

Minute of Meeting Scotland Excel Joint Committee

Date	Time	Venue
Friday, 16 June 2023	10:45	Remotely by MS teams,

Present

Councillor Alex McLellan and Councillor Sandra Macdonald (Aberdeen City Council); Councillor David Keating and Councillor Alastair Forsyth (Aberdeenshire Council); Councillor Brenda Durno (Angus Council); Councillor William Sinclair (Argyll and Bute Council); Councillor Adam McVey (City of Edinburgh Council); Councillor Ellen Forson (Clackmannanshire Council); Councillor Kenny Macleod (Comhairle Nan Eilean Siar); Councillor Carolyn Wilson (Dumfries and Galloway Council); Councillor Calum Smith (East Dunbartonshire Council); Councillor John McMillan (East Lothian Council); Councillor Altany Craik and Councillor Ross Vettraino (Fife Council); Councillor Ruairi Kelly and Councillor Rashid Hussain (Glasgow City Council); Councillor Neil McLennan (Moray Council); Councillor Christina Larsen (North Ayrshire Council); Councillor Michael McPake and Councillor Gary Robinson (North Lanarkshire Council); Councillor Sheila McCole (Perth and Kinross Council); Councillor John Shaw (Renfrewshire Council); Councillor Mark Rowley (Scottish Borders Council); Councillor Peter Henderson (South Ayrshire Council); Councillor Eileen Logan and Councillor Walter Brogan (South Lanarkshire Council); Councillor Rachel Nunn (Stirling Council); Councillor Daniel Lennie (West Dunbartonshire Council) and Councillor Anne McMillan (West Lothian Council).

Chair

Councillor John Shaw, Convener, presided.

In Attendance

J Welsh, Chief Executive, S Brannagan, Director of Customer & Business Services, H Carr, Director of Strategic Procurement, L Campbell, Corporate Services Manager, M Mitchell and L Richard, both Strategic Procurement Managers, S Christie, Commercial Programme Manager, E Hay, Strategic Programme Manager, P Barnes, Project and Account Manager, N Hyde, Programme Manager, K Forrest, Office Manager, L Mooney, Senior Communications Specialist, M Boyle, Senior Business Services Specialist, C Kirkwood, Assistant Procurement Specialist, N French, Customer Services Assistant and A Park, Graduate Trainee (all Scotland Excel); C McCourt, Head of Finance & Procurement, L Mitchell, Managing Solicitor (Contracts & Conveyancing), A Burns, Corporate Finance Team Manager, E Currie, Senior Committee Services Officer, T McGowan, Senior Accountancy Assistant (for items 1 to 6 only) and K O'Neill, Assistant Democratic Services Officer (all Renfrewshire Council).

Apologies

Councillor Mandy Watt (City of Edinburgh Council); Councillor Lynne Short (Dundee City Council); Councillor Stephen Canning (East Ayrshire Council); Councillor Margaret Anslow (Falkirk Council); Councillor Derek Loudon (Highland Council) and Councillor Martin McCluskey (Inverclyde Council).

Declarations of Interest

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

1 Minute of Joint Committee

There was submitted the Minute of the meeting of the Joint Committee held on 9 December 2022.

DECIDED: That the Minute be approved.

2 Minutes of Executive Sub-committee

There were submitted the Minutes of the meetings of the Executive Sub-committee held on 9 December 2022 and 27 January, 17 February, 17 March, 21 April and 19 May 2023.

DECIDED: That the Minutes be approved.

Sederunt

Councillors McPake, Brogan, Macleod and Smith joined the meeting during consideration of the following item of business.

3 Presentation

The Chief Executive of Scotland Excel gave a presentation to members providing updates under the categories of delivering savings; funding; and reshaping Scotland Excel.

In relation to delivering savings, the Chief Executive provided an update on the national savings projects launched mid-2022 and the work being undertaken with the CEOMG and the Chief Executive Transformation Group, savings related work, framework utilisation which included information on the link between framework utilisation and member savings, the focus on growth of utilisation and on how Scotland Excel demonstrated value.

In relation to funding, the Chief Executive provided an overview of the budget process which included information on annual requisitions, the budget reported to the Joint Committee in December of each year, rebates, spend reviews and future funding.

In relation to reshaping Scotland Excel, the Chief Executive provided an update on the work being undertaken by the organisation to reprioritise resources and the potential impact on current plans, the tensions around procurement which included policy versus price and the need for a two-tiered approach to procurement, being community wealth building and maximising value for money and supply chain disruption.

The Chief Executive of Scotland Excel ended the presentation by advising members that the organisation would continue to seek efficiencies, that savings for members would remain a priority and how resources would be reprioritised.

DECIDED: That the presentation be noted.

Sederunt

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

4 Unaudited Annual Accounts 2022/23

There was submitted a report by the Treasurer relative to Scotland Excel's unaudited Annual Accounts for 2022/23, a copy of which were attached to the report.

The report intimated that the accounts for the year ended 31 March 2023 would be submitted to the external auditor, Azets, for audit in advance of the statutory deadline of 30 June 2023. The accounts indicated that Scotland Excel's core activities resulted in a small overspend of £1,870 in 2022/23 compared to a budgeted break-even position and that projects returned income of £269,985 over expenditure. This resulted in a combined balance of £268,115 which had been added to usable reserves, which were committed for use as outlined in note 3 to the accounts.

The management commentary within the accounts provided an overview of Scotland Excel's performance during 2022/23 along with risk information and its outlook for the future.

The report advised that the Local Authority Accounts (Scotland) Regulations 2014 required that Scotland Excel prepare and publish a set of accounts, including an Annual Governance Statement, by 30 June each year. The unaudited accounts were then required to be formally considered by the Joint Committee and the Annual Governance Statement should be formally approved at this time.

Further, that in accordance with the Regulations, the unaudited Annual Accounts would then be signed by the Treasurer as proper officer. The accounts would then be subject to external audit by the Joint Committee's appointed auditor, Azets, by 30 September. The 2022/23 audited Annual Accounts were scheduled to be presented to the Executive Sub-committee on 15 September 2023 for approval and signing by the Convener, the Chief Executive of Scotland Excel and the Treasurer, in accordance with the regulations.

DECIDED:

- (a) That the unaudited Annual Accounts for 2022/23 be noted; and
- (b) That the Annual Governance Statement be approved.

Sederunt

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

5 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 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 advised 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.

6 **Procurement Commercial Improvement Programme (PCIP) Update**

There was submitted a report by the Chief Executive of Scotland Excel providing an update on the status of the work undertaken by Scotland Excel to support Councils with the Procurement Commercial Improvement Programme (PCIP), the maturity model introduced in 2015 to assess Scottish public sector procurement performance in a common format.

The report intimated that PCIP Pulse Check was due to commence in 2023 with the offer of a new approach to further support the sector, focussing on the policies and procedures driving procurement performance and the results they delivered. An assessment model had been developed offering a reduced question set and streamlined process for organisations whilst still assessing and supporting current procurement priorities. This hybrid model allowed for greater flexibility and consisted of a blended question set that could be tailored by the assessing centre of expertise (CoE) to the organisation and the sectoral context. The model consisted of 11 mandatory and nine discretionary questions, and these were detailed in the appendix to the report.

The report advised that Scotland Excel had worked with colleagues within Scottish Government and in conjunction with other public sector centres of expertise to consider the assessment route for 2023/24 to be undertaken between October 2023 and March 2024. Eight Councils had opted not to participate in the next tranche of assessments but all good practice and learning gathered as a result of assessments would be shared with all members. A number of Councils had volunteered to undertake pilot assessments over the coming months and output would be shared with the wider community. Most Councils had requested that assessments be conducted at the end of the assessment period and Scotland Excel would undertake most assessments in February and March 2024.

DECIDED:

(a) That Scotland Excel's progress in supporting sectoral procurement assessments be noted; and

(b) That it be noted that a report on findings would be presented to the Executive Subcommittee and Joint Committee in June 2024.

7 **Annual Procurement Report**

There was submitted a report by the Chief Executive of Scotland Excel relative to Scotland Excel's annual procurement report, a copy of which was appended to the report.

The report intimated that the Procurement Reform (Scotland) Act 2014 (the Act) worked alongside procurement regulations to provide a national legislative framework for sustainable public procurement and supported Scotland's economic growth through improved procurement practice. The Act focussed on a small number of general duties on contracting authorities regarding their procurement activities and some specific measures aimed at promoting good, transparent and consistent practice.

The report advised that since the introduction of the Act, public bodies with an estimated procurement spend of £5 million or more required to publish an annual procurement

strategy, or a published revision of the previous strategy, and an annual procurement report. The Act set out what, as a minimum, each annual procurement report must contain. Scotland Excel was not obligated to produce an annual report, it was prepared and submitted on a voluntary basis providing evidence of good practice carried out through collaboration in Scotland's public sector.

The report further advised that annual procurement reports were expected to be published as soon as reasonably practicable after the end of the financial year, which for Scotland Excel was 31 March, and should be relevant and proportionate, provide transparency of purchasing activities, and address all matters contained in the organisation's procurement strategy.

The report further intimated that the Act required Scottish Ministers to publish an annual report on procurement activity in Scotland providing an overview of public procurement activity informed by the individual annual procurement reports published by contracting authorities in Scotland. Annual procurement reports were expected to be published no later than 5-months following the end of the contracting authority's financial year and Scotland Excel's annual procurement report required to be published no later than the end of August 2023, subject to approval by the Joint Committee. The Scotland Excel annual report would then be considered along with those of other public bodies subject to this requirement and included in the overview when Scottish Ministers produced the national report.

DECIDED:

- (a) That the content of the report be noted; and
- (b) That publication of the Annual Procurement Report, as appended to the report, be approved for submission to the Scottish Government by 30 September 2023.

8 Care Update

There was submitted a report by the Chief Executive of Scotland Excel providing an update on the work of the social care team.

In relation to Children's Services, the report provided an update on the framework for Children's Residential Care and Education including Short Breaks and an update on Reimagining Secure Care. In relation to Adult Services, the report provided updates on the National Care Service (NCS); the National Care Home Contract (NCHC) and the Residential Rehabilitation project.

The report intimated that the contracts in the social care portfolio typically allowed for a process of annual fee uplift requests which gave awarded providers the opportunity to request increases to the agreed pricing of services. To guide the approach and ensure alignment with local authority expectations, senior representatives of Councils had been approached to form governance groups and children's services had held several meetings to discuss and agree the approach to fee-reviews on an annual basis. Adult services were establishing a similar group to allow for consistency across the social care portfolio.

Table 1 of the report summarised the price uplift requests received across the children's services contract portfolio and table 2 of the report summarised the price uplift requests received across the adult services contract portfolio.

DECIDED: That the contract updates be noted and supported.

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 risk 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.

Sederunt

Councillor Robinson and Councillor Anne McMillan left the meeting during consideration of the following item of business.

10 **Supporting Attendance, Special Leave and Hospitality**

There was submitted a report by the Chief Executive of Scotland Excel relative to staff absence rates, special leave given to staff and hospitality granted by the organisation for the 2022/23 financial year.

The report intimated that the Joint Committee had agreed that Scotland Excel 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 that during 2022/23, the average sickness rate per full time equivalent member of staff had been 4.0 days. In total, 428.5 sickness leave days had been reported across all staff during 2022/23 representing an average sickness absence rate of 2.0%. Scotland Excel would continue to monitor this and ensure that, where required, staff were given appropriate support to maintain attendance. The graph in section 2 of the report provided monthly percentage absence figures for staff during 2022/23.

The report further advised 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; 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; had 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; and had started the journey to become a Trauma-informed Organisation with Laura James, the National Trauma Lead from the Improvement Service, presenting to the whole Scotland Excel workforce at a face-to-face event in March 2023. The next step for Scotland Excel would be to conduct a self-assessment exercise using the Quality Improvement Framework issued in Spring 2023.

The report indicated that in terms of the Scheme of Delegation, the Chief Executive had authority to permit any member of staff to absent themselves occasionally and temporarily during business hours and also to approve the provision of reasonable hospitality to a maximum of £1,000 in relation to any one occasion. Further detail in relation to requests for special leave and hospitality were provided in sections 3 and 4 of the report.

DECIDED: That the contents of the report be noted.

11 **Date of Next Meeting**

DECIDED: That it be noted that the next meeting of the Joint Committee would be held remotely on MS teams at 10.45 am on 8 December 2023.

Valedictory

The Convener advised members that Councillor Peter Henderson would be retiring from South Ayrshire Council at the end of June 2023 and that this would be his last Joint Committee meeting. On behalf of the Joint Committee, the Convener thanked Councillor Henderson for his attendance, participation and support during his membership of Scotland Excel.