

Minute of Meeting Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 15 March 2024	09:30	Remotely by MS teams,

Present

Councillor David Keating (Aberdeenshire Council); Councillor Brenda Durno (Angus Council); Councillor Mandy Watt (City of Edinburgh Council); Councillor Kenny Macleod (Comhairle Nan Eilean Siar); Councillor Carlyne Wilson (Dumfries & Galloway Council); Councillor Altany Craik (Fife Council); Councillor Ruairi Kelly (Glasgow City Council); Councillor Derek Loudon (Highland Council); Councillor Christina Larson (North Ayrshire Council); Councillor Michael McPake (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council); Councillor Dennis Leask (Shetland Islands Council); Councillor Chris Cullen (South Ayrshire Council) and Councillor Walter Brogan (South Lanarkshire Council).

Chair

Councillor Shaw, Convener, presided.

In Attendance

J Welsh, Chief Executive, H Carr, Director of Strategic Procurement, S Brannagan, Director of Customer & Business Services, L Campbell, Customer Services Manager, M Mitchell, Chief Procurement Officer, L Muir, Strategic Programme Manager, N Hyde, Skills Resources Manager, S Christie, Commercial Programme Manager, K Forrest, Office Manager, J McKerrell, Strategic Commissioning Manager, J Weaver, Assistant Category Manager, R Baird and G Maxwell, both Procurement Co-ordinators, L Mooney, Senior Communications Specialist and J Campbell, Category Manager, Social Care (all Scotland Excel); L Mitchell, Managing Solicitor (Contracts & Conveyancing), A Burns, Corporate Finance Manager, D Blackburn, Principal Accountant, A Anwar, Solicitor, R Devine, Senior Committee Services Officer and T McGowan, Senior Accountancy Assistant (all Renfrewshire Council) and A Kilodziej, Senior Manager (Azets).

Declarations of Interest and Transparency Statements

There were no declarations of interest or transparency statements 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 16 February 2024.

In relation to item 4 – Project Proposals – it was agreed that the Minute be amended to reflect that the posts created within the National Savings Team were fixed term contracts.

DECIDED: That the Minute, as amended, be approved.

2 Revenue Budget Monitoring

There was submitted a joint revenue budget monitoring report by the Treasurer and the Chief Executive of Scotland Excel for the period 1 April 2023 to 2 February 2024.

The report advised that at the end of period 11, Scotland Excel was projecting a £57,000 underspend by year-end in its Core activities and an increase of £358,000 in Project income..

DECIDED: That the report be noted.

3 Annual Audit Plan 2023/24

There was submitted a report by the Treasurer relative to the Annual Audit Plan 2023/24 for Scotland Excel which outlined Azets timescales and planned audit activity during the audit of the 2023/24 Annual Accounts, a copy of which was appended to the report.

The report intimated that Azets had submitted an Audit Plan which outlined the approach to the audit of the 2023/24 Annual Accounts to assess whether the accounts provided a true and fair view of the organisation's financial position and also whether the accounts had been prepared in accordance with proper accounting practice, the Code of Practice on Local Authority Accounting in the UK 2023/24.

The Audit Plan outlined the responsibilities of Scotland Excel and Azets; the assessment of key challenges and risks; and the approach and timetable for completion of the audit. The report advised that the statutory deadline for the approval of the audited accounts for 2023/24 was 30 September 2024 and that the Annual Audit Report was planned to be reported to the meeting of the Executive Sub-committee scheduled to be held on 20 September 2024.

The report noted that the proposed audit fee was indicated at £9,790 for the current financial year.

Adrian Kolodziej, Senior Manager, Azets, presented the Audit Plan to members.

DECIDED:

(a) That the Annual Audit Plan 2023/24 by Azets, appended to the report, be noted; and

(b) That the proposed audit fee of £9,790 be approved.

4 Operating Plan Update 2023/24

There was submitted a report by the Chief Executive of Scotland Excel providing an update on the Operating Plan 2023/24, a copy of which was appended to the report.

The report intimated that the new five-year Corporate Strategy had been approved at the meeting of the Joint Committee held on 9 December 2022. The Strategy was supported by Annual Operating Plans and the report provided an update on operating plan activity between 1 April 2023 to 31 March 2024.

The report highlighted that, since approval of the Operating Plan, senior local authority stakeholders had indicated that one of the corporate goals, the drive for efficiency to support the financial sustainability of local public service, should be prioritised during 2023/24 and Scotland Excel had been working to understand how it could grow and accelerate deliverables against this key goal. A dedicated team had been established to manage this work.

The report noted that progress reports were produced quarterly to track Scotland Excel's activity against Operating Plan commitments and at the end of each quarter reports were submitted to the Executive Sub-committee.

It was proposed that, in order to facilitate improved governance, completion dates be included in future reports. This was agreed.

DECIDED:

(a) That Scotland Excel's progress in delivering the actions contained within the Operating Plan 2023/24 be noted; and

(b) That, in order to facilitate improved governance, completion dates be included in future reports.

5(a) Contract for Approval: Residential Rehabilitation (Alcohol and Drugs) Services National Flexible Framework Agreement

There was submitted a report by the Chief Executive of Scotland Excel relative to the Residential Rehabilitation (Alcohol and Drugs) Services National Flexible Framework Agreement for a period of 48 months with the option to extend on two occasions, each for a period of up to one year, up to a maximum duration of four years. It was noted

that subject to approval and completion of a standstill period, the flexible framework would commence on 1 April 2024.

The report intimated that there was a wide diversity of types and models of rehabilitation services, including supported accommodation or housing support models, care homes and private hospitals. The flexible framework would provide a new national purchasing and contracting agreement to support national objectives, priorities and ongoing improvement work in Scotland and had been developed to take account of the views and contributions of a wide range of partners and stakeholders. The services covered by the proposed framework agreement fell within the 'Social and Other Specific Services' category as defined in Schedule 3 of the Public Contracts (Scotland) Regulations 2015 and therefore the flexibilities under the 'light touch' procurement regime could be applied. A flexible framework agreement was proposed to enable growth and the admission of new entrants continuously once established. Providers on the flexible framework agreement would also be able to add new services and vary their service offerings and section 3 of the report provided further detail.

The report summarised the outcome of the procurement process for the flexible framework and advised that the advertised value of the proposed flexible framework was approximately £60 million over the four-year period. Appendix 1 to the report detailed the participation summary of those participating in the flexible framework.

Tender responses had been received from 11 applicants. Two applicants were not eligible for admission at this time as they did not have formal confirmation from the Scottish Government that their rehabilitation services met the Scottish Government's national definition of residential rehabilitation and one provider, who offered three services, had their submission in respect of one service excluded from their application for the same reason. Appendix 2 to the report provided a summary of the offers received.

Based on the criteria and scoring methodology set out in the published application documents, a full evaluation of the compliant offers had been completed and Appendix 2 to the report confirmed the scoring achieved by each applicant for each rehabilitation service.

Based on the evaluation undertaken, and in line with the criteria and weightings set out in the report, it was recommended that nine providers and 13 rehabilitation services be awarded to the flexible framework from its commencement, as outlined in Appendix 2 to the report, subject to satisfactory conclusion of insurance checks.

The report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage together with the other benefits that would be achieved through the flexible framework. The report intimated that, in accordance with Scotland Excel's established contract and supplier management programme, the framework had been classified as Class A.

DECIDED:

(a) That the award of the flexible framework for Residential Rehabilitation (Alcohol and Drugs) Services, as detailed in Appendix 2 to the report, be approved;

(b) That authority be delegated to the Chief Executive of Scotland Excel, or Director of Strategic Procurement in the Chief Executive's absence, to approve recommendations following the evaluation of offers received during the lifetime of the flexible framework,

or following the consideration of formal requests from existing providers for the addition of new services and/or variation of existing services; and

(c) That it be noted that the Executive Sub-committee would be updated on the appointment of any new providers to the flexible framework agreement on an annual basis via incorporation to the Annual Procurement Report

5(b) **Contract for Approval: Supply and Delivery of Road Signage Materials**

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of a fourth-generation renewal framework for the Supply and Delivery of Road Signage Materials for a period of 48 months, comprising an initial period of 24 months with the option to extend for up to a further two 12-month periods, subject to satisfactory operation and performance. It was noted that subject to approval and completion of a standstill period, the framework would commence on or around 1 April 2024.

The report intimated that the framework would allow Councils to procure a range of road signage materials including permanent and temporary road signage, signposts, electric road signage and associated products.

The report summarised the outcome of the procurement process which contained four lots, as detailed in Table 1 of the report. The framework had been advertised at a value of £1.25 million per annum, totalling an estimated spend of £5 million over the maximum four-year period of the framework. This advertised spend allowed for increased participation from Councils and associate members not currently utilising the framework. Appendix 1 to the report detailed the participation, spend and savings summary for those participating in the framework.

Tender responses had been received from 10 suppliers and, based on the criteria and scoring methodology set out in the tender documents, a full evaluation of the offers had been carried out with the confirmed overall scoring achieved by each supplier detailed in Appendix 2 to the report.

Based on the evaluation undertaken, and in line with the advertised criteria and weightings set out in the report, it was recommended that a multi-supplier framework agreement be awarded to all 10 suppliers, as outlined in Appendix 2 to the report, subject to satisfactory conclusion of insurance checks.

The report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage together with the other benefits that would be achieved through the framework. The report intimated that, in accordance with Scotland Excel's established contract classification tool, the framework had been classified as class D. It was noted that Stocksigns Limited were now an accredited Living Wage employer.

DECIDED: That the award of the framework agreement for the Supply and Delivery of Road Signage Materials, as detailed in Appendix 2 to the report, be approved.

6 **Project Proposal**

There was submitted a report by the Chief Executive of Scotland Excel relative to an additional project being proposed on the use of reserves as a result of surpluses which would be generated by pension fund changes.

The report intimated that when considering the Revenue Estimates for 2024/25 at the meeting of the Joint Committee held on 8 December 2023 it was noted that Strathclyde Pension Fund had advised that, as a result of higher than anticipated returns from investments, the fund was 147% funded against current and anticipated future commitments. At that meeting it was agreed that the anticipated operating surplus be retained, ring-fenced within reserves with any draw down to be approved by the Executive Sub-committee.

The report provided detail on a project to fund an additional Contracts Solicitor within Renfrewshire Council's Legal and Democratic Service to support Scotland Excel in the expansion of the collaborative contract portfolio. The report provided further detail on the project and highlighted that the funding requirement for this project would be £67,214 for year 1 and £70,574 for year 2.

DECIDED: That the project funding and draw down from agreed reserves for 2024/25 of £67,214 and £70,574 for 2025/26 be approved.

7 **Date of Next Meeting**

DECIDED: That it be noted that the next meeting of the Executive Sub-committee would be held remotely on MS teams at 9.30 am on 19 April 2024.