Within the published tender documents, suppliers were given a list of indicative community benefits that could be agreed with councils. Examples of the indicative benefits which were conveyed to providers were:

- Fundraising event for external charities / initiatives within the council
- Work placements to school students from councils
- Support local food banks and community pantry initiatives
- Support holiday hunger programmes
- Sponsorship of sports team or community event within the council to the value of £500
- Recruit a modern (or other approved) apprentice from within the council
- Recruit one person from within the council area

In addition to the above one supplier has offered that 0.7% from each Authority spend will be awarded as a grant for current or required community benefits in each region.

Scotland Excel will monitor delivery of these commitments during the lifetime of the framework and this will also be reported through ongoing contract management returns. Results reported on community benefits will be disseminated to councils on a 6 monthly period basis.

### **Fair work Practice including Real Living Wage**

Scotland Excel recognises the importance of fair work practices in the delivery of effective public services. Within the technical section of the tender, one of the method statements assessed bidders on areas such as how they will commit to fair work practices including payment of the Real Living Wage, a fair pay policy for seasonal workers, improving wider diversity of staff and avoiding exploitative employment practices, such as no inappropriate use of zero hours contracts.

Tenderers were assessed on their approach to fair work practices and were also asked to confirm their position on the payment of the Real Living Wage. A breakdown of responses is detailed in Appendix 4.

Scotland Excel will monitor status with all awarded suppliers during the lifetime of the framework and engage with the Living Wage Foundation on this particular market.

## **7. Contract Mobilisation and Management**

As part of the mobilisation process, all suppliers will be invited to a contract mobilisation meeting to outline the operation of the framework, including roles and responsibilities, management information and community benefits. Suppliers and participating councils will be issued with a mobilisation pack containing all required details to utilise the framework.



In accordance with Scotland Excel's established contract and supplier management programme, this framework has been classified as a category A framework. As such, Scotland Excel will conduct quarterly review meetings with suppliers and annual user group reviews, as appropriate, whilst monitoring management information and community benefits associated with this framework.

Supplier performance will be monitored by the contract supplier management process where surveys will be issued to councils for feedback on elements of the framework such as quality and service. This feedback will form the basis of contract management meetings with suppliers, who will be able to review the feedback and if required initiate an improvement programme.

## **8. Summary**

This is fourth generation framework for the Supply Only and Supply and Distribution of Groceries and Provisions and aims to maximise collaboration, consolidate demand and deliver best value.

The Executive Sub Committee is requested to approve the recommendation to award this framework to the suppliers detailed within Appendix 3 (Scoring and Recommendations).



**Appendix 1 – Participation, Spend and Savings Summary**  
**Supply Only and Supply and Distribution of Groceries and Provisions (1219)**

Member Name	Participation in Contract	Participation Entry Date	Estimated Annual Spend (£)	Source of Spend Data	Indexation (%)	% Estimated Forecast Savings	Estimated Annual Savings (£)	Basis of Savings Calculation
Aberdeen City Council	YES	01 May 2020	£787,335	Validated by Council	-1.0%	2.8%	£22,124	Benchmark Current Contract
Aberdeenshire Council	YES	01 May 2020	£1,717,548	Validated by Council	-1.0%	2.1%	£36,584	Benchmark Current Contract
Angus Council	YES	01 May 2020	£0 (See Tayside Contracts)	Scotland Excel Management Information	-1.0%	-	-	See Tayside Contracts
Argyll & Bute Council	YES	01 May 2020	£523,615	Validated by Council	-1.0%	5.2%	£27,071	Benchmark Current Contract
City of Edinburgh Council	YES	01 May 2020	£2,455,115	Validated by Council	-1.0%	0.9%	£21,851	Benchmark Current Contract
Clackmannanshire Council	YES	01 May 2020	£204,510	Scotland Excel Management Information	-1.0%	1.6%	£3,170	Benchmark Current Contract
Comhairle nan Eilean Siar	YES	01 May 2020	£158,526	Scotland Excel Management Information	-1.0%	6.7%	£10,605	Benchmark Current Contract
Dumfries & Galloway Council	YES	01 May 2020	£577,297	Validated by Council	-1.0%	0.5%	£2,771	Benchmark Current Contract
Dundee City Council	YES	01 May 2020	£0 (See Tayside Contracts)	Scotland Excel Management Information	-1.0%	-	-	See Tayside Contracts
East Ayrshire Council	YES	01 May 2020	£589,309	Validated by Council	-1.0%	2.0%	£11,904	Benchmark Current Contract
East Dunbartonshire Council	YES	01 May 2020	£645,090	Validated by Council	-1.0%	1.4%	£8,709	Benchmark Current Contract
East Lothian Council	YES	01 May 2020	£432,317	Validated by Council	-1.0%	1.4%	£6,182	Benchmark Current Contract
East Renfrewshire Council	YES	01 May 2020	£565,952	Validated by Council	-1.0%	0.1%	£396	Benchmark Current Contract
Falkirk Council	YES	01 May 2020	£864,302	Scotland Excel Management Information	-1.0%	1.9%	£16,681	Benchmark Current Contract
Fife Council	YES	01 May 2020	£1,486,446	Scotland Excel Management Information	-1.0%	1.0%	£15,013	Benchmark Current Contract
Glasgow City Council	YES	01 May 2020	£2,415,729	Validated by Council	-1.0%	1.2%	£29,955	Benchmark Current Contract
Highland Council	YES	01 May 2020	£1,067,794	Validated by Council	-1.0%	-0.1%	-£1,281	Benchmark Current Contract
Inverclyde Council	YES	01 May 2020	£442,800	Validated by Council	-1.0%	2.6%	£11,690	Benchmark Current Contract
Midlothian Council	YES	01 May 2020	£572,463	Validated by Council	-1.0%	1.8%	£10,133	Benchmark Current Contract
Moray Council	YES	01 May 2020	£341,501	Validated by Council	-1.0%	-0.1%	-£444	Benchmark Current Contract
North Ayrshire Council	YES	01 May 2020	£891,346	Validated by Council	-1.0%	0.7%	£5,883	Benchmark Current Contract
North Lanarkshire Council	YES	01 May 2020	£2,122,054	Validated by Council	-1.0%	0.0%	£0	Benchmark Current Contract
Orkney Islands Council	NO	-	£0	Scotland Excel Management Information	-1.0%	-	-	No Offers Received
Perth & Kinross Council	YES	01 May 2020	£118,269	Validated by Council	-1.0%	11.4%	£13,423	Benchmark Current Contract
Renfrewshire Council	YES	01 May 2020	£774,757	Validated by Council	-1.0%	5.7%	£43,851	Benchmark Current Contract
Scottish Borders Council	YES	01 May 2020	£643,052	Validated by Council	-1.0%	2.2%	£14,404	Benchmark Current Contract
Shetland Islands Council	NO	-	£0	Scotland Excel Management Information	-1.0%	-	-	No Offers Received
South Ayrshire Council	YES	01 May 2020	£385,814	Validated by Council	-1.0%	0.3%	£1,042	Benchmark Current Contract
South Lanarkshire Council	YES	01 May 2020	£1,668,228	Validated by Council	-1.0%	1.7%	£27,693	Benchmark Current Contract
Stirling Council	YES	01 August 2021	£232,178	Validated by Council	-1.0%	-0.8%	-£1,950	Benchmark Current Contract
West Dunbartonshire Council	YES	01 May 2020	£437,288	Validated by Council	-1.0%	2.2%	£9,445	Benchmark Current Contract
West Lothian Council	YES	01 May 2020	£1,328,917	Validated by Council	-1.0%	1.5%	£19,535	Benchmark Current Contract
Tayside Contracts	YES	01 May 2020	£1,921,089	Validated by Council	-1.0%	0.2%	£4,649	Benchmark Current Contract
<b>Totals</b>			<b>£26,370,641</b>			<b>1.4%</b>	<b>£371,089</b>	
Associate Members	YES	01 May 2020	£112,625	Validated by Members	-1.0%	2.5%	£2,816	Benchmark Current Contract
<b>Totals</b>			<b>£26,483,266</b>			<b>1.4%</b>	<b>£373,904</b>	



## Appendix 2 – List of Tenderers with SME Status

Name of Tenderers	SME Status	Location	Lots Tendered
Adamson's Drinks Ltd	Medium	Dunfermline	Lot 3 & 4
AG Barr PLC	Large	Cumbernauld	Lot 5
Bestway UK Holdco Limited	Medium	London	Lots 1, 2, 3 & 4
BFS Group Limited	Large	Slough	Lots 1, 2, 3 & 4
Brake Bros Limited	Medium	Ashford	Lots 1, 2, 3 & 4
Buchanan Distribution Ltd	Micro	Stewarton	Lot 5
Burt Snacks Ltd	Medium	Roborough	Lot 5
Davidsons Cash and Carry Limited	Small	Airdrie	Lots 3 & 4
FrieslandCampina UK Limited	Large	Horsham	Lot 5
GSR Distributions Ltd	Medium	Glasgow	Lots 2 & 4
Lakeland Dairies (NI) Limited	Large	Killeshandra	Lot 5
Middleton Food Products Limited	Medium	Willenhall	Lot 5
Moorhead & McGavin Limited	Small	Motherwell	Lot 5
Radnor Hills Mineral Water Company Ltd	Medium	Kinighton	Lot 5
The Whent Limited	Small	Bath	Lot 5
Unilever UK Limited	Large	Surrey	Lot 5
William Yule & Son Limited	Small	Kirkcaldy	Lots 1, 2 & 4



## Appendix 3 - Scoring and Recommendations

### Groceries and Provisions 1219

#### Recommendations - Lot 1 - Dairy and Chilled Products

Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Aberdeen City Council	Brake Bros Limited	17.25	75.00	92.25	YES		Aberdeenshire Council	Brake Bros Limited	17.25	75.00	92.25	YES
	Bestway UK Holdco Limited	17.625	59.02	76.65	YES			Bestway UK Holdco Limited	17.625	60.69	78.32	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Angus Council	Brake Bros Limited	17.25	75.00	92.25	YES		Argyll & Bute Council	Brake Bros Limited	17.25	75.00	92.25	YES
	Bestway UK Holdco Limited	17.625	61.61	79.24	YES			BFS Group Limited	18.25	66.09	84.34	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
City of Edinburgh Council	Brake Bros Limited	17.25	75.00	92.25	YES		Clackmannanshire Council	Brake Bros Limited	17.25	75.00	92.25	YES
	Bestway UK Holdco Limited	17.625	67.20	84.83	YES			BFS Group Limited	18.25	64.48	82.73	YES
	BFS Group Limited	18.25	61.13	79.38	YES			Bestway UK Holdco Limited	17.625	62.65	80.28	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Comhairle Nan Eilean Siar	Brake Bros Limited	17.25	75.00	92.25	YES		Dumfries & Galloway Council	Brake Bros Limited	17.25	75.00	92.25	YES
								Bestway UK Holdco Limited	17.625	71.21	88.84	YES
								BFS Group Limited	18.25	55.16	73.41	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Dundee City Council	Brake Bros Limited	17.25	75.00	92.25	YES		East Ayrshire Council	Brake Bros Limited	17.25	75.00	92.25	YES
	BFS Group Limited	18.25	65.34	83.59	YES			Bestway UK Holdco Limited	17.625	67.92	85.55	YES
	Bestway UK Holdco Limited	17.625	60.77	78.40	YES							
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
East Dunbartonshire Council	Brake Bros Limited	17.25	75.00	92.25	YES		East Lothian Council	Bestway UK Holdco Limited	17.625	75.00	92.63	YES
	Bestway UK Holdco Limited	17.625	59.69	77.32	YES			Brake Bros Limited	17.25	67.80	85.05	YES
								BFS Group Limited	18.25	56.99	75.24	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
East Renfrewshire Council	Brake Bros Limited	17.25	75.00	92.25	YES		Falkirk Council	Brake Bros Limited	17.25	75.00	92.25	YES
	Bestway UK Holdco Limited	17.625	60.43	78.06	YES			Bestway UK Holdco Limited	17.625	71.59	89.22	YES
								BFS Group Limited	18.25	64.06	82.31	YES

Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Fife Council	William Yule & Son Limited	18.25	75.00	93.25	YES		Glasgow City Council	Brake Bros Limited	17.25	75.00	92.25	YES
	BFS Group Limited	18.25	59.24	77.49	YES			Bestway UK Holdco Limited	17.625	57.86	75.49	YES
	Bestway UK Holdco Limited	17.625	44.44	62.07	YES							
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Highland Council	Brake Bros Limited	17.25	75.00	92.25	YES		Inverclyde Council	Brake Bros Limited	17.25	75.00	92.25	YES
								Bestway UK Holdco Limited	17.625	67.43	85.06	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Midlothian Council	Brake Bros Limited	17.25	75.00	92.25	YES		Moray Council	Brake Bros Limited	17.25	75.00	92.25	YES
	BFS Group Limited	18.25	65.09	83.34	YES							
	Bestway UK Holdco Limited	17.625	56.20	73.83	YES							
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
North Ayrshire Council	Brake Bros Limited	17.25	75.00	92.25	YES		North Lanarkshire Council	Brake Bros Limited	17.25	75.00	92.25	YES
	Bestway UK Holdco Limited	17.625	60.74	78.37	YES			Bestway UK Holdco Limited	17.625	70.78	88.41	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Orkney Islands Council	NO OFFER	N/A	N/A	N/A	N/A		Perth & Kinross Council	Brake Bros Limited	17.25	75.00	92.25	YES
								Bestway UK Holdco Limited	17.625	51.05	68.68	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Renfrewshire Council	Brake Bros Limited	17.25	75.00	92.25	YES		Scottish Borders Council	Brake Bros Limited	17.25	75.00	92.25	YES
	Bestway UK Holdco Limited	17.625	53.86	71.49	YES							
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Shetland Islands Council	NO OFFER	N/A	N/A	N/A	N/A		South Ayrshire Council	Brake Bros Limited	17.25	75.00	92.25	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
South Lanarkshire Council	Brake Bros Limited	17.25	75.00	92.25	YES		Stirling Council	William Yule & Son Limited	18.25	75.00	93.25	YES
	Bestway UK Holdco Limited	17.625	40.84	58.47	YES			BFS Group Limited	18.25	60.25	78.50	YES
								Bestway UK Holdco Limited	17.625	47.42	65.05	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Tayside Contracts	Brake Bros Limited	17.25	75.00	92.25	YES		West Dunbartonshire Council	Brake Bros Limited	17.25	75.00	92.25	YES
	Bestway UK Holdco Limited	17.625	63.02	80.65	YES							



## Groceries and Provisions 1219

### Recommendations - Lot 2 - Dried Goods and Ambient Products

Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Aberdeen City Council	Brake Bros Limited	17.25	75.00	92.25	YES		Aberdeenshire Council	Brake Bros Limited	17.25	75.00	92.25	YES
	Bestway UK Holdco Limited	17.625	57.83	75.46	YES			Bestway UK Holdco Limited	17.625	63.55	81.18	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Angus Council	Brake Bros Limited	17.25	75.00	92.25	YES		Argyll & Bute Council	Brake Bros Limited	17.25	75.00	92.25	YES
	Bestway UK Holdco Limited	17.625	71.94	89.57	YES			BFS Group Limited	18.25	56.62	74.87	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
City of Edinburgh Council	Brake Bros Limited	17.25	75.00	92.25	YES		Clackmannanshire Council	Brake Bros Limited	17.25	75.00	92.25	YES
	GSR Distributions Ltd	20	56.65	76.65	YES			Bestway UK Holdco Limited	17.625	69.87	87.50	YES
	BFS Group Limited	18.25	58.36	76.61	YES			BFS Group Limited	18.25	65.37	83.62	YES
	Bestway UK Holdco Limited	17.625	51.74	69.37	YES							
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Comhairle Nan Eilean Siar	Brake Bros Limited	17.25	75.00	92.25	YES		Dumfries & Galloway Council	Brake Bros Limited	17.25	75.00	92.25	YES
								BFS Group Limited	18.25	52.14	70.39	YES
								Bestway UK Holdco Limited	17.625	51.94	69.57	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Dundee City Council	Brake Bros Limited	17.25	75.00	92.25	YES		East Ayrshire Council	Brake Bros Limited	17.25	75.00	92.25	YES
	Bestway UK Holdco Limited	17.625	69.80	87.43	YES			Bestway UK Holdco Limited	17.625	61.38	79.01	YES
	BFS Group Limited	18.25	55.27	73.52	YES							
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
East Dunbartonshire Council	Brake Bros Limited	17.25	75.00	92.25	YES		East Lothian Council	Brake Bros Limited	17.25	75.00	92.25	YES
	GSR Distributions Ltd	20	49.17	69.17	YES			BFS Group Limited	18.25	55.04	73.29	YES
	Bestway UK Holdco Limited	17.625	43.94	61.57	YES			Bestway UK Holdco Limited	17.625	43.17	60.80	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
East Renfrewshire Council	Brake Bros Limited	17.25	75.00	92.25	YES		Falkirk Council	Brake Bros Limited	17.25	75.00	92.25	YES
	GSR Distributions Ltd	20	54.78	74.78	YES			BFS Group Limited	18.25	60.02	78.27	YES
	Bestway UK Holdco Limited	17.625	54.45	72.08	YES			GSR Distributions Ltd	20	57.85	77.85	YES
								Bestway UK Holdco Limited	17.625	58.38	76.01	YES

Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Fife Council	William Yule and Son Limited	18.25	75.00	93.25	YES		Glasgow City Council	Brake Bros Limited	17.25	75.00	92.25	YES
	BFS Group Limited	18.25	53.30	71.55	YES			GSR Distributions Ltd	20	67.44	87.44	YES
	Bestway UK Holdco Limited	17.625	41.54	59.17	YES			Bestway UK Holdco Limited	17.625	52.94	70.57	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Highland Council	Brake Bros Limited	17.25	75.00	92.25	YES		Inverclyde Council	Brake Bros Limited	17.25	75.00	92.25	YES
								Bestway UK Holdco Limited	17.625	61.00	78.63	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Midlothian Council	Brake Bros Limited	17.25	75.00	92.25	YES		Moray Council	Brake Bros Limited	17.25	75.00	92.25	YES
	BFS Group Limited	18.25	60.90	79.15	YES							
	GSR Distributions Ltd	20	55.35	75.35	YES							
	Bestway UK Holdco Limited	17.625	56.86	74.49	YES							
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
North Ayrshire Council	Brake Bros Limited	17.25	75.00	92.25	YES		North Lanarkshire Council	Brake Bros Limited	17.25	75.00	92.25	YES
	Bestway UK Holdco Limited	17.625	54.47	72.10	YES			GSR Distributions Ltd	20	63.31	83.31	YES
								Bestway UK Holdco Limited	17.625	51.83	69.46	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Orkney Islands Council	NO OFFER	N/A	N/A	N/A	N/A		Perth & Kinross Council	Brake Bros Limited	17.25	75.00	92.25	YES
								Bestway UK Holdco Limited	17.625	74.15	91.78	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Renfrewshire Council	Brake Bros Limited	17.25	75.00	92.25	YES		Scottish Borders Council	Brake Bros Limited	17.25	75.00	92.25	YES
	GSR Distributions Ltd	20	64.86	84.86	YES							
	Bestway UK Holdco Limited	17.625	57.15	74.78	YES							
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Shetland Islands Council	NO OFFER	N/A	N/A	N/A	N/A		South Ayrshire Council	Brake Bros Limited	17.25	75.00	92.25	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
South Lanarkshire Council	Brake Bros Limited	17.25	75.00	92.25	YES		Stirling Council	William Yule and Son Limited	18.25	75.00	93.25	YES
	GSR Distributions Ltd	20	70.80	90.80	YES			Bestway UK Holdco Limited	17.625	73.67	91.30	YES
	Bestway UK Holdco Limited	17.625	60.98	78.61	YES			BFS Group Limited	18.25	58.79	77.04	YES

Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Tayside Contracts	Brake Bros Limited	17.25	75.00	92.25	YES		West Dunbartonshire Council	Brake Bros Limited	17.25	75.00	92.25	YES
	Bestway UK Holdco Limited	17.625	57.68	75.31	YES			GSR Distributions Ltd	20	63	83.00	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot							
West Lothian Council	Brake Bros Limited	17.25	75.00	92.25	YES							
	BFS Group Limited	18.25	58.65	76.90	YES							
	GSR Distributions Ltd	20	56.94	76.94	YES							
	Bestway UK Holdco Limited	17.625	55.86	73.49	YES							

## Groceries and Provisions 1219

### Recommendations - Lot 3 - Crisps, Confectionery, Soft Drinks and Water

Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Aberdeen City Council	Brake Bros Limited	17.25	75.00	92.25	YES		Aberdeenshire Council	Brake Bros Limited	17.25	73.75	91.00	YES
	Bestway UK Holdco Limited	17.625	72.22	89.85	YES			Adamson's Drinks Ltd	15.75	75.00	90.75	YES
	Adamson's Drinks Ltd	15.75	73.94	89.69	YES			Bestway UK Holdco Limited	17.625	69.06	86.69	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Angus Council	Adamson's Drinks Ltd	15.75	75.00	90.75	YES		Argyll & Bute Council	Brake Bros Limited	17.25	75.00	92.25	YES
	Bestway UK Holdco Limited	17.625	70.66	88.29	YES			BFS Group Limited	18.25	63.12	81.37	YES
	Brake Bros Limited	17.25	70.41	87.66	YES							
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
City of Edinburgh Council	Adamson's Drinks Ltd	15.75	75.00	90.75	YES		Clackmannanshire Council	Brake Bros Limited	17.25	74.50	91.75	YES
	Bestway UK Holdco Limited	17.625	71.46	89.09	YES			Bestway UK Holdco Limited	17.625	73.91	91.54	YES
	Brake Bros Limited	17.25	71.82	89.07	YES			Adamson's Drinks Ltd	15.75	75.00	90.75	YES
	BFS Group Limited	18.25	60.49	78.74	YES			BFS Group Limited	18.25	65.97	84.22	YES
								Davidsons Cash and Carry Limited	11.75	58.75	70.50	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Comhairle Nan Eilean Siar	Brake Bros Limited	17.25	75.00	92.25	YES		Dumfries & Galloway Council	Bestway UK Holdco Limited	17.625	75.00	92.63	YES
								Brake Bros Limited	17.25	72.37	89.62	YES
								Adamson's Drinks Ltd	15.75	73.59	89.34	YES
								BFS Group Limited	18.25	66.42	84.67	YES
								Davidsons Cash and Carry Limited	11.75	68.06	79.81	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Dundee City Council	Adamson's Drinks Ltd	15.75	75.00	90.75	YES		East Ayrshire Council	Bestway UK Holdco Limited	17.625	74.82	92.45	YES
	Brake Bros Limited	17.25	70.42	87.67	YES			Brakes Bros Limited	17.25	75.00	92.25	YES
	Bestway UK Holdco Limited	17.625	69.64	87.27	YES			Adamson's Drinks Ltd	15.75	73.43	89.18	YES
	BFS Group Limited	18.25	57.60	75.85	YES			Davidsons Cash and Carry Limited	11.75	68.60	80.35	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
East Dunbartonshire Council	Bestway UK Holdco Limited	17.625	74.52	92.15	YES		East Lothian Council	Brake Bros Limited	17.25	75.00	92.25	YES
	Adamson's Drinks Ltd	15.75	75.00	90.75	YES			Adamson's Drinks Ltd	15.75	69.15	84.90	YES
	Brake Bros Limited	17.25	70.56	87.81	YES			Bestway UK Holdco Limited	17.625	64.75	82.38	YES
	Davidson Cash and Carry	11.75	70.21	81.96	YES			BFS Group Limited	18.25	58.81	77.06	YES

Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
East Renfrewshire Council	Bestway UK Holdco Limited	17.625	75.00	92.63	YES		Falkirk Council	Brake Bros Limited	17.25	75.00	92.25	YES
	Adamson's Drinks Ltd	15.75	70.77	86.52	YES			Bestway UK Holdco Limited	17.625	73.55	91.18	YES
	Brake Bros Limited	17.25	69.18	86.43	YES			Adamson's Drinks Ltd	15.75	74.10	89.85	YES
	Davidsons Cash and Carry Limited	11.75	62.20	73.95	YES			BFS Group Limited	18.25	58.72	76.97	YES
								Davidsons Cash and Carry Limited	11.75	62.94	74.69	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Fife Council	Adamson's Drinks Ltd	15.75	75.00	90.75	YES		Glasgow City Council	Bestway UK Holdco Limited	17.625	74.86	92.49	YES
	BFS Group Limited	18.25	62.26	80.51	YES			Adamson's Drinks Ltd	15.75	75.00	90.75	YES
	Bestway UK Holdco Limited	17.625	58.57	76.20	YES			Brake Bros Limited	17.25	62.71	79.96	YES
	Davidsons Cash and Carry Limited	11.75	62.53	74.28	YES							
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Highland Council	Brake Bros Limited	17.25	75.00	92.25	YES		Inverclyde Council	Brake Bros Limited	17.25	75.00	92.25	YES
								Bestway UK Holdco Limited	17.625	72.92	90.55	YES
								Adamson's Drinks Ltd	15.75	74.08	89.83	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Midlothian Council	Adamson's Drinks Ltd	15.75	75.00	90.75	YES		Moray Council	Brake Bros Limited	17.25	75.00	92.25	YES
	Brake Bros Limited	17.25	71.67	88.92	YES							
	Bestway UK Holdco Limited	17.625	69.99	87.62	YES							
	BFS Group Limited	18.25	60.36	78.61	YES							
	Davidsons Cash and Carry Limited	11.75	54.38	66.13	YES							
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
North Ayrshire Council	Brake Bros Limited	17.25	75.00	92.25	YES		North Lanarkshire Council	Brake Bros Limited	17.25	75.00	92.25	YES
	Bestway UK Holdco Limited	17.625	68.54	86.17	YES			Bestway UK Holdco Limited	17.625	69.29	86.92	YES
	Davidsons Cash and Carry Limited	11.75	57.90	69.65	YES			Adamson's Drinks Ltd	15.75	67.06	82.81	YES
								Davidsons Cash and Carry Limited	11.75	59.09	70.84	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Orkney Islands Council	NO OFFER	N/A	N/A	N/A	N/A		Perth & Kinross Council	Adamson's Drinks Ltd	15.75	75.00	90.75	YES
								Bestway UK Holdco Limited	17.625	71.26	88.89	YES
								Brake Bros Limited	17.25	65.37	82.62	YES

Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Renfrewshire Council	Adamson's Drinks Ltd	15.75	75.00	90.75	YES		Scottish Borders Council	Adamson's Drinks Ltd	15.75	75.00	90.75	YES
	Brake Bros Limited	17.25	72.92	90.17	YES			Brake Bros Limited	17.25	70.42	87.67	YES
	Bestway UK Holdco Limited	17.625	71.46	89.09	YES							
	Davidsons Cash and Carry Limited	11.75	64.67	76.42	YES							
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Shetland Islands Council	NO OFFER	N/A	N/A	N/A	N/A		South Ayrshire Council	Brake Bros Limited	17.25	75.00	92.25	YES
								Davidsons Cash and Carry Limited	11.75	65.47	77.22	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
South Lanarkshire Council	Adamson's Drinks Ltd	15.75	75.00	90.75	YES		Stirling Council	Adamson's Drinks Ltd	15.75	75.00	90.75	YES
	Brake Bros Limited	17.25	63.82	81.07	YES			Bestway UK Holdco Limited	17.625	65.69	83.32	YES
	Bestway UK Holdco Limited	17.625	58.75	76.38	YES			BFS Group Limited	18.25	63.26	81.51	YES
	Davidsons Cash and Carry Limited	11.75	51.01	62.76	YES							
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Tayside Contracts	Brake Bros Limited	17.25	75.00	92.25	YES		West Dunbartonshire Council	Adamson's Drinks Ltd	15.75	75.00	90.75	YES
	Adamson's Drinks Ltd	15.75	73.77	89.52	YES			Brake Bros Limited	17.25	73.44	90.69	YES
	Bestway UK Holdco Limited	17.625	68.16	85.79	YES			Davidsons Cash and Carry Limited	11.75	67.65	79.40	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot							
West Lothian Council	Brake Bros Limited	17.25	75.00	92.25	YES							
	Adamson's Drinks Ltd	15.75	69.83	85.58	YES							
	Bestway UK Holdco Limited	17.625	65.14	82.77	YES							
	BFS Group Limited	18.25	62.9	81.15	YES							
	Davidsons Cash and Carry Limited	11.75	52.78	64.53	YES							

## Groceries and Provisions 1219

### Recommendations - Lot 4 - Distribution of Groceries and Provisions

Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Aberdeen City Council	Brake Bros Limited	17.25	75.00	92.25	YES		Aberdeenshire Council	Brake Bros Limited	17.25	75.00	92.25	YES
	Bestway UK Holdco Limited	17.625	73.75	91.38	YES			Bestway UK Holdco Limited	17.625	73.75	91.38	YES
	Adamson's Drinks Ltd	15.75	71.37	87.12	YES			Adamson's Drinks Ltd	15.75	70.24	85.99	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Angus Council	Brake Bros Limited	17.25	75.00	92.25	YES		Argyll & Bute Council	Brake Bros Limited	17.25	75.00	92.25	YES
	Bestway UK Holdco Limited	17.625	73.75	91.38	YES			BFS Group Limited	18.25	64.60	82.85	YES
	Adamson's Drinks Ltd	15.75	71.37	87.12	YES							
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
City of Edinburgh Council	Brake Bros Limited	17.25	75.00	92.25	YES		Clackmannanshire Council	Brake Bros Limited	17.25	69.92	87.17	YES
	Bestway UK Holdco Limited	17.625	73.75	91.38	YES			Davidsons Cash and Carry Limited	11.75	75.00	86.75	YES
	Adamson's Drinks Ltd	15.75	73.75	89.50	YES			Bestway UK Holdco Limited	17.625	68.75	86.38	YES
	GSR Distributions Ltd	20	68.08	88.08	YES			Adamson's Drinks Ltd	15.75	67.62	83.37	YES
	BFS Group Limited	18.25	64.60	82.85	YES			BFS Group Limited	18.25	60.22	78.47	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Comhairle Nan Eilean Siar	NO OFFER	N/A	N/A	N/A	YES		Dumfries & Galloway Council	Brakes Bros Limited	17.25	69.92	87.17	YES
								Davidsons Cash and Carry Limited	11.75	75.00	86.75	YES
								Bestway UK Holdco Limited	17.625	68.75	86.38	YES
								Adamson's Drinks Ltd	15.75	66.53	82.28	YES
								BFS Group Limited	18.25	60.22	78.47	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Dundee City Council	Brake Bros Limited	17.25	75.00	92.25	YES		East Ayrshire Council	Brakes Bros Limited	17.25	73.09	90.34	YES
	Bestway UK Holdco Limited	17.625	73.75	91.38	YES			Bestway UK Holdco Limited	17.625	71.88	89.51	YES
	Adamson's Drinks Ltd	15.75	72.54	88.29	YES			Davidsons Cash and Carry Limited	11.75	75.00	86.75	YES
	BFS Group Limited	18.25	64.60	82.85	YES			Adamson's Drinks Ltd	15.75	69.56	85.31	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
East Dunbartonshire Council	Brake Bros Limited	17.25	73.09	90.34	YES		East Lothian Council	Brake Bros Limited	17.25	75.00	92.25	YES
	Bestway UK Holdco Limited	17.625	71.88	89.51	YES			Bestway UK Holdco Limited	17.625	73.75	91.38	YES
	Davidsons Cash and Carry Limited	11.75	75.00	86.75	YES			Adamson's Drinks Ltd	15.75	72.54	88.29	YES
	Adamson's Drinks Ltd	15.75	70.70	86.45	YES			BFS Group Limited	18.25	64.6	82.85	YES

Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
East Renfrewshire Council	Brake Bros Limited	17.25	73.09	90.34	YES		Falkirk Council	Brakes Bros Limited	17.25	71.19	88.44	YES
	Bestway UK Holdco Limited	17.625	71.88	89.51	YES			Bestway UK Holdco Limited	17.625	70.00	87.63	YES
	GSR Distributions Ltd	20	69	89.00	YES			Davidsons Cash and Carry Limited	11.75	75.00	86.75	YES
	Davidsons Cash and Carry Limited	11.75	75	86.75	YES			GSR Distributions Ltd	20	64.62	84.62	YES
	Adamson's Drinks Ltd	15.75	70.7	86.45	YES			Adamson's Drinks Ltd	15.75	68.85	84.60	YES
								BFS Group Limited	18.25	61.31	79.56	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Fife Council	William Yule and Son Limited	18.25	75.00	93.25	YES		Glasgow City Council	Brakes Bros Limited	17.25	75.00	92.25	YES
	Davidsons Cash and Carry Limited	11.75	73.37	85.12	YES			Bestway UK Holdco Limited	17.625	73.75	91.38	YES
	Bestway UK Holdco Limited	17.625	70.31	87.94	YES			GSR Distributions Ltd	20	70.80	90.80	YES
	Adamson's Drinks Ltd	15.75	70.31	86.06	YES			Adamson's Drinks Ltd	15.75	73.75	89.50	YES
	BFS Group Limited	18.25	61.59	79.84	YES							
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Highland Council	Brake Bros Limited	17.25	75.00	92.25	YES		Inverclyde Council	Brake Bros Limited	17.25	75.00	92.25	YES
								Bestway UK Holdco Limited	17.625	73.75	91.38	YES
								Adamson's Drinks Ltd	15.75	71.37	87.12	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Midlothian Council	Brake Bros Limited	17.25	73.09	90.34	YES		Moray Council	Brake Bros Limited	17.25	75.00	92.25	YES
	Bestway UK Holdco Limited	17.625	71.88	89.51	YES			Bestway UK Holdco Limited	17.625	73.75	91.38	YES
	Davidsons Cash and Carry Limited	11.75	75.00	86.75	YES							
	Adamson's Drinks Ltd	15.75	70.70	86.45	YES							
	GSR Distributions Ltd	20	66.35	86.35	YES							
	BFS Group Limited	18.25	62.96	81.21	YES							
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
North Ayrshire Council	Brake Bros Limited	17.25	73.09	90.34	YES		North Lanarkshire Council	Brake Bros Limited	17.25	73.09	90.34	YES
	Bestway UK Holdco Limited	17.625	71.88	89.51	YES			Bestway UK Holdco Limited	17.625	71.88	89.51	YES
	Davidsons Cash and Carry Limited	11.75	75.00	86.75	YES			GSR Distributions Ltd	20	69.00	89.00	YES
								Davidsons Cash and Carry Limited	11.75	75.00	86.75	YES
								Adamson's Drinks Ltd	15.75	70.70	86.45	YES



Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Orkney Islands Council	NO OFFER	N/A	N/A	N/A	N/A							
							Perth & Kinross Council	Brake Bros Limited	17.25	75.00	92.25	YES
								Bestway UK Holdco Limited	17.625	73.75	91.38	YES
								Adamson's Drinks Ltd	15.75	71.37	87.12	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Renfrewshire Council	Brake Bros Limited	17.25	73.09	90.34	YES		Scottish Borders Council	Brake Bros Limited	17.25	75.00	92.25	YES
	Bestway UK Holdco Limited	17.625	73.75	91.38	YES			Adamson's Drinks Ltd	15.75	70.24	85.99	YES
	GSR Distributions Ltd	20	69.00	89.00	YES							
	Davidsons Cash and Carry Limited	11.75	75.00	86.75	YES							
	Adamson's Drinks Ltd	15.75	71.37	87.12	YES							
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Shetland Islands Council	NO OFFER	N/A	N/A	N/A	N/A		South Ayrshire Council	Brake Bros Limited	17.25	73.09	90.34	YES
								Davidsons Cash and Carry Limited	11.75	75.00	86.75	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
South Lanarkshire Council	Brake Bros Limited	17.25	71.19	88.44	YES		Stirling Council	William Yule and Son Limited	18.25	75.00	93.25	YES
	Bestway UK Holdco Limited	17.625	70.00	87.63	YES			Bestway UK Holdco Limited	17.625	71.88	89.51	YES
	GSR Distributions Ltd	20	67.20	87.20	YES			Adamson's Drinks Ltd	15.75	68.45	84.20	YES
	Davidsons Cash and Carry Limited	11.75	75.00	86.75	YES			BFS Group Limited	18.25	62.96	81.21	YES
	Adamson's Drinks Ltd	15.75	67.74	83.49	YES							
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot		Council	Supplier	Technical	Commercial	Overall	Awarded To Lot
Tayside Contracts	Brake Bros Limited	17.25	75.00	92.25	YES		West Dunbartonshire Council	Brake Bros Limited	17.25	73.09	90.34	YES
	Bestway UK Holdco Limited	17.625	73.75	91.38	YES			GSR Distributions Ltd	20	69.00	89.00	YES
	Adamson's Drinks Ltd	15.75	72.54	88.29	YES			Davidsons Cash and Carry Limited	11.75	75	86.75	YES
								Adamson's Drinks Ltd	15.75	69.56	85.31	YES
Council	Supplier	Technical	Commercial	Overall	Awarded To Lot							
West Lothian Council	Brake Bros Limited	17.25	71.19	88.44	YES							
	Bestway UK Holdco Limited	17.625	70.00	87.63	YES							
	Davidsons Cash and Carry Limited	11.75	75.00	86.75	YES							
	GSR Distributions Ltd	20	64.62	84.62	YES							
	Adamson's Drinks Ltd	15.75	68.85	84.60	YES							
	BFS Group Limited	18.25	61.31	79.56	YES							

## **Groceries and Provisions 1219**

### **Recommendations - Lot 5 -Supply Only of Groceries and Provisions**

Supplier Name	Items Bid For	Items Awarded	Items Awarded Score Range	Items Not Awarded	Items Not Awarded Score Range	Awarded to Lot
AG Barr PLC	8	1	92	7	51.22 - 92	YES
Buchanan Distribution Ltd	6	2	88.75	4	69.12 - 88.75	YES
Burt Snacks Ltd	6	3	86.5	3	86.5	YES
FrieslandCampina UK Limited	2	0	-	2	73.14	NO
Lakeland Dairies (NI) Limited	5	5	84.5	0	-	YES
Middleton Food Products Limited	22	20	83.5	2	83.5	YES
Moorhead & McGavin Limited	14	12	84.88	2	82.78 - 84.88	YES
Radnor Hills Mineral Water Company Ltd	27	13	87.63	14	83.43 - 87.63	YES
THE WHENT LIMITED	1	0	-	1	37.68	NO
Unilever UK Limited	40	11	90.5	29	40.54 - 90.5	YES

## Appendix 4- List of Recommended Suppliers with Living Wage Status

Tenderer	Accredited	Currently progressing through Real Living Wage accreditation process	Pay Real Living Wage to all employees, and committed to gaining accreditation over the initial 2 years of framework	Pay Real Living Wage to all employees, but not accredited	Neither accredited nor paying Real Living Wage, but do commit to pay the Real Living Wage to all employees over the initial 2 years of the framework	Neither accredited nor paying Real Living Wage
Adamson's Drinks Ltd			YES			
AG Barr PLC	YES					
Bestway UK Holdco Limited						YES
BFS Group Limited						YES
Brake Bros Limited						YES*
Buchanan Distribution Ltd				YES		
Burt Snacks Ltd	YES					
Davidsons Cash and Carry Limited	YES					
GSR Distributions Ltd					YES	
Lakeland Dairies (NI) Limited						YES
Middleton Food Products Limited						YES
Moorhead & McGavin Limited				YES		
Radnor Hills Mineral Water Company Ltd			YES			
Unilever UK Limited	YES					
William Yule & Son Limited						YES

\* In Scotland, Brakes Bros Limited pay circa 97% of staff the real living wage or higher.



## **Scotland Excel**

**To: Executive Sub Committee**

**On: 27 March 2020**

**Report  
by  
Director Scotland Excel**

### **Outline of the Scotland Excel approach to Contract and Supplier Management**

#### **1. Introduction**

The purpose of this paper is to clarify the various Contract Supplier Management (CSM) classifications, the level of management associated with these and provide detail on Scotland Excel's Contract Segmentation Tool.

#### **2. Background**

Regular contract reviews maintain the relationship between Scotland Excel and the supply base, supporting active engagement to monitor contract and supplier performance, and to maintain an awareness of market developments across the relevant markets and their impact across the sector.

During the mobilisation stages of new contracts, contract owners meet with suppliers appointed to their frameworks to discuss performance requirements and explain the Scotland Excel contract and supplier management approach in detail.

A contract specific management plan is developed at the point of mobilisation, and contract owners consider the following list of factors as a minimum when developing and reviewing management action plans for contracts:

- Contract classification (and therefore risk and value)
- Contract type – works / services / goods etc.
- Supply base stability
- Macro environment
- PESTLE issues

The management action plan is communicated to suppliers at mobilisation meetings and monitored through the scheduled reviews. The performance elements to be

assessed must be included in line with the contract requirements, any agreed customer requests and the balanced scorecard categories of quality, service, delivery and cost.

### 3. Contract Segmentation Tool/CSM Classifications

The Contract Segmentation Tool considers a range of 14 criteria. These include - information on market conditions, price variance and risk.

When the fields are completed appropriately within a template, the segmentation tool will automatically generate a Total Score (out of 100). From this, the higher the output score, the higher the classification of contract and supplier management activity, with Class A the highest.

There are 5 segmentation classifications, rated from Class A to Class E, each of which have defined activity as outlined in Table 1.

Classification	Activity
<u>Class A</u>	Due to the unique and bespoke nature of the frameworks that fall within this class, a contract management plan is to be developed and agreed with the Contract Steering Group.
<u>Class B</u>	Quarterly supplier contact, six monthly surveys, annual User Intelligence Groups (UIGs), frequent support to councils, suppliers and external stakeholders requiring high level of procurement expertise, extensive contract monitoring.
<u>Class C</u>	Six monthly supplier contact, 6-12 monthly surveys, annual UIG, regular support to councils, suppliers and external stakeholders requiring procurement expertise, high contract monitoring.
<u>Class D</u>	Annual supplier contact, annual surveys, optional annual UIG, ad-hoc support to councils, suppliers and external stakeholders potentially requiring procurement expertise, regular contract monitoring
<u>Class E</u>	Annual supplier contact (if required), optional annual surveys, no requirement for basic contract monitoring

Table 1 – CSM classification outline

#### **4. Reporting/Reviews**

Management Information (MI), collected quarterly from suppliers, is used to support an objective view of contract performance. Robust MI enables Scotland Excel to highlight potential areas of additional savings for customers and identify areas where contracts do not accurately reflect customer needs.

Survey reports are produced by contract managers and a selection of MI data reports are used to support contract management and development. MI data is shared with customers via UIG's and through quarterly account management reviews. Feedback on contract management actions is provided by contract managers through category updates, UIG's and direct contact where appropriate.

At a high level, feedback to customers on performance monitoring is provided via Commercial UIG's, together with spend, savings and overall business and contract performance.

In cases where contracts vary significantly from average and require very specific review, customers are encouraged to discuss the requirement for additional reporting with their contract manager, and this will be developed where possible.

The contract management process is underpinned by gathering data from a broad selection of stakeholders, and questionnaires are used to gather information required from customers in respect of day to day performance. These are developed from standard question sets and issued to participating stakeholder groups. Questionnaires have been designed to be quickly completed and contain up to 9 multiple choice questions. There is scope for comments, and our customers are encouraged to provide detailed feedback where they can in order to maximise the benefits that can be gained from the process.

Suppliers are informed of relevant feedback from Councils, and are held accountable for delivery of actions arising from this.

#### **5. Recommendations**

Members are requested to note, and endorse, the current approach to CSM.





**Scotland Excel**

**To: Executive Sub Committee**

**On: 27 March 2020**

**Report  
By:**

**Director of Scotland Excel**

**Associate Strategy****1. Summary**

- 1.1 The purpose of this report is to provide an update to the Executive Sub Committee on the strategic direction of Scotland Excel with regard to the management and growth of Associate membership.

**2. Background**

- 2.1 Scotland Excel has over 80 associate members. Membership can be broadly split into 5 categories including:

- Council Arms Length External Organisations (ALEO)
- Housing Associations
- Third Sector
- Non-Departmental Public Bodies (NDPB) / Reciprocal Agreements
- Other organisations

Organisations benefit from membership in a number of ways including the achievement of financial savings.

Scotland Excel published its first Associate Strategy in late 2016. A number of key changes have occurred since the publication date and therefore a refresh of the strategy was considered prudent.

**3. Key Areas for future growth**

- 3.1 Scotland Excel will continue to focus on growth of membership in:

- Housing Associations – through continued attendance at key sectoral events and by promoting the benefits whilst providing procurement support and guidance during the future Scottish Government procurement and commercial improvement programme (PCIP)

- Council Arm's Length External Organisations (ALEO) – by promoting the free membership directly to ALEOs and through member councils.
  - Reciprocal organisations / Non-Departmental Public Bodies - to allow members to benefit from higher collaborative spend level and to promote benefits to fee paying organisations.
  - Charities – to further understand this market and identify key features and benefits that support growth.
  - New Markets – by exploring all appropriate sectors that meet the criteria for associate membership and benefit Scotland Excel and its wider membership.
- 3.2 Scotland Excel will continue to explore new contract areas that provide benefits to existing members whilst providing an attractive proposition to new associate members.
- 3.3 Scotland Excel has explored its existing fee structure and future options for development. This strategy sets out options and a recommendation to retain future rebates associated with associate spend. This would be implemented over a period of time which included review of appropriate documentation and notification to suppliers and associate members.
- 3.4 A new tiered Account Management process will be implemented in Q1 2020 that seeks to focus efforts and ensure appropriate support is provided to associate members.
- 3.5 Scotland Excel has recognised the need to further develop the sales and marketing aspects of associate membership. A number of initiatives are underway and planned to address this area.
- 3.6 In line with 3.3, data gathering of associate spend will be reviewed and any changes to data gathering protocols will be implemented to ensure robust data is received to maximise income via rebate generation.

#### 4. **Recommendations**

- 4.1 Members are asked to note the strategic direction set out in the strategy and approve the move to implementing a model whereby associate member rebates are retained by Scotland Excel to support organisational sustainability.

# **Scotland Excel**

## **Associate Member Strategy**

**March 2020**



## **Associate Member Strategy – Contents**

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## 1 Purpose

This report sets out the strategic direction for the growth, development and management of Scotland Excel associate members.

Although Scotland Excel has been supporting associates for some time, the dedicated associate team commenced operation in April 2019 with the intention of:

- Promoting the benefits of Scotland Excel Associate membership
- Generate additional income to support wider Scotland Excel sustainability
- Promote wider services such as the Academy, consultancy etc.
- Promote the benefits of fair work and inclusivity through procurement

This strategy presents an opportunity for Scotland Excel to provide a focused approach to a market that has substantial potential growth opportunity with scope to deliver a range of services from Scotland Excel.

## 2 Associate Member Overview

This section provides an overview of the existing Associate Member landscape detailing the types of associates, fee models and a number of the key facets to the membership process.

### 2.1 Associate Member Profiles

Scotland Excel has a wide range of associate members ranging from Council Arm's Length Organisations (ALEO), Scottish Government non-departmental public bodies (NDPB), Housing Associations, Transport Partnerships, Charities and Third Sector Organisations. Most members pay a fee pay to gain the benefits of Scotland Excel's collaborative contracts. However, some organisations, owing to their status, are given access free of charge through a reciprocal agreement. New members have been attracted to Scotland Excel to take advantage of some of the newer service offerings such as learning & development through The Academy and some paid services like consultancy, tender support and procurement capability.

### 2.2 Associate Categorisation

Associate members can be broadly broken down into the following categories:

- Council ALEOs
- Housing Associations
- Charities / Third Sector
- Reciprocal Arrangements and Non-Departmental Public Bodies (NDPB) -
- Other Public Sector

### 2.3 Associate Engagement

#### Council ALEO

A number of ALEOs have used Scotland Excel contracts and services for some time. Engagement with ALEOs has been achieved in a number of different ways including promotion to council finance directors and other council officers. Follow up engagement in the first instance with ALEOs, like

many potential associates, is to offer an overview presentation on-site or provide details of contract portfolio, highlight other services such as consultancy and the process for signing on to Scotland Excel website.

### **Housing Associations (HA)**

Engagement is primarily through the PCIP process where the HA identifies a requirement to use frameworks available through Scotland Excel. Some HA associate members can be derived from conferences and events but also via advertising new contracts on sector publications (e.g. Housing News, SFHA), and making an enquiry through the Scotland Excel website. The contract portfolio has been developing to accommodate HA requirements, for example the gas boiler maintenance contract. Other Scotland Excel services can be offered to HAs focusing on areas of development identified at PCIP.

### **Reciprocal Arrangement / Non Departmental Public Bodies (NDPB)**

Engagement is generally achieved by signposting from Scottish Government to the body who contact Scotland Excel. Other engagement can come through the Scotland Excel website or through recommendation from other parties.

### **Charities/ 3rd Sector**

There was limited success in attracting new members from the third sector in 2019 despite Scotland Excel attending sector specific events to raise the profile. Initial work has been undertaken to consider the benefits of working with a partner better known to the sector.

## **2.4 Current Fee Model**

The fee that Scotland Excel currently charges associate members depends on the nature of the operation and the approved Scotland Excel Joint Committee process.

Fees are determined by sector area and can be classified within table 1.

**Table 1**

<b>Sector</b>	<b>Fee</b>	<b>Comment</b>	<b>Membership</b>
Council ALEO	zero	Council ALEO fee is considered as part of the council annual requisition fee	Membership is either continued from previous council engagement or Scotland Excel reminding ALEO that they have membership as a council body.
Housing Association	£1.50 per property	HA's pay a fee determined by the amount of properties they own but excludes any factoring etc. This is in line with pricing strategies used by other HA membership organisations	Membership has traditionally come from HA involvement at PCIP
Charities	Spend value dependent	Based on annual spend on Scotland Excel contracts	Includes a wide range mainly developed from engagement at conferences
Reciprocal / NDPB	zero	Agreed with Government – some bodies if aligned to Government can	Includes Parliamentary bodies, advisory, tribunal, executive agencies



		be zero fee. This will be on a “case by case” basis (e.g. National Health Service (NHS), Advanced Procurement for Universities and Colleges (APUC)). Other government related bodies fees will be decided using forecast spend	etc. Generally, from Scottish Government signposting to Scotland Excel.
Other	Spend value dependent	Based on annual spend on Scotland Excel contracts	Includes Fire & Rescue, Police, Scottish Prison Service, Transport partnerships and others. Membership can be limited to naming on specific contracts and reciprocal arrangements.

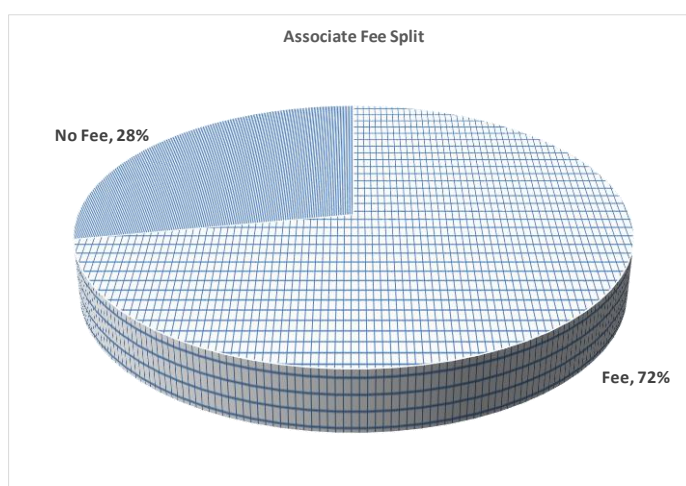
Council ALEO’s do not pay any additional membership fee to Scotland Excel. Any use of the contracts is deemed to be covered by the council requisition fee. The main advantage to members is having additional spend which further supports sector buying power.

Charities and NDPBs pay a fee dependant on the level of forecasted spend on Scotland Excel contracts. Initial discussions are underpinned with either benchmarking and/or an estimate of the contracts and spend level they believe will be used in the first instance and adjusted the following year (if necessary) in accordance with the SLA.

Housing Associations pay a fee of £1.50 per property capped at £30,000. The lowest capped fee is set at £500. The upper fee level was set in order to restrict membership of Scotland Excel to the 32 local authorities and therefore ensure that the organisation continues to focus on the sector. The total number of properties includes the amount for social rent and not for any commercial factoring etc.

The split of fee paying and non-fee-paying associates is shown in figure 1.

**Figure 1.**



## **2.5 Benchmarking**

Scotland Excel carries out benchmarking exercises for any potential associate to help demonstrate value for money to assist with the membership process.

The benchmarking exercise compares current pricing with the lowest tendered price for individual products/services or lots. In cases where new associates already purchase from an existing supplier of Scotland Excel then the benchmark number will be evaluated on current price paid against the equivalent Scotland Excel price. This comparison will be used to create an overall percentage savings/cost for each potential associate based on a basket of goods or the sample product list provided by the associate. The benchmark will be calculated and provided to the associate for consideration. Follow up meetings will take place to discuss membership.

## **2.6 Service Level Agreement**

Every associate member has a signed service level agreement (SLA) with Scotland Excel and this will continue to be reviewed to ensure that the document is fit for purpose and reflects the business model agreed by joint committee.

After the Executive sub-committee approves a new associate member, Scotland Excel sends the associate a signed SLA (from the Scotland Excel director) and receives back a signed copy from an appropriate director of the associate.

## 2.7 Risk Management

The following risk register has been considered to include the risks that have been identified for managing the associate member portfolio, together with the potential impact and mitigating actions required. These will be monitored throughout each financial year.

No	Risk	Prob	Impact	Score	Mitigation Measures
1	Value for money difficult to demonstrate	5	5	25	Benchmarking, contract manager session, promotion of frameworks, engagement, account management
2	Competitor offering more attractive than Scotland Excel	3	5	15	Ongoing review and competitive analysis. Continue to demonstrate value for money.
3	Associate member does not renew annual membership	3	5	15	Engagement demonstrate VFM annually, awareness of services/contracts and encourage long term contract awards.
4	Associate membership fee prohibits membership	3	5	15	Ongoing review of fee and alternative methods. Continue to demonstrate value for money.
5	Associate Team not viable due to membership decline	3	5	15	Engagement demonstrate VFM annually, awareness of services/contracts and encourage long term contract awards.
6	Contract portfolio no longer service associate needs	3	3	9	Engagement with members to identify current spend and requirements
7	Services do not meet Associate requirements	3	3	9	Engagement with members to identify requirements and encourage use of wider services.
8	Associate has no interest in meeting or discussing membership	3	3	9	Provide literature and portfolio on regular basis. Offer benchmarking and contract overview sessions.
9	Relationship lost when new member of staff joins Associate with existing Contact or Management team moving on	2	4	8	Arrange visit to demonstrate SXL value and contract overview to new member(s) of staff.

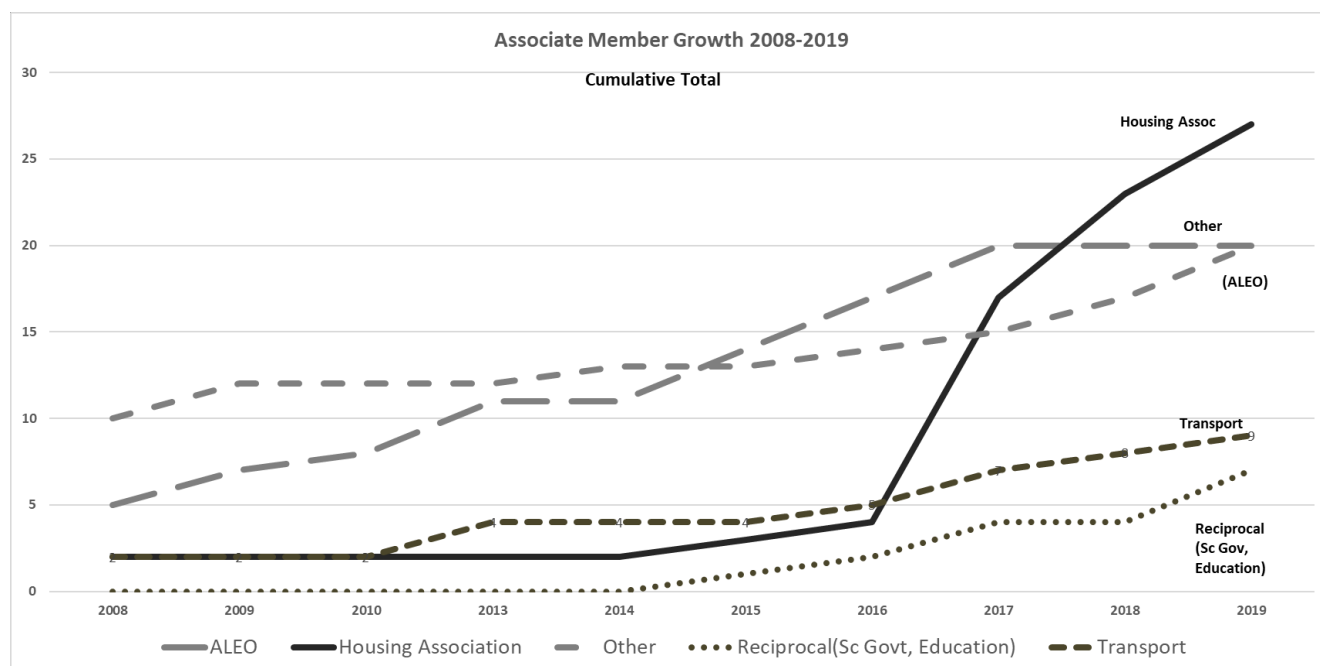
### 3 Associate Member Growth

#### 3.1 Historic Growth

The June 2018 Joint Committee approved a surplus target of £50k for Associate Member expansion and at the December 2018 Joint Committee members approved the recommendation of a continued focus and a dedicated team for associate membership.

Between April 2017 and April 2019, associate member growth mainly came from housing associations participating in the Scottish Government Affordable Housing project known as the Procurement Commercial Improvement Programme (PCIP)

The following graph demonstrates the growth of associate membership.



#### 3.2 Future Growth

There is an ongoing opportunity for Scotland Excel to grow associate membership in respect of membership fees and the use of contracts to generate income. The following breakdown of each group highlights where growth and opportunities will be explored in 2020.

##### Housing Associations

Currently Housing associations make up the single largest group and currently provide the largest income from fees. With over 160 housing associations throughout Scotland, there is significant scope to attract new members from this sector as most associations purchase commodities from across the Scotland Excel portfolio.

It is anticipated that the next programme of PCIP will kick off in financial year 2020/21 and that should provide opportunity for Scotland Excel to discuss associate membership with all associations engaged with the programme. However, it should be noted that although there are only twenty-seven housing association members of Scotland Excel at Jan 2020, the current membership covers 43% of the total housing stock and 37% of the total fees achievable from the current fee model. Scotland Excel currently have ten members from the top twenty housing associations and are in discussions with a further three from that group which have expressed an interest in membership.

### **Council ALEO**

There are currently twenty council arm's length organisations which are members and Scotland Excel are working towards engagement with all council ALEO's to raise awareness and encourage membership. There are around one hundred and thirty ALEO organisations in Scotland and with membership, utilisation of Scotland Excel contracts will help to deliver best value back into every community. Despite this, take up for membership has been small and working with ALEO's to promote the services of Scotland Excel will continue in 2020. This issue is diminishing with the increase in councils reviewing their ALEO strategy and a number of organisations coming back into the council structure.

### **Reciprocal Arrangement / Non-Departmental Public Bodies**

This wide range of potential associate members that include non-departmental government bodies (NDPB's), transport organisations, and a mixture of members from social care, education and other public bodies. This can be via "contact us" on the website, direct email or approaching the Scotland Excel stand at events. The associate member fee for this group is calculated using a sliding scale based on forecasted future spend. Generally, most organisations are unclear about their level of spend and the fee is generally at the low end for the first year.

Included in this group are those bodies that pay no fee due to a reciprocal agreement with Scottish Government and other procurement centres of expertise.

### **Charities / Third Sector**

Engaging with the third sector is seen as a key development area to attract new associate members. There are over twenty-five thousand charity organisations in Scotland within scope although most are small organisations. Scoping work is being done to better understand the market and initial telephone conversations with a list of charities will take place to promote the benefits of Scotland Excel membership.

With twenty-five thousand potential members, this sector will remain a target area for Scotland Excel due to the scale of potential members available. The opportunity assessment to fully understand the market will result in a clear plan to prioritise and target the larger charity & third sector organisations for membership.

### **New Markets**

Scotland Excel will continue to explore new markets for Associate Member growth. The organisation is working to identify public sector organisations that don't fall into any of the markets already covered in the above classifications and highlight the benefits of Scotland Excel. It is anticipated that these would be a fee-paying and fees would be set using forecast spend on contracts.

## 4 Future Contract Development Opportunities

Scotland Excel will continue to investigate collaborative contract opportunities to meet the future needs of associate members as well as council members. Opportunities where there is a demonstrable overlap will add to the “attractiveness” of membership to non-council members. The gas and boiler maintenance framework put in place previously by Scotland Excel was a good example of this strategy. Table 2 is a list of possible future opportunities currently being discussed.

**Table 2**

Contract Title	Sector Requirement
Legionella/ Water Testing	All Housing Assoc & Local Authorities
Portable Appliance Testing (PAT)	All Housing Assoc & Local Authorities
Lift Maintenance	All Housing Assoc & Local Authorities
Payment Processing	All Housing Assoc & Local Authorities and other associates
Trades Supply, Fit and Service contracts e.g. kitchen supply and fit.	Housing Associations

## 5 Associate Member Fee Structure – Future options

Scotland Excel has considered a number of fee and funding options for the future of Associate membership. Options explored sought to identify a mechanism or mechanisms to encourage membership, increase funding support to the wider organisation and to ensure that core services are always supplemented by this activity and not detrimentally impacted in any form.

A number of options have been explored, including charging membership fees, use of existing rebates, introduction of new rebates and also the desire to increase spend through the contract portfolio. These have been distilled into 3 main options.

The first option is to continue as per the existing fee model and make no changes to fee structures or any rebate changes etc. The second and third option explore the use of the existing rebates earned as a result of associates spending on Scotland Excel frameworks. Current estimates indicate that approximately £90k is earned by associates from rebates built into Scotland Excel frameworks. Table 2 Provides a summary of the options.

**Table 2**

Option	Description	Annual Associate Income	Comment
Option 1	Continue with existing annual membership model	£172,000	No change – current model
Option 2	Continue with existing annual membership model and retain contract rebate that associate currently receives from supplier	£172,000 + £90,000 = £262,000	Additional income of £90k due to rebate retention
Option 3	Remove annual membership model but retain contract rebate only	£90,000	Loss £82,000 on current income

After further investigation it is clear that the majority of rebates earned are through expenditure by NHS trusts. It should however be noted that the trusts (the spending organisations) do not get the rebate and it is collected by National Shared Services (NSS), the procurement centre of expertise for the NHS.

It is anticipated that that the preferred option for Scotland Excel would be option 2 and the rebate be retained to support further associate and framework development. This would be subject to a number of factors including; elected member support, further analysis, stakeholder notification and implementation planning.

Future strategies may consider the removal of membership fees if rebate income is sufficient. This will remove a typical “sales objection” of associate fee affordability.

## 6 Future Operational Considerations

Scotland Excel will continue to review its operational management of associate membership including account management and other key operational areas.

### 6.1 Account Management

Scotland Excel will continue to undertake an account management approach for associate members which is proportionate to their scale and fee. Using the experience from the current financial year, most smaller associates will require only a courtesy telephone call or visit once a year. Account management will play an important role in demonstrating the benefits of membership and encouraging the use of Scotland Excel contracts to deliver best value for the associate and their community.

To support this strategy, a new Account Management methodology will be implemented that introduces a more formal and tiered approach. It is anticipated that three tiers will be implemented where content and frequency vary depending on the segmentation of the associate member. This methodology will be implemented in Quarter 1 2020.

### 6.2 Spend Data

Scotland Excel will continue to review spend levels of associates to ensure that the membership fee reflects the usage from the associate. Accurate reporting from our suppliers continues to be a key measurement for Scotland Excel gathered from our data analysts on a quarterly basis. Accurate reporting of spend is paramount to the future model of Scotland Excel as all contracts with a rebate attached need to be recovered and used for future funding or part funding of the team.

The accurate reporting of our supplier spend allows informed discussion with the associate to determine any increase in fee if the associate is purchasing far greater amounts than the annual fee being charged. This process involves the associate and Scotland Excel working together, agreeing the annual spend level and a discussion on any fee increase. It is important to establish that the level of increased spend will be sustained by the associate over a period and not for a one-off project. This process has been successfully carried out during 2019/20 and a couple of opportunities are currently being assessed for 2020/21.

### **6.3 Sales & Marketing**

Scotland Excel has recognised the need to further develop the sales and marketing aspects of associate membership. Work was undertaken in 2019 to support this and will continue throughout 2020. Clarity and marketing of the features and benefits of membership has been at the heart of this effort and has been supported by the Scotland Excel marketing team.

Attendance and exhibiting at key events and conferences will continue to support membership growth. This will be predominately within the target sector and likely that the team will continue to attend housing events whilst further exploring events related to the third sector.

Scotland Excel has also piloted targeted “tele-sales” aimed at potential organisations to promote the benefits of membership. The results of this exercise will be analysed and future strategic use of this considered.



**Scotland Excel**

**To: Executive Sub Committee**

**On: 27 March 2020**

**Report  
by  
Director Scotland Excel**

**Request for Associate Membership of Scotland Excel by Angus Housing  
Association Ltd**

**1. Summary**

- 1.1 In addition to the 32 local authorities which are full members of Scotland Excel, applications can be made for Associate Membership by organisations such as council arm's length organisations, community groups, charities, housing associations and voluntary organisations which are a public body or a body that engages in activities of a public nature.

Organisations apply to Scotland Excel for Associate Membership to allow them to access the frameworks for goods and services which we have in place for our full members. Associates do not have the opportunity to influence the future contract delivery schedule which is reserved for the full local authority members.

**2. Recommendations**

- 2.1 It is recommended to committee that Angus Housing Association Ltd application to join Scotland Excel as an associate member be approved, with an annual fee of £3,000, subject to the agreement document.

Scotland Excel monitors all requests from arm's length and other organisations to become associate members to ensure that any legal requirements are met. In this case, Angus Housing Association Ltd qualifies for membership in accordance with the Local Authorities (Goods and Services) Act 1970 section 1 (1B)(c). Namely, that it has functions that are public in nature or engages in activities of that nature so long as the purpose or effect of access to Scotland Excel's services is to facilitate its discharge of those functions or activities.

### **3. Background**

- 3.1 Angus Housing Association Ltd has 2000 properties based in Angus and Dundee. Angus Housing Association Ltd is a Co-operative and Community Benefit Society and a Scottish charity. It is also a Registered Social Landlord.
- 3.2 Angus Housing Association Ltd is an accredited Real Living Wage employer.
- 3.3 To ensure the efficient and cost-effective delivery of these services it has approached Scotland Excel and requested approval to become an associate member with access to our contracts.
- 3.4 Before any application is submitted for approval, a number of validation checks on the organisation are carried out. These include a review of the Memorandum & Articles of Association, the financial position and the type of contracts that the organisation is likely to access.

## Scotland Excel

**To: Executive Sub Committee**

**On: 27 March 2020**

### Report by Director Scotland Excel

### Request for Associate Membership of Scotland Excel by Edinburgh International Festival Society

#### 1. Summary

- 1.1 In addition to the 32 local authorities which are full members of Scotland Excel, applications can be made for Associate Membership by organisations such as council arm's length organisations, community groups, charities, housing associations and voluntary organisations which are a public body or a body that engages in activities of a public nature.

Organisations apply to Scotland Excel for Associate Membership to allow them to access the frameworks for goods and services which we have in place for our full members. Associates do not have the opportunity to influence the future contract delivery schedule which is reserved for the full local authority members.

#### 2. Recommendations

- 2.1 It is recommended to committee that Edinburgh International Festival Society application to join Scotland Excel as an associate member be approved, with an annual fee of £500, subject to the agreement document.
- 2.2 Scotland Excel monitors all requests from arm's length and other organisations to become associate members to ensure that any legal requirements are met. In this case, Edinburgh International Festival Society qualifies on the basis of the Local Authorities (Goods and Services) Act 1970, section 1(1B)(c), namely that they have functions of a public nature or engage in activities of that nature and the purpose or effect of their access to Scotland Excel frameworks is to facilitate their discharge of those functions or activities.

### 3. **Background**

- 3.1 The Edinburgh International Festival Society, are a Company limited by guarantee and a Registered Scottish charity.
- 3.2 Edinburgh International Festival Society pay the Real Living Wage but are not an accredited employer.
- 3.3 To ensure the efficient and cost-effective delivery of these services it has approached Scotland Excel and requested approval to become an associate member with access to our contracts.
- 3.4 Before any application is submitted for approval, a number of validation checks on the organisation are carried out. These include a review of the Memorandum & Articles of Association, the financial position and the type of contracts that the organisation is likely to access.

**Scotland Excel**

**To: Executive Sub Committee**

**On: 27 March 2020**

**Report  
by  
Director Scotland Excel**

**Request for Associate Membership of Scotland Excel by Scottish Canals**

**1. Summary**

- 1.1 In addition to the 32 local authorities which are full members of Scotland Excel, applications can be made for Associate Membership by organisations such as council arm's length organisations, community groups, charities, housing associations and voluntary organisations which are a public body or a body that engages in activities of a public nature.

Organisations apply to Scotland Excel for Associate Membership to allow them to access the frameworks for goods and services which we have in place for our full members. Associates do not have the opportunity to influence the future contract delivery schedule which is reserved for the full local authority members.

**2. Recommendations**

- 2.1 It is recommended to committee that Scottish Canals application to join Scotland Excel as an associate member be approved, with no annual fee, subject to the agreement document. No fee will be charged due to the reciprocal agreement with Scottish Government.
- 2.2 Scotland Excel monitors all requests from arm's length and other organisations to become associate members to ensure that any legal requirements are met. In this case, Scottish Canals qualifies for membership in accordance with the Local Authorities (Goods and Services) Act 1970 section 1 (1B)(b) namely as a public authority or body.

### 3. **Background**

- 3.1 Scottish Canals is a statutory public authority.
- 3.2 Scottish Canals is an accredited Real Living Wage employer.
- 3.3 To ensure the efficient and cost-effective delivery of these services Scottish Canals has approached Scotland Excel and requested approval to become an associate member with access to our contracts.
- 3.4 Before any application is submitted for approval, a number of validation checks on the organisation are carried out. These include a review of the Memorandum & Articles of Association, the financial position and the type of contracts that the organisation is likely to access.

**Scotland Excel**

**To: Executive Sub Committee**

**On: 27 March 2020**

**Report  
by  
Director Scotland Excel**

**Request for Associate Membership of Scotland Excel by Scottish Fire  
and Rescue Service**

**1. Summary**

- 1.1 In addition to the 32 local authorities which are full members of Scotland Excel, applications can be made for Associate Membership by organisations such as council arm's length organisations, community groups, charities, housing associations and voluntary organisations which are a public body or a body that engages in activities of a public nature.

Organisations apply to Scotland Excel for Associate Membership to allow them to access the frameworks for goods and services which we have in place for our full members. Associates do not have the opportunity to influence the future contract delivery schedule which is reserved for the full local authority members.

**2. Recommendations**

- 2.1 It is recommended to committee that Scottish Fire and Rescue Service application to join Scotland Excel as an associate member be approved, with an annual fee of £5,000, subject to the agreement document.

- 2.2 Scotland Excel monitors all requests from arm's length and other organisations to become associate members to ensure that any legal requirements are met. In this case, Scottish Fire and Rescue Service qualifies for membership in accordance with the Local Authorities (Goods and Services) Act 1970 section 1 (1B)(b) namely as a public authority or body.

### 3. **Background**

- 3.1 The Scottish Fire and Rescue Service, established in accordance with the Fire (Scotland) Act 2005 as amended by the Police and Fire Reform (Scotland) Act 2012.
- 3.2 Scottish Fire and Rescue Service is an accredited Real Living Wage employer.
- 3.3 To ensure the efficient and cost-effective delivery of these services The Scottish Fire and Rescue Service has approached Scotland Excel and requested approval to become an associate member with access to our contracts.
- 3.4 Before any application is submitted for approval, a number of validation checks on the organisation are carried out. These include a review of the Memorandum & Articles of Association, the financial position and the type of contracts that the organisation is likely to access.



**Scotland Excel**

**To: Executive Sub Committee**

**On: 27 March 2020**

**Report  
by  
Director Scotland Excel**

**Request for Associate Membership of Scotland Excel by Trust Housing  
Association Ltd**

**1. Summary**

- 1.1 In addition to the 32 local authorities which are full members of Scotland Excel, applications can be made for Associate Membership by organisations such as council arm's length organisations, community groups, charities, housing associations and voluntary organisations which are a public body or a body that engages in activities of a public nature.

Organisations apply to Scotland Excel for Associate Membership to allow them to access the frameworks for goods and services which we have in place for our full members. Associates do not have the opportunity to influence the future contract delivery schedule which is reserved for the full local authority members.

**2. Recommendations**

- 2.1 It is recommended to committee that Trust Housing Association Ltd application to join Scotland Excel as an associate member be approved, with an annual fee of £5,325, subject to the agreement document.
- 2.2 Scotland Excel monitors all requests from arm's length and other organisations to become associate members to ensure that any legal requirements are met. In this case, Trust Housing Association Ltd qualifies for membership in accordance with the Local Authorities (Goods and Services) Act 1970 section 1 (1B)(c). Namely, that it has functions that are public in nature or engages in activities of that nature so long as the purpose or effect of access to Scotland Excel's services is to facilitate its discharge of those functions or activities.

### **3. Background**

- 3.1 Trust Housing Association Ltd has 3550 properties across multiple local authority areas in Scotland. Trust Housing Association Ltd is a Registered Society and a Scottish charity. It is also a Registered Social Landlord.
- 3.2 Trust Housing Association Ltd do not currently pay the Real Living Wage.
- 3.3 To ensure the efficient and cost-effective delivery of these services it has approached Scotland Excel and requested approval to become an associate member with access to our contracts.
- 3.4 Before any application is submitted for approval, a number of validation checks on the organisation are carried out. These include a review of the Memorandum & Articles of Association, the financial position and the type of contracts that the organisation is likely to access.

**Scotland Excel**

**To: Executive Sub Committee**

**On: 27 March 2020**

**Report  
by  
Director Scotland Excel**

**Request for Associate Membership of Scotland Excel by University of  
Edinburgh**

**1. Summary**

- 1.1 In addition to the 32 local authorities which are full members of Scotland Excel, applications can be made for Associate Membership by organisations such as council arm's length organisations, community groups, charities, housing associations and voluntary organisations which are a public body or a body that engages in activities of a public nature.

Organisations apply to Scotland Excel for Associate Membership to allow them to access the frameworks for goods and services which we have in place for our full members. Associates do not have the opportunity to influence the future contract delivery schedule which is reserved for the full local authority members.

**2. Recommendations**

- 2.1 It is recommended to committee that University of Edinburgh application to join Scotland Excel as an associate member be approved, with no annual fee, subject to the agreement document. No fee is charged due to the reciprocal agreement with Advanced Procurement for Universities and Colleges (APUC).
- 2.2 Scotland Excel monitors all requests from arm's length and other organisations to become associate members to ensure that any legal requirements are met. In this case, University of Edinburgh qualifies for membership in accordance with the Local Authorities (Goods and Services) Act 1970 section 1 (1B)(b) namely as a public authority or body.

### 3. **Background**

- 3.1 University of Edinburgh is a higher education institution.
- 3.2 University of Edinburgh is an accredited Real Living Wage employer.
- 3.3 To ensure the efficient and cost-effective delivery of these services The University of Edinburgh has approached Scotland Excel and requested approval to become an associate member with access to our contracts.
- 3.4 Before any application is submitted for approval, a number of validation checks on the organisation are carried out. These include a review of the Memorandum & Articles of Association, the financial position and the type of contracts that the organisation is likely to access.

## **Scotland Excel**

**To: Executive Sub Committee**

**On: 27 March 2020**

**Report by:**

**The Clerk**

### **Review of Job Title for the Director of Scotland Excel**

#### **1. Summary**

- 1.1 The purpose of this report is to seek the Executive Sub- Committee's approval to the post title of Director of Scotland Excel being changed to Chief Executive of Scotland Excel.

#### **2. Recommendations**

- 2.1 It is recommended that the Executive Sub-Committee agrees to the post of Director of Scotland Excel being retitled as Chief Executive of Scotland Excel for the reasons set out in this report.

#### **3. Background**

- 3.1 The post of Director of Scotland Excel was created when the organisation was established in 2008. At that time, the job title reflected the title of the most senior officer's post in the predecessor organisation, the Authorities Buying Consortium on which Scotland Excel's governance was initially based.
- 3.2 The role of the Director is set out in Excel's governance documents. In the Scotland Excel terms and conditions document signed by all member councils "the Director" is defined as meaning the officer appointed by the joint committee to have overall responsibility for the operational performance of Scotland Excel. This is supported by a detailed Scheme of Delegations which further defines the extent of the Director's operational responsibilities.

- 3.3 Whilst the operational responsibilities of the post have not changed, and remain a priority for the director, there have been significant changes to the landscape in which Scotland Excel operates since its inception in 2008, and this has demanded that the Director operate at a much more strategic level, engaging national and local stakeholders in the development of Scotland Excel, the promotion of excellence in strategic procurement in local government and a much more proactive relationship with industry and suppliers.
- 3.4 Scotland Excel was originally set up to provide collaborative contracts and framework agreements, but the portfolio of services has developed to include the Scotland Excel Academy, as well as consultancy services. It is also the case that the value of the contract portfolio has grown from £100 million in 2008 to £1.9 billion today. This reflects the increased involvement in service areas such as care and construction. Scotland Excel originally concentrated its efforts on goods contracts for the efficiencies available. The move to services contracts – particularly in care and construction – has increased the complexity of the role and the need for much more senior stakeholder engagement.
- 3.5 The original focus of the Director's role was primarily to get the organisation set up and running effectively. The role is now key in supporting and leading emerging policy agendas for both local and national government. The proposed revision to the job title more accurately reflects the strategic nature of the role and the level of stakeholder engagement and influencing required.
- 3.6 In these circumstances, it would be considered important to support the profile of the post in that environment as it continues to change, that the lead officer for Scotland Excel is also given the title of Chief executive.
- 3.7 The change in title of the post will not involve a regrading of the post.
- 3.8 The proposal was considered at a meeting of the Scotland Excel Chief Executive Officers Group on 19 February 2020 where it was supported unanimously.