

Minute of Meeting Scotland Excel Chief Executive Officers Management Group

Date	Time	Venue
Wednesday, 09 August 2023	10:00	Remotely by MS Teams,

Present

Greg Colgan, Chief Executive (Dundee City Council); Eddie Fraser, Chief Executive (East Ayrshire Council); Alan Russell, Chief Executive (Renfrewshire Council) and Cleland Sneddon, Chief Executive (South Lanarkshire Council).

Chair

Alan Russell, Chair, presided.

In Attendance

J Welsh, Chief Executive, S Brannagan, Director of Customer & Business Services, M Mitchell and J McKerrall (both Strategic Programme Managers), S Christie, Commercial Programme Manager, N Hyde, Project Manager and K Forrest, Office Manager (all Scotland Excel); and M Conaghan, Head of Corporate Governance, and P Shiach, Senior Committee Services Officer (both Renfrewshire Council).

Apologies

Angela Scott, Chief Executive (Aberdeen City Council) and Annemarie O'Donnell, Chief Executive (Glasgow City Council).

Conflicts of Interest

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

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.

1 Minute

There was submitted the Minute of the meeting of the Chief Executive Officers Management Group (CEOMG) held on 24 May 2023.

DECIDED: That the Minute be approved.

2 Chief Executive's Update

There was submitted a report by the Chief Executive of Scotland Excel providing an update on key developments within Scotland Excel since the meeting of the CEOMG held on 24 May 2023.

The report advised that since the last meeting, Scotland Excel had focussed on identifying and demonstrating the value that the organisation brought to councils and associate members. The report intimated that in August 2022, the CEOMG approved the launch of a project that would explore additional value added for members and the report provided an outline of the project and the progress made.

The report provided detailed updates on Scotland Excel's framework portfolio; the contract delivery plan; the Savings Opportunities Project; the Scotland Excel Academy; projects being undertaken with member councils and associate members; and new associate members.

DECIDED: That the report be noted.

3 Presentation: Savings Strategy

There was submitted a presentation by the Chief Executive, Scotland Excel relative to the organisation's Savings Strategy.

The presentation covered the portfolio strategy, including the implementation of a new two-tier approach to allow a focus on frameworks that would provide maximum financial savings, reprioritisation of portfolio resources and tier-1 savings; reshaping Scotland Excel, including the creation of a dedicated Savings Team and an extended savings focus; identification of national savings projects; framework utilisation; and enabling greater National collaboration.

The Chief Executive, Scotland Excel was then heard in answer to questions from members of the Group on the presentation.

DECIDED: That the presentation be noted.

4 **Presentation: Scottish Government - Framework Management Fee**

There was submitted a presentation by the Chief Executive, Scotland Excel relative to the Scottish Government framework management fee.

The presentation indicated that the Scottish Government had advised that it had taken the decision to introduce a nominal Management Charge applicable upon selected National Collaborative Frameworks/Contracts from 2023/2024. It was anticipated that the revenue raised from the Management Charge would initially secure the provision of existing collaborative frameworks/contracts and supporting services. As revenue was generated over time, the Scottish Government would be able to grow its offer to the Scottish public sector by developing new, value-added services, such as enhanced framework and contract management, as well as grow its current portfolio of national agreements and increase 'once for Scotland' buying power.

The Management Charge would be applied to new, selected National Collaborative frameworks/contract(s), which had an annual value of at least £5m and a minimum duration of 2 years, it would not be retro-fitted into existing frameworks.

The presentation indicated that charge rates would be set at a rate acceptable to the marketplace, typically ranging from 0.2% to 1% of supplier spend and broadly mirroring Industry Practice charging rates.

Payment would be made by the Scottish Government Framework Suppliers directly to Scottish Government. It was intended to apply the Charge to 4 Frameworks in 2023/2024, as follows: General Office Supplies Framework, to be introduced from July 2023; Desktop Client Devices Framework, to be introduced from July 2023; Civil Engineering Framework Agreement, to be introduced by October 2023; and Civil Engineering Dynamic Purchasing System, to be introduced by October 2023

In subsequent years, the Management Charge would be applied to eligible collaborative Frameworks, as they were renewed and where it was deemed appropriate to do so.

Full discussion followed, in the course of which members expressed concern over the framework and proposed that the issue be raised at a forthcoming meeting of the SOLACE Chief Executives` Workshop.

It was further proposed that options for bypassing the framework be explored.

Concerns were also expressed in relation to the Scottish Governments request for access to data, as it was noted that Scotland Excel was under no obligation to share data, and that the Scottish Government already had access to specification data.

DECIDED:

(a) That concerns in relation to the Scottish Government Nominal Management Charge Framework be raised at the forthcoming meeting of the SOLACE Chief Executives` Workshop;

(b) That alternative options be explored and notified to CEOMG members; and

(c) That the presentation be noted.

5 **Presentation: CE Transformation Session**

There was submitted a presentation by the Chief Executive, Scotland Excel which would be submitted to the forthcoming meeting of the SOLACE Chief Executives' Workshop on 10-11 August 2023.

The presentation provided information on annual spend across nine councils of £2bn; spend across the nine councils with common suppliers of £50bn; common suppliers across five or more councils; and savings discovery in Occupational Health, ongoing work, and waste management.

The presentation also covered the Scotland Excel Framework Utilisation; enabling collaboration in relation to contract registers and contract standing orders; reshaping Scotland Excel; the sector landscape; national savings projects; and the next steps.

DECIDED: That the presentation be noted.

6 **Date of Next Meeting**

DECIDED: That it be noted that the next meeting of this Group would be held at 10.00 am on 8 November 2023.