

Notice of Meeting and Agenda Scotland Excel Chief Executive Officers Management Group

| Date | Time | Venue |
|---------------------|-------------|---|
| Monday, 21 May 2018 | 10:00 | Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley |

KENNETH GRAHAM
Clerk

Membership

Annemarie O'Donnell (City of Glasgow Council): Joyce White (West Dunbartonshire Council):
Cleland Sneddon (Argyll & Bute Council): Angela Scott (Aberdeen City Council): Mary Pitcaithly
(Falkirk Council).

Sandra Black (Renfrewshire Council) - Chair

Video Conferencing

Should any member wish to participate using video conference, please contact Lesley Jones
on 0141 618 7444.

Telephone Conferencing

Should any member wish to participate using telephone conferencing please contact Lesley
Jones on 0141 618 7444.

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 www.renfrewshire.cmis.uk.com/renfrewshire/CouncilandBoards.aspx

For further information, please either email democratic-services@renfrewshire.gov.uk or telephone 0141 618 7112.

Members of the Press and Public

Members of the press and public wishing to attend the meeting should report to the customer service centre where they will be met and directed to the meeting.

Items of business

Apologies

Apologies from members.

1 Minute 5 - 10

Minute of meeting of the Chief Executive Officers Management Group held on 26 February 2018.

2 Five Year Strategy

Presentation.

3 Governance Update

Presentation.

4 Future Funding

Presentation.

5 Shared Services Update

Presentation.

6 Directors Update 11 - 14

Report by Director of Scotland Excel.

7 Date of Next Meeting

Note that the next meeting of the Chief Executive Officers Management Group will be held at 10.00 am on 27 August 2018 in Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley.



Minute of Meeting Scotland Excel Chief Executive Officers Management Group

| Date | Time | Venue |
|--------------------------|-------|--|
| Monday, 26 February 2018 | 10:00 | Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley |

Present

Sandra Black, Chief Executive (Renfrewshire Council); Joyce White, Chief Executive (West Dunbartonshire Council) and Cleland Sneddon, Chief Executive, (Argyll & Bute Council).

By Telephone

Angela Scott, Chief Executive (Aberdeen City Council) and Stuart Ritchie, Director of Corporate and Housing Services (Falkirk Council).

Chair

Sandra Black, Chair, presided.

In Attendance

J Welsh, Director, H Carr Head of Strategic Procurement, S Brannagan, Head of Customer and Business Services, A Richmond, Senior Procurement Manager, J McKerrall, Category Manager (Construction), I McNaught, Customer Development Manager (for items 5, 6, 7, 8 and 9 only) and J Thomson, Business Change Project Manager (all Scotland Excel); and E Currie, Senior Committee Services Officer (Renfrewshire Council).

Order of Business

The Chair intimated that to facilitate the conduct of the meeting, item 5 of the agenda would be considered after item 3 of the agenda.

Apologies

Annemarie O'Donnell, Chief Executive (Glasgow City Council) and Mary Pitcaithly, Chief Executive (Falkirk Council).

1 Minute of the Chief Executive Officers Management Group

There was submitted the Minute of the meeting of the Chief Executive Officers Management Group held on 6 November 2017.

DECIDED: That the Minute be approved.

2 Update from Joint Committee - Governance and Funding

The Director of Scotland Excel advised that the Chief Executive Officers Management Group, the Executive Sub-committee and the Joint Committee had been consulted on initial options for the future constitutional/governance structure of Scotland Excel.

Four possible options had been identified being, maintaining the current model; widening the powers available under the current model; adding a trading company to the current or amended model; and converting the current model into an arm's length external organisation ("ALEO") of Scotland Excel's local authority members with a trading subsidiary. As a result of the consultation carried out Scotland Excel had concentrated further investigation on the first, second and third models.

Further work was now underway investigating options two and three and Scotland Excel were in discussion with legal colleagues in Renfrewshire Council around amending the terms and conditions and the Minute of Agreement of Scotland Excel Joint Committee.

It was proposed that the Director of Scotland Excel contact the Director of Finance & Resources, Renfrewshire Council to make arrangements for this matter to be raised at a future meeting of the CIPFA Directors of Finance and that Joyce White, Chief Executive, West Dunbartonshire Council raise this matter at the next meeting of the SOLACE office bearers with a view to it being discussed at the SOLACE meeting in April 2018. This was agreed.

DECIDED:

(a) That the up-to-date position be noted;

(b) That the Director of Scotland Excel contact the Director of Finance & Resources, Renfrewshire Council to make arrangements for this matter to be raised at a future meeting of the CIPFA Directors of Finance; and

(c) That Joyce White, Chief Executive, West Dunbartonshire Council raise this matter at the next meeting of the SOLACE office bearers with a view to it being discussed at the SOLACE meeting in April 2018.

3 New Build Housing Project

There was submitted a report by the Director of Scotland Excel providing an update on the proposal for Scotland Excel to take forward a national new-build housing framework to support local authorities meet their targets in relation to provision of affordable housing. The Category Manager (Construction) gave a presentation on the contents of the report.

The Scottish Government had set a target to deliver at least 50,000 homes by 2021, backed by over £3 billion in funding and it was anticipated that to meet future demand

for affordable housing across Scotland there would be an ongoing need for a national framework solution. A national procurement approach would generate significant operational efficiencies particularly around developing technical specifications; mitigate potential bottlenecks within the procurement process and facilitate monitoring and reporting of additional benefits delivered through the new build programme, including social value.

In order to pursue a national framework, Scotland Excel would require one-off project funding of £500,000. All future contract management and re-tendering costs were built into the proposed rebate model so that the project was self-funding in the long term.

Scotland Excel had shared two possible models to enable local authorities to fund the initial project start-up costs, model 1 was based on the standard Scotland Excel funding model based on population size and model 2 was based on participating local authorities funding an equal share of the costs. Local authorities had been requested to confirm their interest and preferred funding model option by 22 February 2018.

Frameworks established would include a 0.5% supplier rebate and Scotland Excel would retain the operating costs associated with the contract management and future re-tendering of the framework with the remaining rebate amount being distributed amongst those initial funders. Scotland Excel believed the remaining rebate amount had the potential to reflect a significant return on investment for those initial funders with a rebate amount of at least £930,000 anticipated following the first year of activity.

It was proposed that Scotland Excel contact all councils requesting that they confirm their interest in participating in this framework and their preferred funding model options advising that all councils would be named on the framework to allow participation moving forward but that only those councils providing the initial funding would benefit from the rebate. This was agreed.

DECIDED:

(a) That the report and presentation be noted; and

(b) That Scotland Excel contact all councils requesting that they confirm their interest in participating in this framework and their preferred funding model options advising that all councils would be named on the framework to allow participation moving forward but that only those councils providing the initial funding would benefit from the rebate.

4 Care Update

The Senior Procurement Manager gave a presentation to the group on care home services for older people and adult care services.

In relation to care home services for older people, the presentation included information on contract management activities; the structure of the cost of care calculator; the procurement strategy and the benefits of the Scottish Care Home Framework.

Angela Scott intimated that she would share information on Aberdeen City Council's experiences and learning around the recent closure of a care home together with details of the work done with the Care Inspectorate and the work the Care Inspectorate did with national banks. It was proposed that the Director of Scotland Excel obtain this information from Angela Scott. This was agreed.

In relation to adult care services, the presentation included information on the options being considered around supported living and care at home around whether this should be one framework or two and the benefits and perceived risks of a national framework.

It was noted that no cost comparison had been undertaken in relation to in-house delivery of care at home services. It was proposed that Scotland Excel undertake work on the differential between in-house delivery and that outsourced in the West Dunbartonshire Council area and that this information be presented to a future meeting of the group. This was agreed.

DECIDED:

(a) That the presentation and progress made be noted;

(b) That the Director of Scotland Excel contact Angel Scott, Chief Executive, Aberdeen City Council, to obtain information in relation to Aberdeen City Council's experiences and learning around the recent closure of a care home together with details of the work done with the Care Inspectorate and the work the Care Inspectorate did with national banks; and

(c) That Scotland Excel undertake work on the differential between the cost of in-house delivery and that outsourced in the West Dunbartonshire Council area and that this information be presented to a future meeting of the group.

5 Procurement and Commercial Improvement Programme (PCIP) Update

The Customer Service Manager gave a presentation to the group in relation to PCIP which included information on the correlation between council spend and PCIP score which provided opportunities for collaborating and sharing practice; PCIP outcomes projects; and collaborative practice.

The presentation also included information on a proposal to evolve PCIP to a more focused route, which would be discussed with the Scottish Government. It was noted that it would be proposed to the Scottish Government that those councils scoring 55% or less in the more focused route or those councils increasing by two bands or more would require to undertake the full PCIP assessment. It was proposed that the Director of Scotland Excel also suggest to the Scottish Government that councils undertake the full PCIP assessment every five-years. This was agreed.

It was noted that councils had to complete their second PCIP by June 2019. Scotland Excel would undertake an exercise whereby the eight councils with the lowest PCIP score would undertake the proposed focused route PCIP assessment rather than the full PCIP assessment.

DECIDED:

(a) That the presentation be noted; and

(b) That the Director of Scotland Excel also suggest to the Scottish Government that councils undertake the full PCIP assessment every five-years.

6 Contract and Supplier Management in Local Government

The Business Change Project Manager gave a presentation to the group on contract and supplier management in local government. The presentation included information on why a CSM Improvement Strategy for the sector was needed with particular reference to savings and improvements, consistent underperformance and effective co-ordination; evidence, intelligence gathering and horizon scanning; the five strands of Scotland Excel's three-year strategy, being effective models and resources; leadership and culture; ICT systems; skills and practice; and collaboration; and the next steps which included establishing governance, early priorities and project scoping and quarterly reviews.

DECIDED: That the presentation be noted.

7 Directors Update

There was submitted a report by the Director of Scotland Excel providing an update on key developments within Scotland Excel since the last meeting of this group held on 6 November 2017.

The report detailed information in relation to LGDT; the Scottish Government projects on affordable housing and social care – adult supported living and care at home; operational services and supplies; the Scotland Excel Academy; contracts approved by the Executive Sub-committee since November 2017; an update on new associate members; Scotland Excel receiving The Commercial Partnership Award at the Scottish Public Service Awards in December 2017; and Scotland Excel's 10th anniversary in April 2018.

DECIDED: That the report be noted.

8 AOB

There were no other items of business.

DECIDED: That it be noted that there were no other items of business for consideration.

9 Meeting Schedule - 2018

DECIDED: That meetings of the group be held at 10.00 am on 21 May, 27 August and 19 November 2018 in Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley.



Scotland Excel

To: Chief Executive Officers Management Group

On: 21st May 2018

Directors Update Report

1. Introduction

The purpose of this report is to provide the group with an update on key developments within Scotland Excel since the last meeting of the Chief Executive Officers Management Group on 26th February 2018.

2. Summary

Since the group last met there have been a number of new developments

2.1 Local Government Digital Office (LGDO) update

Scotland Excel continues to work closely with the Chief Digital Officer to ensure alignment with the LGDO, and to provide procurement support as appropriate.

The procurement of a replacement for the SEEMIS system has been completed, and the contract with the successful bidder, Alscient, will commence this month. In addition, contracts for Data Hosting and Office 365 are under development, and will also be issued this month.

A PIN Notice was issued to facilitate better engagement with IT and digital suppliers, and meetings are ongoing with a number of key service providers.

Cross sector engagement with the NHS continues to inform and develop the next generation of the Telecare replacement framework.

2.2 Scottish Government funded projects – Affordable Housing/Social Care

Affordable Housing

Scotland Excel have completed the first year of the Scottish Government funded Procurement Commercial Improvement Programme(PCIP) assessments to support the housing sector. Scotland Excel are working with fifty-three housing associations who volunteered for the programme. At the end of March 2018 there were 37 full day pre-assessments and 13 full day PCIPs completed with the rest for completion in year two. Local Government have benefited from this programme in a number of ways.

Social Care – Care and Support Services

Following a period of consultation and engagement with a wide range of stakeholders, along with analysis of the market, consideration of council purchasing patterns and commissioning needs, Scotland Excel are now developing a strategy for the development of a national flexible framework agreement for the purchase of Care & Support services. This flexible framework agreement will be open to all 32 Scottish councils and any integrated Health and Social Care Partnership's (HSCPs) although 11 councils have advised that they are unlikely to participate due to their current contractual arrangements.

The flexible framework for care and support services will be the first national agreement for these services and represents an opportunity to contract with service providers on nationally agreed terms and conditions.

The flexible framework will seek to promote innovative approaches to promoting choice and control, increasing life choices and improving lifestyles for people using services, and supporting people to maintain or develop links with their communities.

The procurement strategy for these services will seek to support a holistic approach to delivering care and support which focuses on the achievement of personal outcomes. An appropriate lot structure will allow HSCPs to purchase care at home and supported living services separately but also identify where there are service providers who can deliver a holistic service. A key aim of the future strategy is to encourage service providers to deliver new and innovative approaches to service delivery.

Scotland Excel's priority is to ensure there is an increased level of choice of quality and value for money providers with the capacity and capability to deliver care and support to vulnerable people in communities throughout Scotland.

Key objectives of this strategy are:

- delivering a platform for new, creative and innovative approach to meeting the needs of people;
- enhancing a partnership approach in the market, where providers can focus their resources on delivering care and support;
- freeing up local resource spent tendering to allow greater focus on local service monitoring and market shaping;
- increasing fee transparency;
- delivering standardisation of terms and conditions; and;
- supporting positive workforce practices such as payment of the Scottish Living Wage (SLW).

2.3 Update on the Contract Plan

There are 59 current frameworks in the Scotland Excel contract portfolio, with 16 of these frameworks to be renewed before 31 March 2019. It is also planned that a further 7 new frameworks will be added to the contract portfolio by 31 March 2019. Four these are being coordinated through the operational supplies and services team.

A further eight of the frameworks on the current portfolio have extension options that are likely to be exercised in 2018/ 2019 (Appendix 3).

Overall, efficiencies delivered to date continue to be within the 2-4% forecast range.

In addition to the work ongoing within Care and Support Services, this year Scotland Excel will also deliver a new sourcing strategy for care home services for older people. This strategy, again co-produced with stakeholders, will build on current best practice and complement local strategic commissioning plans.

In the construction portfolio, Scotland Excel has released a prior information notice for a new build housing framework. The framework will aim to support council delivery of new affordable houses, enabling councils to attain a range of works and services.

2.4 The Scotland Excel Academy

The Scotland Excel Academy supports accredited work-based-learning, collaborating with 3 professional bodies and 7 Scottish university business school partners. The Academy delivers professional qualifications in procurement, leadership & management and project management.

The procurement qualification (MCIPS) is accredited by the Chartered Institute of Procurement and Supply (CIPS), whilst the leadership and management qualifications are accredited by the Chartered Management Institute (CMI). In addition, Scotland Excel is the only public body in Scotland able to assess and award Chartered Manager.

The work-based-learning methodology provides a quick return for both the individual and the employer, where the learner directly applies new knowledge to their work-based-practice through project work.

The Academy delivers qualifications up to degree level, at a significant financial saving over existing private sector provision.

The Academy is now working towards delivering leadership & management qualifications to Masters level and accrediting project management qualifications with the Scottish Qualifications Authority (SQA).

The Academy supports a community of practice nationally, delivering regional practitioner workshops sharing best practice and masterclasses sharing thought leadership.

2.5 Contracts approved since February 2018

The following contracts have been approved at Executive Sub Committee since February 2018:

Children's Residential Care and Education Services including Short Breaks
Supply of Digital Publications and Services
Supply, Delivery, Servicing and Maintenance of Fire Safety Products.
Supply and Delivery of Power Tools

2.6 General update

New Associate Members

There has been one new associate member since the last CEOMG:

Hawthorn Housing Co-operative Ltd

Recent Awards

We were delighted to receive two awards at the UK Go Awards held in Manchester in April 2018.

We received a Highly Commended Award, for our Domestic Furniture and Furnishings framework, and we won the Leading Procurement Practice category for the work that we have done in developing an indexation model to monitor our contract financial performance against the market.