

## **Minute of Meeting Scotland Excel Executive Sub-committee**

<b>Date</b>	<b>Time</b>	<b>Venue</b>
Friday, 09 December 2022	09:30	Remotely by MS Teams,

### **Present**

Councillor David Keating (Aberdeenshire Council); Councillor Brenda Durno (Angus Council); Councillor Kenny Macleod (Comhairle Nan Eilean Siar); Councillor Carlyne Wilson (Dumfries & Galloway Council); Councillor Altany Craik (Fife Council); Councillor Derek Loudon (Highland Council); Councillor Gary Robinson (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council); Councillor Dennis Leask (Shetland Islands Council); Councillor Peter Henderson (South Ayrshire Council) and Councillor Walter Brogan (South Lanarkshire Council).

### **Chair**

Councillor Shaw, Convener, presided.

### **In Attendance**

J Welsh, Chief Executive, H Carr, Head of Strategic Procurement, S Brannagan, Head of Customer & Business Services, M Robertson, Marketing & Communications Manager, E Hay and M Mitchell, both Strategic Procurement Managers, L Campbell, Customer Services Manager, S Christie, Commercial Programme Manager, K Forrest, Office Manager, M Boyle, Senior Business Specialist and S Roberts, Projects & Accounts Manager (all Scotland Excel); and L Mitchell, Managing Solicitor (Contracts & Conveyancing) and E Currie, Senior Committee Services Officer (both Renfrewshire Council).

### **Apologies**

Councillor Mandy Watt (City of Edinburgh Council); Councillor Ruairi Kelly (Glasgow City Council) and Councillor Christina Larsen (North Ayrshire 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 18 November 2022.

**DECIDED:** That the Minute be approved.

## **Sederunt**

Councillor Macleod and Councillor Wilson both joined the meeting during consideration of the following item of business.

## 2 **Contract for Approval: Social Care Agency Workers Flexible Framework Agreement**

Under reference to item 3(c) of the Minute of the meeting of this Sub-committee held on 21 October 2022, there was submitted a report by the Chief Executive of Scotland Excel relative to the flexible framework for social care agency workers for a period of two years from the commencement date, with an option to extend for up to two twelve-month periods.

The report intimated that following approval of this flexible framework at the meeting of the Executive Sub-committee held on 16 September 2022, an issue had been identified pertaining to one provider, and at the meeting of the Executive Sub-committee held on 21 October 2022, amended appendices had been approved.

The report further intimated that prior to tenderers being notified of any outcome, discrepancies had been identified in the information recorded in Appendix 3 of the previous report and that the full array of scores had now been reviewed and verified. Following this verification, some of the scores and relative positions of tenderers had changed from those previously presented to the Sub-committee. It was noted that the overall outcome for bidders had not changed and further information was detailed in section 5 of the report.

The report advised that the report had been brought back to the Executive Sub-committee for fresh approval of the validated scores and that this superseded any previous reports. Subject to this approval, the standstill period would be commenced with the framework commencing on or around 16 January 2023.

The report advised that agency workers were individuals who were supplied by a recruitment agency to work for a third party, which in this case, was councils and associate members of Scotland Excel and that there was a need for temporary agency workers to supplement purchasers' workforces at times to cover gaps. The key objectives of the flexible framework were detailed in the report.

The flexible framework aimed to provide the scope to meet the diverse needs of purchasers by allowing the addition of new suppliers throughout the duration of the agreement, where required, which would support the continued delivery of best value and service coverage across Scotland.

The report summarised the outcome of the procurement process for the framework which had been divided into three lots, as detailed in table 1 of the report. As detailed

in the tender documents, tenderers had been recommended for appointment to each lot of the flexible framework by reference to 17 geographical regional sub-lots, as detailed in table 2 of the report, with regional sub-lot five being split into two for mainland and islands as requested by Argyll and Bute Council.

The report advised that the value of the flexible framework was approximately £80 million over the maximum four-year period. It was noted that this spend could vary significantly depending on the requirement for agency staff. Appendix 1 to the report detailed the participation of councils and associate members.

Tender responses had been received from 36 suppliers across the three lots. Two tenderers had been rejected as non-compliant bids as one tenderer failed to submit a completed 'Schedule 7 – Financial Information' and one tenderer failed at qualification stage. A further bidder had been part successful, having been successful in their offer for lot 1 and non-compliant for their offer for lot 3 and Appendix 2 to the report provided a summary of the offers received. One tenderer submitted proposals to amend the framework terms and conditions and, in the interests of transparency and equal treatment of all tenderers, the amendments were not accepted as they represented substantial change to the published terms and conditions. The tenderer subsequently accepted the framework terms.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the compliant offers had been carried out and subsequently validated prior to tenderers being advised of the outcome and Appendix 3 to the report confirmed the scoring achieved by each bidder for each service.

Based on the evaluation and validation exercise undertaken, and in line with the criteria and weightings set out in the report, it was recommended that 34 tenderers across the three lots be awarded to the flexible framework from its commencement, as outlined in Appendix 3 to the report.

Appendix 4 to 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.

The report intimated that, in accordance with Scotland Excel's established contract and supplier management programme, the framework had been classified as class C in terms of risk and spend, as detailed in Appendix 5 to the report.

**DECIDED:**

(a) That the award of the flexible framework for social care agency workers, as detailed in Appendix 3 to the report, be approved;

(b) That authority be delegated to the Chief Executive of Scotland Excel, or Head of Strategic Procurement in the Chief Executive's absence, to approve recommendations following the evaluation of offers received on the periodic reopening of the flexible framework, or following the consideration of formal requests from existing suppliers for the addition of new services; and

(c) That it be noted that the Executive Sub-committee would be updated on the appointment of any new suppliers to the flexible framework on an annual basis via incorporation to the annual performance report.

### 3 **Operating Plan Update 2022/23**

There was submitted a report by the Chief Executive of Scotland Excel relative to operating plan activity for the six-month period to 30 September 2022. A copy of the operating plan for 2022/23 was appended to the report.

The report intimated that a new operating plan, covering the period from 1 April 2022 to 31 March 2023, had been approved at the meeting of the Scotland Excel Joint Committee held on 10 December 2021.

The report highlighted that, as at the end of September 2022, 32 of the operating plan commitments were progressing in line with plans and were indicated as green; one commitment was indicated as amber; and one commitment was indicated as white.

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 with half-yearly and annual reports submitted to the Joint Committee.

The report advised that the next quarterly report, covering the period from 1 October to 31 December 2022, would be published in January 2023 and the report detailed some key activities that had taken place during this period by way of an interim update.

**DECIDED:** That Scotland Excel's progress in delivering the commitments contained within the operating plan 2022/23 be noted.

### 4 **Request for Associate Membership: Scottish Qualification Authority**

There was submitted a report by the Chief Executive of Scotland Excel advising that the Scottish Qualification Authority had submitted an application to become an associate member of Scotland Excel.

The report provided details of the organisation and the legislative position in relation to the application.

**DECIDED:** That the application by the Scottish Qualification Authority to become an associate member of Scotland Excel, with no annual membership fee, be approved, subject to completion and signing of the agreement documentation.

### 5 **Employee Supporting Attendance Report**

There was submitted a report by the Chief Executive of Scotland Excel highlighting the absence rate in the organisation and the support mechanisms implemented to support staff members.

The report intimated that the Joint Committee had agreed that Scotland Excel should work to an absence rate of below 4% and that this target aligned Scotland Excel with partner organisations, supported good practice in this area and demonstrated the ongoing commitment to absence management as a key efficiency target.

The report advised of the absence levels for the period ending 31 October 2022 and provided a breakdown of the current month, the last six months and 12 months absence figures, together with an illustration of 12 months in days and the last 12 months in percentages.

The report noted that the rate of absence across the organisation had generally been maintained at or below the 4% target. The rise in COVID-19 infections throughout the general population had been reflected in the organisation, which, together with some longer-term absences, resulted in a spike in the percentage rate to 3.5% in March 2022. The rolling six months and 12 months average absence rates had been maintained at or below 2.4%.

It was noted that, in addition to supporting members of staff absent through ill health, Scotland Excel continued to implement positive early intervention practices including working with occupational health and other support services to maintain employee attendance and to support members of staff who might be experiencing difficulties whilst remaining at work. Scotland Excel continued to support a range of interventions for staff including occupational health referral, confidential counselling services and Cognitive Behavioural Therapy and issued wellbeing emails with further information on health initiatives which could be accessed independently by all staff.

The report intimated that Scotland Excel recognised that positive mental health amongst staff members was an area that should be actively supported and encouraged and had 15 staff from across all operational areas and grades who had trained as accredited Mental Health First Aiders. A Mental Health at Work Commitment Action Plan had also been implemented and this was recognised as a comprehensive tool for adopting best practice in promoting and maintaining positive mental health within the organisation. Scotland Excel held a face-to-face staff event in September 2022 where guest speakers from external agencies presented on a number of topics designed to support staff wellbeing.

**DECIDED:** That the contents of the report be noted.

## 6 **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 27 January 2023.

## **Minute of Meeting Scotland Excel Executive Sub-committee**

<b>Date</b>	<b>Time</b>	<b>Venue</b>
Friday, 27 January 2023	09:30	Remote using Microsoft Teams Platform,

### **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 Michael McPake (North Lanarkshire Council); Councillor Dennis Leask (Shetland Islands Council) and Councillor Peter Henderson (South Ayrshire Council).

### **Chair**

Councillor Craik, Vice Convener, presided.

### **In Attendance**

J Welsh, Chief Executive, H Carr, Director of Strategic Procurement, S Brannagan, Director of Customer & Business Services, I McNaught, Strategic Organisational Manager, A McCarty, Senior Procurement Specialist, E Hay, Strategic Procurement Manager, L Campbell, Customer Services Manager, L Muir, Category Manager, G Sutherland, Assistant Category Manager, D Doonan, Assistant Procurement Specialist, P Barnes, Project and Account Manager, K Forrest, Office Manager, and L Mooney, Senior Communications Specialist (all Scotland Excel); and C McCourt, Head of Finance & Business Services, T McGowan, Senior Accountancy Assistant, L Mitchell, Managing Solicitor (Contracts & Conveyancing), L Belshaw, Democratic Services Manager and K O'Neill, Assistant Democratic Services Officer (all Renfrewshire Council).

### **Apologies**

Councillor Christina Larsen (North Ayrshire Council), Councillor John Shaw (Renfrewshire Council) and Councillor Walter Brogan (South Lanarkshire 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 9 December 2022.

**DECIDED:** That the Minute 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 to 9 December 2022.

The report intimated that at the end of period 9, Scotland Excel was projecting a breakeven position by year-end in its core activities and a planned £0.043 million increase in committed project reserves by year-end. It was noted that both core and projects budgets would be monitored closely over the remainder of the financial year, targeted at a break-even position for core operations by March 2023. Further detail was provided in section 3 of the report.

The appendices to the report provided an analysis of the actual spend to date along with projected net expenditure for 2022/23 and included a summary of movement in both the revenue reserve and the project reserves.

**DECIDED:** That the report be noted.

## **Sederunt**

Councillor McLeod joined the meeting during consideration of the following item of business.

### **3(a) Contract for Approval: Supply and Delivery of Janitorial Products**

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of a renewal framework for the supply and delivery of janitorial products for a period of four years from 1 March 2023 until 28 February 2027. It was noted that subject to approval and completion of a standstill period, it was anticipated that the framework agreement would commence on 1 March 2023.

The framework would provide members with a mechanism to procure a range of janitorial products including, but not limited to, paper-towels, cleaning chemicals, hand-soap, refuse sacks and cleaning equipment.

The report summarised the outcome of the procurement process for this national framework which had been divided into four lots, as detailed in table 1 of the report.

The report advised that the framework had been advertised with a potential value of £14 million per annum and Appendix 1 to the report detailed the participation and spend summary of those participating in the framework.

Tender responses had been received from 20 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 the compliant offers had been carried out and Appendix 3 to the report confirmed the scoring achieved by each bidder.

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 arrangement be awarded to 12 suppliers across the four lots, as outlined in Appendix 3 to the report.

Appendix 4 to 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.

The report intimated that, in accordance with Scotland Excel's established contract and supplier management programme, the framework had been classified as class D in terms of risk and spend, as detailed in Appendix 5 to the report.

**DECIDED:** That the award of the multi-supplier framework for supply and delivery of janitorial products, as detailed in Appendix 3 to the report, be approved.

### 3(b) **Contract for Approval: Building Construction Consultancy**

Under reference to item 3(a) of the Minute of the meeting of this Sub-committee held on 21 October 2022, there was submitted a report by the Chief Executive of Scotland Excel relative to the award of the first national framework for building construction consultancy services for a period of two years from the commencement date with an option to extend for up to a further 24-month period. It was noted that subject to approval and completion of a standstill period, the framework was intended to commence around 1 December 2022.

The report intimated that following approval of this national framework at the meeting of the Executive Sub-committee held on 21 October 2022, updates were required to reflect the evaluation outcome and specific changes were required to lots 5 and 11 to correct formatting errors and these were identified in appendices 2 and 3, highlighted yellow. The Executive Sub-committee was further advised that Appendix 2 required to be amended to correct a typographical error relative to the entry for Savills (UK) Ltd such that reference to lot 14, all regions, should be removed from the "lots/regions awarded" information, as this part of their bid was not successful. The report had been brought back to the Sub-committee for fresh approval and superseded previous reports. Subject to this approval, the standstill period would be commenced with the framework commencing in February 2023.

As previously advised, the framework would provide members with a mechanism to procure services relating to buildings and their surrounding grounds. The report advised that, following delivery of Scotland Excel's New Build Residential Construction (NBRC) framework in 2019, there had been growing demand to deliver a consultancy framework to support the NBRC framework. Scotland Excel operated frameworks for other building construction works such as demolition, asbestos removal and energy efficiency contractors which this framework would also support.



The report summarised the outcome of the procurement process for this national framework which had been divided into 14 lots, as detailed in table 1 of the report. All lots were sub-divided by eight regions, as detailed in table 2 of the report, and it was noted that suppliers could opt to offer for one, some or all regions.

The report advised that the framework had been advertised with an estimated spend of £100 million over the maximum four-year period and Appendix 1 to the report detailed the participation and spend summary of those participating in the framework.

Tender responses had been received from 137 suppliers and Appendix 2 to the report provided a summary of the offers received. Suppliers who were deemed non-compliant were advised that their offer or part of their offer would not be considered further. One supplier was non-compliant for all lots as they rejected the advertised terms and conditions, and one supplier was partly non-compliant as they failed to submit a required element of their commercial submission.

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

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 arrangement be awarded to 93 suppliers across the 14 lots, as outlined in Appendix 3 to the report.

Appendix 4 to 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.

The report intimated that, in accordance with Scotland Excel's established contract and supplier management programme, the framework had been classified as class B in terms of risk and spend, as detailed in Appendix 5 to the report.

**DECIDED:**

(a) That the updated report for the award of the multi-supplier framework for building construction consultancy services, including amendments as detailed in appendices 2 and 3 to the report, be approved; and

(b) That Appendix 2, once amended, be reissued to members of Scotland Excel Executive Sub-committee.

**4 Request for Associate Membership: Moray College UHI**

There was submitted a report by the Chief Executive of Scotland Excel advising that Moray College UHI, part of the University of the Highlands and Islands, had submitted an application to become an associate member of Scotland Excel.

The report provided details of the organisation and the legislative position in relation to the application.

**DECIDED:** That the application by Moray College UHI to become an associate member of Scotland Excel, with no annual membership fee, be approved, subject to completion and signing of the agreement documentation.

## 5 **Overview of the Scotland Excel Academy**

There was submitted a report by the Chief Executive of Scotland Excel presenting an overview of the Scotland Excel Academy and which identified development opportunities for the future.

The report intimated that the Academy provided an award-winning multi-disciplinary development portfolio as detailed in figure 1 of the report; delivered learning which was typically 40-50% below market pricing; and spanned accredited learning, leading to a qualification, and unaccredited learning. Further detail was provided in the report.

The report advised that local authorities had requested lower cost and shorter duration development programmes and the Academy had explored a range of development programme options that would be achieved in a much quicker timeframe, remain of high academic standard, and be more cost effective for members. The new strategy would support lifelong development to ensure the right people could be hired and retained, addressing the current challenges in the labour market and aimed to offer learners a choice in the way that they become lifelong learners in the field of procurement.

The report noted that the new Academy Strategy would be based on responses to the questionnaire issued to Councils in December 2022 and would be presented to a future meeting of the Executive Sub-committee for consideration.

### **DECIDED:**

(a) That Scotland Excel's work-based-learning Academy be noted as a core people and organisational development solution across the Scottish public-sector, providing high quality, cost-effective useful learning;

(b) That Scotland Excel provide members of the Executive Sub-committee with a login to access the Academy; and

(c) That it be agreed that members be ambassadors for the Academy, promoting the depth and breadth of its portfolio and innovative cost-effective approach to work-based learning.

### **Sederunt**

Councillor Kelly left the meeting prior to consideration of the following item of business.

## 6 **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 17 February 2023.

## **Minute of Meeting Scotland Excel Executive Sub-committee**

<b>Date</b>	<b>Time</b>	<b>Venue</b>
Friday, 17 February 2023	09:30	Remote using Microsoft Teams Platform,

### **Present**

Councillor David Keating (Aberdeenshire Council); Councillor Brenda Durno (Angus Council); Councillor Kenny Macleod (Comhairle Nan Eilean Siar); Councillor Carlyne Wilson (Dumfries & Galloway Council); Councillor Altany Craik (Fife Council); Councillor Derek Loudon (Highland Council); Councillor Christina Larsen (North Ayrshire Council); Councillor Michael McPake (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council); Councillor Peter Henderson (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, M Robertson, Marketing & Communications Manager, L Muir, Category Manager, J Kenney, Senior Procurement Specialist, E Hay, M Mitchell and L Richard, all Strategic Programme Managers, L Jones, Senior Business Services Specialist, S Christie, Commercial Programme Manager, K Forrest, Office Manager, L Mooney, Senior Communications Specialist, L Crosbie and L O'Neill, both Assistant Procurement Specialists and N Howie, Procurement Co-ordinator (all Scotland Excel); and L Mitchell, Managing Solicitor (Contracts & Conveyancing) and R Devine, Senior Committee Services Officer (both Renfrewshire Council).

### **Apology**

Councillor Ruairi Kelly (Glasgow City 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 27 January 2023.

In relation to item 3(b) of the Minute, Contract for Approval: Building Construction Consultancy, members were advised that the resubmission of amended appendices was required to reflect the specific details of the evaluation outcome and had no impact on the overall outcome or recommended bidders. The changes to Appendix 2 were to correct the award recommendations made in October 2022 and reflected the evaluation outcome including Savills (UK) Limited as unsuccessful for all regions in lot 14. The changes to appendices 2 and 3 also corrected minor clerical errors to the "Lots/Regions Tendered" column ensuring consistent naming of bidders and correction of one score for one bidder in lot 2 region 1C. These changes were highlighted in the appendices which would be circulated following this meeting.

#### **DECIDED:**

(a) That the Minute be approved; and

(b) That the update provided in relation to item 3(b) of the Minute, Contract for Approval: Building Construction Consultancy, be noted.

### **2 Operating Plan Update 2022/23**

There was submitted a report by the Chief Executive of Scotland Excel relative to operating plan activity for the period to 31 December 2022. A copy of the operating plan for 2022/23 was appended to the report.

The report intimated that an operating plan, covering the period from 1 April 2022 to 31 March 2023, had been approved at the meeting of the Scotland Excel Joint Committee held on 10 December 2021.

The report highlighted that, as at the end of December 2022, 31 operating plan commitments were progressing in line with plans and were indicated as green; two commitments were progressing slower than anticipated and were indicated as amber; and one commitment had not yet started and was indicated as white.

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 with the most recent quarterly report being submitted to the Joint Committee with recent updates noted.

**DECIDED:** That Scotland Excel's progress in delivering the commitments contained within the operating plan 2022/23 be noted.

## **Sederunt**

Councillor Henderson joined the meeting during consideration of the following item of business.

### **3 Contract for Approval: Supply and Distribution of Fresh Meats, Cooked Meats and Fresh Fish**

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 distribution of fresh meats, cooked meats and fresh fish for a period of four years from 1 April 2023 until 31 March 2027. It was noted that subject to approval and completion of a standstill period, it was anticipated that the framework agreement would commence on 1 April 2023.

The framework would provide members with a mechanism to procure a range of fresh goods including, but not limited to, beef, lamb, pork, poultry, prepared products, cooked meats and fresh fish.

The report summarised the outcome of the procurement process for this national framework which had been divided into four lots, as detailed in table 1 of the report. It was noted that in a bid to promote and encourage participation from suppliers, 42 geographical sub lots had been applied within the 'ability to service' section of the tender. Suppliers recommended for award would be by geographical sub lot area and theses were fixed for the framework duration. Scotland Excel had engaged with Scotland Food and Drink, the Soil Association, Quality Meats Scotland and the National Farmers Union Scotland to encourage participation from local suppliers.

The report advised that the framework had been advertised at a total value of £10 million per annum and Appendix 1 to the report detailed the participation and spend summary of those participating in the framework.

Tender responses had been received from eight 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 the compliant offers had been carried out and Appendix 3 to the report confirmed the scoring achieved by each bidder.

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 arrangement be awarded to eight suppliers across the four lots for the related geographical areas, as outlined in Appendix 3 to the report.

Appendix 4 to 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. The report intimated that, in accordance with Scotland Excel's established contract and supplier management programme, the framework had been classified as class B in terms of risk and spend, as detailed in Appendix 5 to the report.

**DECIDED:** That the award of the multi-supplier framework for supply and distribution of fresh meats, cooked meats and fresh fish, as detailed in Appendix 3 to the report, be approved.

#### 4 **Request for Associate Membership: Glen Oaks Housing Association Limited**

There was submitted a report by the Chief Executive of Scotland Excel advising that Glen Oaks Housing Association Limited had submitted an application to become an associate member of Scotland Excel.

The report provided details of the organisation and the legislative position in relation to the application.

**DECIDED:** That the application by Glen Oaks Housing Association Limited to become an associate member of Scotland Excel, with an annual membership fee of £2,022, be approved, subject to completion and signing of the agreement documentation.

#### 5 **Update on the Contract Delivery Plan**

There was submitted a report by the Chief Executive of Scotland Excel providing a progress update on the 2022/23 contract delivery plan.

The report intimated that the contract delivery plan detailed new framework developments and renewals, framework extensions and frameworks with ongoing contract management only and appendices 1 to 4 to the report provided further details.

The report highlighted that, at any given point, there were around 70 frameworks in the Scotland Excel contract portfolio. It was intended that a further five frameworks would be developed and added to the portfolio in the coming year and that 20 of these frameworks would be completed during 2022/23. A further 17 of these frameworks had extension options that were available to be exercised in 2022/23, with 13 of these extensions already approved.

The report noted that the estimated forecast value of the Scotland Excel framework portfolio was approximately £2 billion and that overall, efficiencies created by frameworks awarded so far during 2022/23 were benchmarked at 1.73%, which was slightly below the forecast range. This figure did not include the additional cost management measures in place for each framework via the indexation model which provided data on how the framework pricing compared to market indices relevant to the commodity being sourced. This was provided to ensure that Scotland Excel was able to manage pricing in volatile markets and a favourable position for members.

The report advised that in addition to the activity detailed in appendices 1 to 4, Scotland Excel was exploring the benefits of further collaborative procurement across high spend, critical service areas in the construction, corporate, ICT and social care teams. Consolidation of the existing markets was currently underway in order to create capacity to add new activities to the portfolio and support strategically significant areas of spend, with some existing frameworks within related markets being considered for merger and some lower value frameworks not being renewed.

A summary of spend and forecast savings per council for the period October 2021 and September 2022 was detailed in Appendix 5 to the report, with an average forecast efficiency of circa 1.27%.

**DECIDED:** That the progress made to date be noted.

## **Sederunt**

Councillor Craik left the meeting during consideration of the following item of business.

### **6 Associate Member Overview**

There was submitted a report by the Chief Executive of Scotland Excel providing an overview of the Scotland Excel associate membership programme.

The report intimated that there were five main groups of associate membership, being housing associations, Council's arm's length organisations (ALEOs), transport partnerships, organisation utilising the reciprocal arrangements (Scottish Government and education) and other bodies and Appendix 1 to the report detailed the breakdown of associate members per group.

The report advised that in June 2018, the Joint Committee approved associate membership expansion as part of the income strategy and in December 2018, the Joint Committee approved a continued focus and the creation of a dedicated associates team. It was noted that between April 2017 and April 2019, associate membership growth mainly came from housing associations as a result of participation in the Procurement Commercial Improvement Programme (PCIP), the Scottish Government affordable housing project. However, the expansion of the contract portfolio, the growth of additional services and the appetite for greater collaboration since the Covid pandemic had significantly increased the membership for Scottish Government bodies, ALEO's and Universities and Colleges over the last two years and brought membership to the current level of over 140 associate members.

The growth of associate membership since the last report in January 2021 was detailed in figure 1 of the report; the income breakdown of associate members by sector as at January 2023 was detailed in figure 2 of the report; the current fee split of associate members was detailed in figure 4 of the report; and the associate members income growth for 2013 to 2022 was detailed in figure 5 of the report.

The report noted that Scotland Excel encouraged and promoted a number of organisational fair work policies and that approximately 90% of associate members were Living Wage employers; that within the last 12 months, associate members had spent £40 million through Scotland Excel frameworks which benefited core members with the enhanced buying power providing additional services in local communities; that with the launch of the Continuous Improvement Programme for Procurement (CIPP) in December 2022, the associate team would be conducting assessments for housing associations which required to meet Scottish Government conditions on the housing grant funding application; that the associate team would seek to increase growth in third sector associate membership; and that Scotland Excel would continue to review spend levels of associate members to ensure that fees reflected usage.

**DECIDED:** That the progress made regarding the ongoing work with associate members be noted and that members encourage suitable organisations to apply for membership.

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 17 March 2023.



## Minute of Meeting Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 17 March 2023	09:30	Remote using Microsoft Teams Platform,

### Present

Councillor David Keating (Aberdeenshire Council); Councillor Kenny Macleod (Comhairle Nan Eilean Siar); Councillor Carolyne Wilson (Dumfries & Galloway Council); Councillor Altany Craik (Fife Council); Councillor Ruairi Kelly (Glasgow City Council); Councillor Derek Loudon (Highland Council); Councillor Christina Larsen (North Ayrshire Council); Councillor John Shaw (Renfrewshire Council) and Councillor Peter Henderson (South Ayrshire 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 Richard, Strategic Programme Manager, S Christie, Commercial Programme Manager, E Campbell, Procurement Coordinator, L Campbell, Customer Services Manager, L A Campbell, Academy Tutor, G Montgomery, Category Manager, K Forrest, Office Manager, C Kirkwood, Assistant Procurement Specialist, L Mooney, Senior Communications Specialist, I Murray, Senior Housing Services Specialist, A Park and E Walker (both Graduate Trainees) (all Scotland Excel); C McCourt, Head of Finance & Business Services, L Mitchell, Managing Solicitor (Contracts & Conveyancing), T McGowan, Senior Accountancy Assistant and P Shiach, Senior Committee Services Officer (all Renfrewshire Council) and A Kolodziej, Audit Manager (Azets).

### Apologies

Councillor Mandy Watt (City of Edinburgh Council), Councillor Michael McPake (North Lanarkshire Council) and Councillor Dennis Leask (Shetlands 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 17 February 2023.

In relation to the Contract for Approval: Building Construction Consultancy, members were advised that during the standstill period an enquiry had been received from a partially successful bidder with regard to their technical score for lot 3. Scotland Excel had investigated the matter, the outcome of which was a revised recommendation to award the bidder to additional regions in lot 3 as set out in the amended lot 3 table which would be circulated following this meeting. This did not change the status for any other bidder, or impact on any other lot and subject to this approval the revised recommendation would be communicated via a fresh standstill prior to the award of the framework.

#### **DECIDED:**

(a) That the Minute be approved; and

(b) That the update provided in relation to the Contract for Approval: Building Construction Consultancy be noted.

### **2 Chief Executive's Update Report to Chief Executive Officers Management Group - March 2023**

There was submitted a report by the Chief Executive of Scotland Excel relative to the Chief Executive's update report considered at the meeting of the Scotland Excel Chief Executive Officers Management Group (CEOMG) held on 16 March 2023.

The report intimated that the CEOMG met quarterly and that as part of the regular governance process, the Chief Executive of Scotland Excel provided an update on the work of Scotland Excel. Following discussions with the Convener, it had been agreed that future reports, be shared with members of the Scotland Excel Executive Sub-committee, following CEOMG meetings.

The report submitted to the CEOMG meeting held on 16 March 2023, which covered the period from November 2022 and February 2023, was appended to the report.

**DECIDED:** That the report be noted.

### 3 **Revenue Budget Monitoring Report to 3 February 2023**

There was submitted a joint revenue budget monitoring report by the Treasurer and the Chief Executive of Scotland Excel for the period 1 April 2022 to 3 February 2023.

The report intimated that at the end of period 11, Scotland Excel was projecting a breakeven position by year-end in its core activities and a planned £0.208 million increase in committed project reserves by year-end. It was noted that both core and projects budgets would be monitored closely over the remainder of the financial year, targeted at maintaining a break-even position for core operations by 31 March 2023. Further detail was provided in section 3 of the report.

The appendices to the report provided an analysis of the actual spend to date along with projected net expenditure for 2022/23 and included a summary of movement in both the revenue reserve and the project reserves.

**DECIDED:** That the report be noted.

### 4 **Report on the Annual Audit Plan 2022/23**

There was submitted a report by the Treasurer relative to the annual audit plan 2022/23 for Scotland Excel which outlined Azets planned activities in their audit of the 2022/23 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 2022/23 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 2022/23.

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. It was noted that the risks identified here were included in the audit plans of many bodies which Azets worked with and their inclusion was not a reflection of any specific risk within Scotland Excel.

The report advised that the statutory deadline for the approval of the audited accounts for 2022/23 was 30 September 2023 and that the annual audit report was planned to be reported to the meeting of the Executive Sub-committee scheduled to be held on 15 September 2023.

The report noted that the proposed audit fee was indicated at £10,510 for the current financial year and represented a local increase above the 12.5% uplift set by Audit Scotland for 2022/23. Within the terms of the Audit Scotland appointment, local audit teams had discretion to vary the fee by up to 10% above the level set depending on the level of identified audit risk and this proposed higher fee reflected the additional work required in the first year of a new audit appointment.

Adrian Kolodziej, Audit Manager, Azets, presented the annual audit plan to members.

**DECIDED:**

- (a) That Azets annual audit plan 2022/23, appended to the report, be noted; and
- (b) That the proposed audit fee for 2022/23 of £10,510 be approved.

## 5 **Contract for Approval: Supply, Delivery and Installation of Audio Visual Equipment**

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of a fifth-generation renewal framework for the supply, delivery and installation of audio visual (AV) equipment for a period of four years from 3 April 2023 until 2 April 2027, subject to approval and completion of a standstill period.

The framework would provide councils and other participating bodies with a mechanism to procure a range of AV equipment including, but not limited to, interactive touch screens, wireless presentation systems, and projectors and specialist AV equipment for people with additional support needs.

The report summarised the outcome of the procurement process for this national framework which had been divided into three lots, as detailed in table 1 of the report.

The report advised that the framework had been advertised at a total value of £9 million per annum and Appendix 1 to the report detailed the participation and spend summary of those participating in the framework.

Tender responses had been received from 13 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 the compliant offers had been carried out and Appendix 3 to the report confirmed the scoring achieved by each bidder.

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 arrangement be awarded to five suppliers across the three lots, as outlined in Appendix 3 to the report.

Appendix 4 to 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. The report intimated that, in accordance with Scotland Excel's established contract and supplier management programme, the framework had been classified as class D in terms of risk and spend, as detailed in Appendix 5 to the report.

**DECIDED:** That the award of the multi-supplier framework for supply, delivery and installation of audio visual equipment, as detailed in Appendix 3 to the report, be approved.

## 6 **Net Zero Strategy**

There was submitted a report by the Chief Executive relative to Scotland Excel's 'Net Zero Strategy' which had been developed in response to commitments made within Scotland Excel's Corporate Strategy 2023/28 and linked Operating Plan approved by

the Joint Committee on 9 December 2022. A copy of the strategy was appended to the report.

The report intimated that the strategy would be used to support Scotland Excel member councils in the delivery of their individual and collective net zero goals linked to Scottish Government 'climate emergency' policy and legislation. The report noted that, as the centre for procurement expertise for Scotland's local government sector, Scotland Excel contract arrangements were used by a wide range of council services that linked to many of the key areas identified within individual council strategies aimed at tackling climate change and achieving net zero.

The report advised that Scotland Excel's Corporate Strategy 2023/28 committed to a continued promotion of frameworks to assist council members in implementing their climate change policies; Scotland Excel would also work with suppliers, partners and members to identify opportunities to reduce the carbon footprint of the existing contract portfolio; Scotland Excel's Operating Plan 2023/24 committed that Scotland Excel would implement actions from the Net Zero Strategy via a whole organisation approach to support council members' net zero journey; the Net Zero Strategy would ensure that the Scotland Excel contract portfolio remained crucial in assisting councils and others in meeting regulatory requirements; and that Scotland Excel would lead by example by exploring carbon impacts of business activities to ensure that contract arrangements continued to meet the needs of members councils.

**DECIDED:**

(a) That the Net Zero Strategy be approved; and

(b) That the flexibility for potential refinement as linked activities and opportunities developed during the delivery phase be noted.

## **7 Scotland Excel Academy Strategy**

There was submitted a report by the Chief Executive of Scotland Excel relative to the refreshed strategy for the Scotland Excel Academy which supported members requests for lower priced and shorter duration development programmes and workshops covering the areas detailed in the report.

The report intimated that the refreshed strategy would create a new nationally recognised procurement pathway for the public sector which was fully aligned to the Scottish national procurement development framework and the Scottish Qualification Authority.

The report advised that the current Academy Strategy provided a multi-disciplinary development portfolio comprising procurement, leadership and management, project management, business analysis, decision making and innovation disciplines. The methodology adopted by the Academy enabled people to apply learning to their work practice, delivering immediate impact at work. It was noted that the Academy had been instrumental in the creation and use of the current national procurement development framework which formed Appendix 1 to the report.

Section 3 of the report provided further detail on the proposed Scotland Excel Academy Strategy.

**DECIDED:** That the new Scotland Excel Academy Strategy be approved.

8(a) **Request for Associate Membership of Scotland Excel by Cunninghame Housing Association Limited**

There was submitted a report by the Chief Executive of Scotland Excel advising that Cunninghame Housing Association Limited had submitted an application to become an associate member of Scotland Excel.

The report provided details of the organisation and the legislative position in relation to the application.

**DECIDED:** That the application by Cunninghame Housing Association Limited to become an associate member of Scotland Excel, with an annual membership fee of £4,980, be approved, subject to completion and signing of the agreement documentation.

8(b) **Request for Associate Membership of Scotland Excel by Linthouse Housing Association Ltd**

There was submitted a report by the Chief Executive of Scotland Excel advising that Linthouse Housing Association Limited had submitted an application to become an associate member of Scotland Excel.

The report provided details of the organisation and the legislative position in relation to the application.

**DECIDED:** That the application by Linthouse Housing Association Limited to become an associate member of Scotland Excel, with an annual membership fee of £1,764, be approved, subject to completion and signing of the agreement documentation.

9 **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 21 April 2023.

## **Minute of Meeting Scotland Excel Executive Sub-committee**

<b>Date</b>	<b>Time</b>	<b>Venue</b>
Friday, 21 April 2023	09:30	Remote using Microsoft Teams Platform,

### **Present**

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

### **Chair**

Councillor Shaw, Convener, presided.

### **In Attendance**

J Welsh, Chief Executive, H Carr, Director of Strategic Procurement, L Richard, M Mitchell and E Hay, all Strategic Programme Managers, L Campbell, Customer Services Manager, L Muir, Category Manager, N Hyde, Programme Manager, K Forrest, Office Manager, M Boyle, Senior Business Specialist, M MacRitchie, Business Services Specialist, C Kirkwood, Assistant Procurement Specialist, P Barnes, Project & Account Manager and R Feckie and H Wood, both Graduate Trainees (all Scotland Excel) and L Mitchell, Managing Solicitor (Contracts & Conveyancing) and E Currie, Senior Committee Services Officer (both Renfrewshire Council).

### **Apologies**

Councillor Dennis Leask (Shetlands Islands Council) and Councillor Walter Brogan (South Lanarkshire 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 17 March 2023.

**DECIDED:** That the Minute be approved.

## **Sederunt**

Councillor Craik joined the meeting prior to consideration of the following item of business. Councillor Larsen and Councillor Keating both joined the meeting during consideration of the following item of business.

## 2 **Contract for Approval - Supply, Delivery and Installation of Commercial Catering Equipment**

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of a second-generation renewal framework for the supply, delivery and installation of commercial catering equipment for a period of 36 months with an option to extend for a further 12 months. It was noted that subject to approval and completion of a standstill period, it was intended that the framework would commence on or around June 2023.

The report intimated that the framework would provide councils and other participating bodies with a mechanism to procure a range of gas, electric and refrigerated commercial catering equipment including, but not limited to, blast chillers, combi ovens, fridges, freezers, hot and cold holding equipment, gas ranges, mixers, dishwashers, microwaves and other associated products.

The report summarised the outcome of the procurement process for this national framework arrangement which had been divided into five lots, as detailed in table 1 of the report.

The report advised that the framework had been advertised at a total value of £1.5 million per annum, which equated to an estimated spend of £6 million over the maximum four-year term of the framework and took into account additional spend for councils to facilitate the roll-out of universal free school meals across primary 4 to 7 pupils. Appendix 1 to the report detailed the participation and spend summary of those participating in the framework.

Tender responses had been received from 16 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 the compliant offers had been carried out and Appendix 3 to the report confirmed the scoring achieved by each bidder.

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 arrangement be awarded to eight suppliers across the five lots, as outlined in Appendix 3 to the report.



Appendix 4 to 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. The report intimated that, in accordance with Scotland Excel's established contract and supplier management programme, the framework had been classified as class D in terms of risk and spend, as detailed in Appendix 5 to the report.

**DECIDED:** That the award of the multi-supplier framework for supply, delivery and installation of commercial catering equipment, as detailed in Appendix 3 to the report, be approved.

3(a) **Request for Associate Membership of Scotland Excel by Blochairn Housing Association Limited**

There was submitted a report by the Chief Executive of Scotland Excel advising that Blochairn Housing Association Limited had submitted an application to become an associate member of Scotland Excel.

The report provided details of the organisation and the legislative position in relation to the application.

**DECIDED:** That the application by Blochairn Housing Association Limited to become an associate member of Scotland Excel, with an annual membership fee of £515, be approved, subject to completion and signing of the agreement documentation.

3(b) **Request for Associate Membership of Scotland Excel by Care Inspectorate**

There was submitted a report by the Chief Executive of Scotland Excel advising that the Care Inspectorate had submitted an application to become an associate member of Scotland Excel.

The report provided details of the organisation and the legislative position in relation to the application.

**DECIDED:** That the application by the Care Inspectorate to become an associate member of Scotland Excel, with no annual membership fee, be approved, subject to completion and signing of the agreement documentation.

3(c) **Request for Associate Membership of Scotland Excel by Right There**

There was submitted a report by the Chief Executive of Scotland Excel advising that Right There had submitted an application to become an associate member of Scotland Excel.

The report provided details of the organisation and the legislative position in relation to the application.

**DECIDED:** That the application by Right There to become an associate member of Scotland Excel, with an annual membership fee of £550, be approved, subject to completion and signing of the agreement documentation.

4 **Employee Supporting Attendance Report**

There was submitted a report by the Chief Executive of Scotland Excel highlighting the absence rate in the organisation and the support mechanisms implemented to support staff members.

The report intimated that the Joint Committee had agreed that Scotland Excel should work to an absence rate of below 4% and that this target aligned Scotland Excel with partner organisations, supported good practice in this area and demonstrated the ongoing commitment to absence management as a key efficiency target.

The report advised of the absence levels for the 12-month period ending 28 February 2023 and provided a breakdown of the current month, the last six months and 12 months absence figures, together with an illustration of 12 months in days and the last 12 months in percentages.

The report noted that the rate of absence across the organisation had been maintained at below the 4% target. The 3.5% absence rate in March 2022, due to a rise in COVID-19 infections and long-term absences, had dropped significantly in April 2022 to 0.4% but then had climbed steadily to 1.9% in July 2022 due to a further increase in Covid related causes, an occurrence that had been reflected throughout the general population at that time. The percentage absence rate dropped significantly to 0.2% in August 2022 as Covid cases cleared. Within the reported period, an increase in long-term absences saw the percentage absence rate rise from 0.4% in September 2022 to 3.5% in December 2022. Overall, the rolling six months and 12 months average absence rates had been maintained at or below 2.5%.

It was noted that, in addition to actively supporting members of staff absent through ill health, Scotland Excel continued to implement positive early intervention practices including working with occupational health and other support services to maintain employee attendance and to support members of staff who might be experiencing difficulties whilst remaining at work. Scotland Excel continued to support a range of interventions for staff including occupational health referral, confidential counselling services and Cognitive Behavioural Therapy and issued wellbeing emails with further information on health initiatives which could be accessed independently by all staff.

The report intimated that Scotland Excel recognised that positive mental health amongst staff members was an area that should be actively supported and encouraged and, in addition to actively promoting good mental health practices and initiatives, had 15 staff from across all operational areas and grades who had trained as accredited Mental Health First Aiders. In providing this confidential opportunity to staff members, it was hoped that any personal difficulties experienced could be addressed at an early stage with appropriate signposting to professional support. Further training was planned in the coming year for those staff members wishing to become accredited Mental Health First Aiders.

Scotland Excel had also implemented a Mental Health at Work Commitment Action Plan which was recognised as a comprehensive tool for adopting best practice in promoting and maintaining positive mental health within the organisation. Also, that in starting the journey to become a Trauma-informed Organisation, Laura James, the National Trauma Lead from the Improvement Service, had presented to the whole Scotland Excel workforce at a face-to-face event on 22 March 2023. The next step for Scotland Excel would be to conduct a self-assessment exercise using the Quality Improvement Framework to be issued in Spring 2023.

**DECIDED:** That the contents of the report be noted.

## 5 **Structure of Contract Approval Reports**

The Chief Executive of Scotland Excel submitted a report relative to a revised methodology for presenting reports to the Executive Sub-committee seeking approval of award frameworks, which reflected Scotland Excel's focus on enhancing value for members. A copy of the proposed revised report was appended to the report.

The report proposed that, in relation to benchmarked contract performance when compared to market indices, future reports include the monetary impact resulting from the comparison; that in relation to contract benefits, future reports include further datasets that would evidence the impacts of benefits within frameworks (i) a calculation on cost avoidance achieved through collaboration, (ii) metrics to incorporate the measurement of carbon tonnage associated within framework goods or services, (iii) further measures as applicable to each framework; and (iv) in relation to information on suppliers recommended for award, the formatting of appendices be changed.

The report intimated that the changes proposed in the report would be introduced over the coming months as each report seeking approval for a contract award was brought to the Sub-committee and that any further proposals for changes to content would be brought back to the Sub-committee.

**DECIDED:** That the change to methodologies used when presenting recommendations for the award of new frameworks be approved.

## 6 **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 May 2023.

## **Minute of Meeting Scotland Excel Executive Sub-committee**

<b>Date</b>	<b>Time</b>	<b>Venue</b>
Friday, 19 May 2023	09:30	Remote using Microsoft Teams Platform,

### **Present**

Councillor David Keating (Aberdeenshire Council); Councillor Kenny Macleod (Comhairle Nan Eilean Siar); Councillor Altany Craik (Fife Council); Councillor Ruairi Kelly (Glasgow City Council); Councillor Derek Loudon (Highland Council); Councillor Christina Larsen (North Ayrshire Council); Councillor Michael McPake (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council); Councillor Dennis Leask (Shetland Islands Council); Councillor Peter Henderson (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 Richard and M Mitchell, both Strategic Programme Managers, L Campbell, Customer Services Manager, L Muir, Category Manager, S Christie, Commercial Programme Manager, C Richardson, Senior Procurement Specialist, LA Campbell, Academy Tutor, S Roberts, Project & Accounts Manager, N Hyde, Programme Manager, K Forrest, Office Manager and H Wood and R Baird, both Graduate Trainees (all Scotland Excel) and C McCourt, Head of Finance & Procurement (for items 1 to 6 only), A McMahon, Chief Auditor (for items 1 to 4 only), L Mitchell, Managing Solicitor (Contracts & Conveyancing), E Currie, Senior Committee Services Officer, K O'Neill, Assistant Democratic Services Officer and T McGowan, Senior Accountancy Assistant (all Renfrewshire 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 21 April 2023.

**DECIDED:** That the Minute be approved.

## 2 **Revenue Budget Monitoring Report to 31 March 2023**

There was submitted a joint revenue budget monitoring report by the Treasurer and the Chief Executive of Scotland Excel for the period 1 April 2022 to 31 March 2023.

The report intimated that at the end of financial year 2022/23, Scotland Excel had generated a small overspend of £0.002 million in its core activities and an increase of £0.270 million in committed project reserves and that this was after a contribution from projects to core services of £0.253 million. Further detail was provided in section 3 of the report.

The report advised that the unaudited annual accounts for the year would be presented to the meeting of the Joint Committee on 16 June 2023.

Appendix 1 to the report provided an analysis of the actual spend at year-end for projects along with a summary of movement in the project reserves.

**DECIDED:** That the report be noted.

## 3 **Internal Audit Engagement - Workforce Planning Arrangements**

There was submitted a report by the Chief Auditor, Renfrewshire Council, relative to Internal Audit's report summary on workforce planning arrangements.

The report intimated that in line with the Public Sector Internal Audit Standards, Internal Audit must communicate the results of each engagement to the Executive Sub-committee. It was noted that the Chief Auditor would report summaries of completed audit engagements on the conclusion of each engagement for formal consideration by members in line with best practice.

The summary for the internal audit review of workforce planning arrangements, completed in December 2022, was appended to the report and detailed the overall assurance rating, the number of recommendations in each category and the detailed committee summary for the engagement.

**DECIDED:** That the summary for the Internal Audit engagement of workforce planning arrangements be noted.

#### 4 **Internal Audit Annual Report 2022/23**

There was submitted a report by the Chief Auditor, Renfrewshire Council, relative to the Internal Audit Annual Report on Scotland Excel 2022/23.

The report intimated that the Public Sector Internal Audit Standards required that the Chief Auditor prepare an annual report on the internal audit activity's purpose, authority and responsibility as well as performance relative to its plan. The report must also provide an audit opinion on the overall adequacy and effectiveness of the internal control environment of the audited body.

The Annual Report for Scotland Excel formed the appendix to the report and outlined the role of internal audit, the performance of the internal audit team, the main findings from the internal audit work undertaken in 2022/23 and contained an audit assurance statement.

**DECIDED:** That the Internal Audit Annual Report 2022/23 be noted.

#### **Sederunt**

Councillor Larsen joined the meeting during consideration of the following item of business.

#### 5 **Contract for Approval: Property Maintenance and Refurbishment**

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of a first-generation national framework for property maintenance and refurbishment services for a period of two years from the commencement date, with an option to extend for up to a further 24-month period. It was noted that subject to approval and completion of a standstill period, it was intended that the framework would commence in June 2023.

The report intimated that the framework would provide members with a mechanism to procure a range of property maintenance and refurbishment services and would complement Scotland Excel's existing construction portfolio.

The report summarised the outcome of the procurement process for this national framework arrangement which had been divided into 15 lots and then subdivided by 12 geographical regions, as detailed in tables 1 and 2 of the report.

The report advised that the framework had been advertised with an estimated spend of £300 million over the maximum four-year term of the framework.

Tender responses had been received from 101 suppliers and Appendix 2 to the report provided a summary of the offers received. The report advised that two tenderers were deemed non-compliant and advised that their offers would not be considered further. Both tenderers were non-compliant for the lot and regions they tendered for as they failed to submit a required element of the commercial submission in accordance with the published tender. All non-compliant offers were detailed in Appendices 2 and 3 of the report.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the compliant offers had been carried out and Appendix 3 to the report confirmed the scoring achieved by each bidder for each lot and region. Appendix 3 also detailed the lot specific regions where no offers had been received.

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-contractor framework arrangement be awarded to 88 suppliers across the 15 lots and respective geographic regions, as outlined in Appendix 3 to the report.

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. The report intimated that, in accordance with Scotland Excel's established contract and supplier management programme, in terms of risk and spend, the framework had been classified as class B.

It was noted that one of the recommended tenderers had recently changed their company name and that all references to "Bell Group UK Limited" would now be "Bell Global Property Services (UK) Limited".

**DECIDED:**

(a) That the award of the multi-contractor framework for property maintenance and refurbishment, as detailed in Appendix 3 to the report, be approved; and

(b) That it be noted that one of the recommended tenderers had recently changed their company name and that all references to "Bell Group UK Limited" would now be "Bell Global Property Services (UK) Limited".

**6 Request for Associate Membership: Robert Gordon University**

There was submitted a report by the Chief Executive of Scotland Excel advising that Robert Gordon University had submitted an application to become an associate member of Scotland Excel.

The report provided details of the organisation and the legislative position in relation to the application.

**DECIDED:** That the application by Robert Gordon University to become an associate member of Scotland Excel, with no annual membership fee, be approved, subject to completion and signing of the agreement documentation.

**7 Update on the Contract Delivery Plan**

There was submitted a report by the Chief Executive of Scotland Excel providing a progress update on the 2023/24 contract delivery plan.

The report intimated that the contract delivery plan detailed new framework developments and renewals, flexible frameworks, framework extensions and frameworks with ongoing contract management only and appendices 1 to 4 to the report provided further details.

The report highlighted that, at any given point, there were around 70 frameworks in the Scotland Excel contract portfolio, and it was intended that a further six frameworks would be developed and added to the portfolio in the coming year. In addition, 22 frameworks would be renewed during 2023/24 and a further 12 of these frameworks had extension options that were available to be exercised in 2023/24, with 3 of these extensions already approved.

The report noted that the estimated forecast value of the Scotland Excel framework portfolio was approximately £2 billion and that overall, efficiencies created by frameworks awarded so far during 2023/24 were benchmarked at 1.70%, which was slightly below the forecast range. This figure did not include the additional benefit to members for each framework via the indexation model which provided data on how the framework pricing compared to market indices relevant to the commodity being sourced. This was provided to ensure that Scotland Excel was able to manage pricing in volatile markets ensuring a favourable commercial outcome for members.

A summary of spend and forecast savings per council for the period January to December 2022 was detailed in Appendix 5 to the report, with an average forecast efficiency of circa 1.18%.

The report advised that in addition to the activity detailed in appendices 1 to 4, Scotland Excel was exploring the benefits of further collaborative procurement across high spend, critical service areas in construction, corporate, ICT and social care. Consolidation of the existing markets was currently underway in order to create capacity to add new activities to the portfolio and support strategically significant areas of spend, with some existing frameworks within related markets being considered for merger and some lower value frameworks not being renewed.

**DECIDED:** That the progress made to date be noted.

## **Sederunt**

Councillor Leask left the meeting during consideration of the following item of business.

### **8 Operating Plan Update 2022/23**

There was submitted a report by the Chief Executive of Scotland Excel relative to operating plan activity for the period 1 January to 31 March 2023. A copy of the operating plan for 2022/23 was appended to the report.

The report intimated that an operating plan, covering the period from 1 April 2022 to 31 March 2023, had been approved at the meeting of the Scotland Excel Joint Committee held on 10 December 2021. The report highlighted that, as at the end of March 2023, 31 operating plan commitments had been completed and that three commitments remained incomplete. It was noted that work would continue on these actions and updates provided in future reports.

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 with the most recent quarterly report being submitted to the Joint Committee with recent updates noted.



**DECIDED:** That Scotland Excel's progress in delivering the commitments contained within the operating plan 2022/23 be noted.

## **Sederunt**

Councillor Kelly left the meeting during consideration of the following item of business.

### **9 Strategic Risk Register Update**

There was submitted a report by the Chief Executive of Scotland Excel providing an update on the Strategic Risk Register maintained to assess threats and risks that could impact on the delivery of Scotland Excel's 5-year strategy and to identify controls that were in place to mitigate these risks. A copy of the Strategic Risk Register was appended to the report.

The report intimated that the Strategic Risk Register had been developed using methodology set out in the Strategic Risk Strategy approved by the Joint Committee in December 2022. Currently there were 12 strategic risks ranging in assessed risk score from 9 to 20 and a summary of key statistics in relation to each identified risk was detailed in the Register.

The report advised that the Strategic Risk Register was maintained and reviewed regularly by the Senior Management Team and key officers with particular expertise in certain risks areas. The Register continued to be a focus of the organisation with actions being undertaken in mitigation of the risks on-going throughout the year.

**DECIDED:** That the Strategic Risk Register be noted.

### **10 Date of Next Meeting**

The Convener advised that the next meeting of the Executive Sub-committee scheduled to be held on 16 June 2023 would be cancelled due to lack of substantive business. Further that the next meeting of the Sub-committee would be held remotely on MS teams at 9.30 am on 18 August 2023.

**DECIDED:**

(a) That it be noted that the meeting of the Executive Sub-committee scheduled to be held on 16 June 2023 would be cancelled due to lack of substantive business; and

(b) That it be noted that the next meeting of the Sub-committee would be held remotely on MS teams at 9.30 am on 18 August 2023.