

Minute of Meeting Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 16 February 2024	09:30	Remotely by MS teams,

Present

Councillor David Keating (Aberdeenshire 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 Larson (North Ayrshire Council); Councillor John Shaw (Renfrewshire Council); Councillor Dennis Leask (Shetland Islands Council); Councillor Chris Cullen (South Ayrshire Council) and Councillor Walter Brogan (South Lanarkshire Council).

Chair

Councillor Shaw, Convener, presided.

In Attendance

J Welsh, Chief Executive, H Carr, Director of Strategic Procurement, S Brannagan, Director of Customer & Business Services, L Campbell, Customer Services Manager, M Mitchell, Chief Procurement Officer, L Muir, Strategic Programme Manager, E Walker, Procurement Co-ordinator, N Hyde, Skills Resources Manager, S Christie, Commercial Programme Manager, K Forrest, Office Manager, P Barnes, Project and Accounts Manager, H Wood, Business Intelligence Officer and J Weaver, Assistant Category Manager (all Scotland Excel); and L Mitchell, Managing Solicitor (Contracts & Conveyancing), A Burns, Corporate Finance Manager, D Blackburn, Principal Accountant and E Currie, Senior Committee Services Officer (all Renfrewshire Council).

Apologies

Councillor Brenda Durno (Angus Council), Councillor Ruairi Kelly (Glasgow City Council) and Councillor Michael McPake (North Lanarkshire Council).

Declarations of Interest and Transparency Statements

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

1 Minute

There was submitted the Minute of the meeting of the Executive Sub-committee held on 26 January 2024.

In relation to item 3(i) - Contract for Approval: Security Services and Cash Collection - members were advised that following approval of the recommendations, further investigations were undertaken with the Regulator in respect of two bidders. The outcome was that one of the bidders, Profile Security Services Limited, was successful and could participate in the framework as the Chief Executive was satisfied with clarifications provided. The Chief Executive found that the other bidder, Confida FM Limited, no longer complied with the advertised selection criteria and as a result the bidder was not eligible for award and was no longer recommended for award to Lot 1.

Members were further advised that this outcome necessitated approval of an updated Appendix 2 for lot 1 to record the new outcome for Confida FM Limited and related minor variances to the commercial score, total score and placing for other bidders within lot 1. It was noted that no other changes to the recommendations for the lot arose and that updated scores and lot placings were highlighted in the revised table which would be circulated to members following the meeting.

DECIDED:

(a) That the Minute be approved; and

(b) That the update in relation to item 3(i) - Contract for Approval: Security Services and Cash Collection – be noted and that the updated Appendix 2 for lot 1 be approved.

Sederunt

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

2 Contract for Approval: Supply and Delivery of Civic Supplies

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 and delivery of civic supplies for a period of 48 months, comprising a period of 36 months with the option to extend for up to an additional 12-month period. It was noted that subject to approval and completion of a standstill period, the framework would commence in April 2024.

The report intimated that the framework would allow Councils to procure a range of beverages including kegs of beer, wine, soft drinks and spirits for civic functions and sites that had bar facilities.

The report summarised the outcome of the procurement process and it was noted that the framework agreement would be awarded to a single supplier with an estimated spend of around £1.25 million over the maximum four-year period and as a single requirement with no individual lots. Appendix 1 to the report detailed the participation, spend and savings summary for those participating in the framework.

Tender responses had been received from three suppliers, two of which were non-compliant, and their offers were subsequently withdrawn. Based on the criteria and scoring methodology set out in the tender documents, a full evaluation of the compliant offer had been carried out with the confirmed overall scoring achieved by the supplier detailed in Appendix 2 to the report.

Based on the evaluation undertaken, and in line with the advertised requirement, criteria and weightings set out in the report, it was recommended that the framework be awarded to a single operator, as outlined in Appendix 2 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 together with the other benefits that would be achieved through the framework. The report intimated that, in accordance with Scotland Excel's established contract segmentation tool, the framework had been classified as class D.

DECIDED: That the award of the framework agreement for the supply and delivery of civic supplies, as detailed in Appendix 2 to the report, be approved.

3 **Update on the Contract Delivery Plan**

There was submitted a report by the Chief Executive of Scotland Excel providing a progress update on the 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. It was intended that a further five frameworks would be developed and added to the portfolio, 20 frameworks would be renewed, and 12 frameworks had extension options that were available to be exercised, with six 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 1.59%. Appendix 5 to the report summarised the savings in accordance with the Scottish Government procurement benefits reporting guidance and Appendix 6 to the report detailed a summary of spend per Council across the portfolio between October 2022 and September 2023.

DECIDED: That the progress made to date be noted.

4 Project Proposals

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

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

The report provided detail on two projects, namely the provision of free commercial training to Councils and the extension of the national savings team. The report highlighted that the funding requirement for the provision of free commercial training to Councils would be £65k for 2024/25 and £65k for 2025/26, a total draw down of £130k from reserves to fund a full-time resource within the Academy team to develop and deliver the service. The funding requirement for the extension of the national savings team would be £150k for 2024/25 and £150k for 2025/26, a total draw down of £300k from reserves over two years to fund two full time resources within the team to deliver cashable financial savings. It was noted that sustainability for these services beyond the two years would be a key target for the teams.

In relation to the three projects detailed in sections 4.5.1, 4.5.2 and 4.5.3 of the report, the Chief Executive advised that further detail in relation to the spend and the financial impact on Councils would be issued to members.

DECIDED:

(a) That the project funding and draw down from agreed reserves for 2024/25 and 2025/26 of £65k per annum for the provision of free commercial training to members and £150k per annum for the provision of the national savings team be approved; and

(b) That it be noted that in relation to the three projects detailed in sections 4.5.1, 4.5.2 and 4.5.3 of the report, the Chief Executive would provide further detail in relation to the spend and the financial impact on Councils to members.

5 Business Intelligence Strategy and Action Plan

There was submitted a report by the Chief Executive of Scotland Excel relative to Scotland Excel's approach to developing business intelligence within the organisation from 2024 to 2026.

The report intimated that the Business Intelligence Strategy and Action Plan had been developed following approval of Scotland Excel's Corporate Strategy 2023/28 and Operating Plan by the Joint Committee on 8 December 2023. The Strategy, which formed Appendix 1 to the report, outlined the organisation's vision of, and approach to, maximising the impact of data analysis and reporting to the organisation and its members. The Action Plan, which formed Appendix 2 to the report, outlined the key focus areas for development of business intelligence within Scotland Excel.

The report advised that business intelligence involved transforming data into insights that could inform decision making and planning and the sharing of these insights could support Scotland Excel and its members to be proactive to the changing demands within local authorities and the public sector.

DECIDED: That the Scotland Excel Business Intelligence Strategy and Action Plan 2024/26 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 15 March 2024.