

Notice of Meeting and Agenda Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 21 June 2024	09:30	Remotely by MS teams,

MARK CONAGHAN
Clerk

Membership

Councillor John Shaw (Renfrewshire Council) (Convener) and Councillor Altany Craik (Fife Council) (Vice Convener).

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 Ruairi Kelly (Glasgow City Council): Councillor Derek Loudon (Highland Council): Councillor Christina Larsen (North Ayrshire Council): Councillor Michael McPake (North Lanarkshire Council): Councillor Dennis Leask (Shetland Islands Council): Councillor Chris Cullen (South Ayrshire Council): Councillor Walter Brogan (South Lanarkshire Council).

Further Information - online meetings only

This meeting is on-line only but is a meeting which is open to members of the public by prior arrangement. A copy of the agenda and reports for this meeting will be available for inspection prior to the meeting at the Customer Service Centre, Renfrewshire House, Cotton Street, Paisley and online at <http://renfrewshire.cmis.uk.com/renfrewshire/CouncilandBoards.aspx>

For further information, please email democratic-services@renfrewshire.gov.uk

Members of the Press and Public - contact details

Members of the press and public wishing to attend the meeting should contact democratic-services@renfrewshire.gov.uk to allow the necessary arrangements to be made.

Items of business

Apologies

Apologies from members.

Declarations of Interest and Transparency Statements

Members are asked to declare an interest or make a transparency statement in any item(s) on the agenda and to provide a brief explanation of the nature of the interest or the transparency statement.

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|-------------|--|----------------|
| 1 | Minute | 5 - 12 |
| | Minute of meeting of the Executive Sub-committee held on 17 May 2024. | |
| 2(a) | Contract for Approval: Supply and Delivery of Community Meals | 13 - 28 |
| | Report by Chief Executive of Scotland Excel. | |
| 2(b) | Contract for Approval: Supply and Delivery of Waste Disposal Equipment | 29 - 38 |
| | Report by Chief Executive of Scotland Excel. | |
| 3 | Care and Support Flexible Framework Agreement | 39 - 40 |
| | Report by Chief Executive of Scotland Excel. | |
| 4 | Request for Associate Membership: Milnbank Housing Association Limited | 41 - 42 |
| | Report by Chief Executive of Scotland Excel. | |
| 5 | Date of Next Meeting | |
| | Note that the next meeting of the Executive Sub-committee will be held at 9.30 am on 23 August 2024. | |



Minute of Meeting Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 17 May 2024	09:30	Remotely by MS teams,

Present

Councillor Colin Simpson (substitute for Councillor David Keating) (Aberdeenshire Council); Councillor Brenda Durno (Angus Council); Councillor Kenny Macleod (Comhairle Nan Eilean Siar); Councillor Carolyne Wilson (Dumfries & Galloway 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 Dennis Leask (Shetland Islands 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 and J McKerrell, both Strategic Programme Managers, N Hyde, Skills Resources Manager, K Forrest, Office Manager, G Montgomery, Category Manager, G Maxwell, Procurement Co-ordinator, H Wood, Business Intelligence Officer, L Robertson, Project and Accounts Manager, P Raymond, Assistant Category Manager, S Whitehead, Category Manager – ICT and S Christie, Commercial Programme Manager (all Scotland Excel); and A McMahan, Chief Internal Auditor, L Mitchell, Managing Solicitor (Contracts & Conveyancing), A Burns, Corporate Finance Manager, D Blackburn, Principal Accountant, T McGowan, Senior Accountancy Assistant and E Currie, Senior Committee Services Officer (all Renfrewshire Council).

Apologies

Councillor David Keating (Aberdeenshire Council), Councillor Altany Craik (Fife 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.

Transparency Statements

Councillor Shaw indicated that he had a connection to item 7 by reason of him holding the position of President of the Students Union of the University of Paisley, now the University of the West of Scotland. However, he indicated that he had applied the objective test and did not consider he had an interest to declare.

1 Minute

There was submitted the Minute of the meeting of the Executive Sub-committee held on 19 April 2024.

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 2023 to 31 March 2024.

The report advised that at the end of financial year 2023/24, Scotland Excel had generated a small surplus of £0.80 million in its Core activities and an increase of £0,853 million in committed Project Reserves. Further detail was provided in section 3 of the report.

It was noted that the date referred to in paragraph 3.1 of the report should read 31 March 2024.

DECIDED: That the report, as amended, be noted.

Sederunt

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

3 **Internal Audit Annual Report 2023/24**

There was submitted a report by the Chief Auditor, Renfrewshire Council, relative to the Internal Audit Annual Report on Scotland Excel 2023/24.

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 2023/24 and contained an audit assurance statement.

DECIDED: That the Internal Audit Annual Report 2023/24 be noted.

Sederunt

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

4 **Update on the Contract Delivery Plan**

There was submitted a report by the Chief Executive of Scotland Excel providing a progress update on the 2024/25 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 two frameworks would be developed and added to the portfolio, 20 frameworks would be renewed, and 14 frameworks had extension options that were available to be exercised, with three of these extensions already approved.

The report advised that the estimated forecast value of the Scotland Excel framework portfolio was approximately £2.14 billion and that overall, efficiencies created by frameworks awarded so far during 2024/25 were benchmarked at 1.67% of the value of those frameworks. Appendix 5 to the report set out Scotland Excel's updated methodology for calculating efficiencies 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 January and December 2023.

DECIDED: That the progress made to date be noted.

5 **Contract for Approval: Supply and Delivery of Technology Enabled Care Goods**

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 Technology Enabled Care Goods for a period of up to 24 months with an option to extend for a further two 12-month periods subject to satisfactory operation and performance.

The report intimated that the framework would allow Councils to procure a range of technology enabled care goods including digital dispersed alarms, alarm triggers, health and care peripherals, smoke alarms, GPS devices with ancillary monitoring, phones and key storage compartments and other associated products.

The report summarised the outcome of the procurement process which contained nine lots as detailed in Table 1 of the report. The framework had been advertised with a value of up to £6.25 million per annum, totalling an estimated spend of £25 million over the maximum four-year period of the framework. Appendix 1 to the report detailed the participation, spend and savings summary for those participating in the framework.

Tender responses had been received from 22 suppliers and, based on the criteria and scoring methodology set out in the tender documents, a full evaluation of the offers had been carried out with the confirmed overall scoring achieved by each supplier detailed in Appendix 2 to the report. One bidder was partially non-compliant with the published specification and was not able to be evaluated for lot 2 as a result.

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 18 suppliers across 8 lots, as outlined in Appendix 2 to the report, subject to satisfactory conclusion of insurance checks.

The report advised that lot 9 (Warden Call Systems) was not recommended for award as part of the establishment of this framework due to telecare being in a transitional period, with significant innovation providing new ways of working, driven by the change from analogue to digital technology. Bids received for this lot were sufficiently diverse that they could not be equally evaluated on a like-for-like basis, as per the evaluation methodology.

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 Technology Enabled Care Goods, as detailed in Appendix 2 to the report, be approved.

6 **Net Zero Strategy Update 2023/24**

There was submitted a report by the Chief Executive of Scotland Excel detailing Scotland Excel's progress in delivering the objectives contained within the Net Zero Strategy for 2023/204, a copy of which was appended to the report.

The report intimated that at a meeting of the Executive Sub-committee held on 17 March 2023, Scotland Excel's Net Zero Strategy 2023/28 had been approved. This 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 strategy was supported with a detailed action plan with objectives to deliver on short and medium-term (2023/25) and longer-term (2025/28) net zero related priorities.

The report advised that an internal Net Zero Working Group met monthly to identify and deliver actions identified in the strategy. A progress tracker managed Scotland Excel's activity against the Net Zero Strategy Objectives and a commitment of the strategy was that a progress report would be submitted to the Executive Sub-committee at the end of each financial year.

DECIDED: That Scotland Excel's progress in delivering the objectives contained within the Net Zero Strategy for 2023/24 be noted.

Sederunt

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

7 Request for Associate Membership: The University of the West of Scotland

There was submitted a report by the Chief Executive of Scotland Excel advising that the University of the West of Scotland had applied 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 University of the West of Scotland to become an associate member of Scotland Excel, with no annual membership fee, be approved, subject to completion and signing of the agreement documentation.

8(a) Project Proposal: Commercial Analysis

There was submitted a report by the Chief Executive of Scotland Excel relative to a project being proposed to be funded from the use of reserves as a result of surpluses which would be generated by changes to the Strathclyde Pension Fund employer's contributions.

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 a project to fund the appointment of a dedicated resource to manage detailed commercial analysis required to ensure that the local government community was furnished with appropriate information, extracted from the analysis of markets and suppliers' responses, to enable councils to drive great efficiency from procurement work. The project would develop business cases for improving data analysis activity and, where beneficial, make recommendations on the use of additional digital tools. The report provided further detail on the project and highlighted that the funding requirement for the addition of a Lead Commercial Analyst at Grade 11 for a period of 12 months, on a fixed-term contract, would be a total commitment of £68,497, being an estimated cost of £54,798 for year 1 (10 months) and £13,699 for year 2 (2 months).

DECIDED: That the project funding and draw down from agreed reserves for 2024/25 and 2025/26 of a total commitment of £68,497, being £54,798 for year 1 (10 months) and £13,699 for year 2 (2 months) be approved.

Sederunt

Councillor Durno and Councillor McPake left the meeting during consideration of the following item of business.

8(b) Project Proposal: Capital Project Procurement Support

There was submitted a report by the Chief Executive of Scotland Excel relative to a project being proposed to be funded from the use of reserves as a result of surpluses which would be generated by changes to the Strathclyde Pension Fund employer's contributions.

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 a project to provide support to members' technical and procurement teams to make the most effective use of collaborative procurement routes when managing capital projects. The proposal expanded the capability of Scotland Excel to include call-off support to aid Councils, Housing Associations and other members to make call-offs from frameworks for complex project work, most commonly capital investment projects. The project would develop business cases for improving data analysis activity and, where beneficial, make recommendations on the use of additional digital tools. The report provided further detail on the project and highlighted that the funding requirement for the addition of a Senior Procurement Specialist at Grade 10 for a period of 24 months, on a fixed-term contract, would be a total commitment of £138,378, being an estimated cost of £67,118 for year 1 and £71,249 for year 2.

DECIDED: That the project funding and draw down from agreed reserves for 2024/25 and 2025/26 of a total commitment of £138,378 be approved

Sederunt

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

9 Strategic Risk Register

There was submitted a report by the Chief Executive of Scotland Excel providing an update on the Strategic Risk Register maintained to monitor threats and risks that could impact on the delivery of Scotland Excel's strategic objectives 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 risk evaluation score from 8 to 20 and a summary of key elements in relation to each identified risk was detailed in the Register.

DECIDED: That the Strategic Risk Register be noted.

10 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 June 2024.



Scotland Excel

To: Executive Sub-Committee

On: 21 June 2024

**Report by:
Chief Executive of Scotland Excel**

Tender: Supply and Delivery of Community Meals

Schedule: 1922

Period: 60 months (if all extension options are exercised)

1. Introduction and Background

This recommendation is for the award of a fourth-generation renewal framework for the Supply and Delivery of Community Meals.

The objective of this flexible framework agreement is for the provision of a nutritious meal to customers within each participating council. This flexible framework agreement will provide councils with a mechanism to procure a wide variety of nutritionally balanced, good quality, affordable meals delivered within the community. There is provision for bulk delivery to a single point or for delivery to an individual accompanied by a welfare check. Appointed tenderers will be required to offer a wide range of meals, taking cognisance of the social and cultural needs of customers.

Community meals have the potential to reduce expenditure in health and social care by reducing admissions to hospital due to malnutrition and by enabling people to stay independently in their own homes for longer. In addition, it can contribute to wellbeing and recovery after illness and assist in earlier discharge from hospital.

This proposed flexible framework agreement will be for a maximum duration of 60-months (five years). The initial period of the flexible framework agreement will run for 36-months (three years) from the commencement date with an option to extend for up to a further two 12-month periods. Any period of extension will be at the sole discretion of Scotland Excel.

Subject to approval and completion of a standstill period, the flexible framework agreement commencement date is intended to be 01 August 2024.

As detailed in section 3, Procurement Process, the “Light Touch Regime” has been utilised for this procurement to allow flexibility and variations. These variations are as follows:

- i) Enable the flexible framework agreement to be re-opened to new entrant admissions on a lot or sub-lot basis during the duration of the flexible framework agreement. This will be at Scotland Excel’s discretion, taking account of available resources and the need and demand of member councils.
- ii) Enable appointed suppliers to seek to vary their appointment by altering service offerings in accordance with the conditions of contract.
- iii) A longer flexible framework duration, providing greater market stability.

This report summarises the outcome of the procurement process for this national flexible framework agreement and presents recommendations for award.

2. Scope, Participation and Spend

As detailed in Appendix 1, 18 councils have confirmed their intention to participate in this flexible framework agreement. The remaining councils have advised they will not be participating as they do not offer a meals service in their area or have alternative arrangements in place.

All member councils, however, are listed in the contract notice as potential participants so that they may access the flexible framework agreement in the future - if required.

This flexible framework agreement was advertised at an estimated value of £18.6 million (approximately £3.7 million per year across the two lots (including all sub-lots)). This is based on the spend profile of councils, the maximum 5-year duration being utilised and an estimated figure for annual inflation.

The User Intelligence Group (UIG) for this flexible framework agreement approved, as part of the strategy development, the lots and sub-lots summarised in Table 1. This consists of a two-lot structure with lot 2 being further sub-lotted by meal type.

Table 1: Lotting Structure

Lot No.	Lot Description	Sub-lot No.	Sub-lot Description	Estimated % Spend through lot	Estimated Value per lot
1	Bulk Delivery of Meals to a Central Distribution Point	N/A	N/A	37%	£6,882,000
2	Meal Delivery to Customers at Home/ Nominated Premises with Welfare Check			63%	£11,718,000
		2.1	Ambient Meals		
		2.2	Chilled and/or Fresh Meals		
		2.3	Frozen Meals		
		2.4	Hot Meals		
		2.5	Part-prepared Meals		
Total:				100%	£18,600,000

This lotting strategy was designed with the purpose of aligning with current council requirements, helping to future-proof the flexible framework agreement and presenting alternatives to current provision. These approaches will:

- maximise the opportunity for potential competition over the lifetime of the framework, within a very restricted supply market;
- provide opportunities for new suppliers and innovation in meal types as part of contract management; and
- enhance the range and choice of meals available to customers.

3. Procurement Process

Strategy Development

Extensive engagement work took place with councils involved in the UIG and the supply base to understand any updates required for this renewal framework and any innovative practices available in the market.

Formal market engagement was carried out via a Prior Information Notice (PIN), survey and individual meetings with prospective tenderers. The notice, published on 17 November 2022, resulted in expressions of interest from 15 potential tenderers and provided a range of insights for areas of innovation or further consideration.

The output of the strategy development phase resulted in a variety of changes and improvements, including:

- the lotting structure for the flexible framework agreement – introducing new meal types to encourage a broader range of meals and production techniques;
- the opportunity for an enhanced welfare check to better support the wellbeing of customers receiving meals directly; and
- utilising the Light Touch Regime to create a flexible framework agreement – such as reopening for new entrants to be awarded during the lifetime of the agreement.

Tender Process

This tender exercise was conducted in accordance with the law and procedures currently in force in Scotland. The tender was advertised via the Public Contracts Scotland (PCS) portal and the Find a Tender Service (FTS), with the Contract Notice published on 04 April 2024 and the tender documentation being immediately available via the Public Contracts Scotland Tender (PCS-T) system.

The requirements covered by the proposed flexible framework agreement fall within the “Light Touch Regime”, and as such Scotland Excel followed a process similar to the Open Procedure under Regulation 28 of the Public Contracts (Scotland) Regulations 2015, with variations, to establish a flexible framework agreement, which is similar to a framework agreement under Regulation 34, with variations.

The UIG endorsed the procurement exercise following this process.

There was no maximum number of tenderers to be awarded participation and no fixed score which ensured success. The flexible framework agreement was to be awarded to tenderers who provide a suitable level of choice and availability to meet the varied requirements of councils. Each offer for each lot and sub-lot was evaluated on its own merits as discrete and independent tenders.

The best price quality ratio, taking into account quality and sustainability criteria for the goods and services in each lot and sub-lot, was identified following completion of the evaluation in accordance with the requirements set down within the tender documents.

The tender followed a two-stage tendering procedure undertaken concurrently. Stage one, Qualification, was conducted using both the Single Procurement Document (SPD) and additional requirements. Within the SPD, tenderers were required to answer a set of exclusionary questions along with providing details and/or acknowledgement of registration as a food business, insurance, financial standing, quality management, health and safety, and environmental management policies and/or procedures.

Tenderers were also asked to agree with the conditions of contract to Scotland Excel's satisfaction, submit a supplier self-audit and provide certificates and declarations.

For stage two of the process compliant offers were evaluated against the award criteria applying the weightings outlined in Table 2.

Table 2: Evaluation Criteria / Weightings

Lot 1	
Award Criteria	Total Available Scores
Commercial Section	70
Technical Section	30
Lot 2 (Sub-lots 2.1, 2.2, 2.3, 2.4 & 2.5)	
Award Criteria	Total Available Scores
Commercial Section	60
Technical Section	40

Within the technical section, tenderers were required to respond to technical questions including the following method statements, detailing how they will carry out the requirements of the flexible framework agreement:

- Economics of Business Practice;
- Sustainability and Food Sustainability;
- Fair Work First (including Real Living Wage); and
- Personalisation and person-centred planning.

This technical section was comprised of the following two elements:

- i) A master technical section, in which tenderers were asked a number of questions which were equally applicable to all lots and sub-lots; and
- ii) Lot/sub-lot specific technical sections, in which there were additional lot and sub-lot specific technical questions, which were required to be completed for those lots and sub-lots for which the Tenderer was bidding.

Tenderers were also asked to confirm their ability to service council areas on a lot-by-lot basis (lot 2 was inclusive of all tendered sub-lots) and could opt to service one, some or all council areas.

Within the commercial section, tenderers were invited to offer on a lot and sub-lot basis (as appropriate):

- i) For lot 1, tenderers were required to provide a core list of items, complete a scenario assessment and propose any overall catalogue discount.

- ii) For all sub-lots in lot 2, tenderers were required to submit a lot-specific commercial offer sheet for each sub-lot they indicated they were bidding for. Tenderers were required to provide a national base price on an item-by-item basis and choose which volume bands could be supplied for each item in the offer.

Both lots and all sub-lots allowed for the offer of any discount for specific council areas from the prices set out in the tenderer's commercial offer.

Following a full evaluation of all compliant submissions, scoring was completed in accordance with the published tender evaluation methodology, and a score was calculated for each tenderer.

4. Report on offers received

The tender documents were downloaded by 12 tenderers, with three tender responses received by the tender closing date and time.

Of the three tender responses received, one of these offers was deemed non-compliant during the evaluation process (based on a failure to meet the mandatory requirements of the qualification section). The tenderer was notified, and the tenderer acknowledged the offer was removed from further evaluation.

Based on the criteria and scoring methodology set out in the tender documents, a full evaluation of the compliant offers received was completed. A summary of all the offers received and the scoring achieved by each tenderer is set out in Appendix 2.

5. Recommendations

Based on the evaluation undertaken, and in line with the advertised criteria and weightings summarised above, it is recommended that a multi-supplier flexible framework agreement be established for the lots and sub lots as shown in Appendix 2.

Members are asked to note that some of the sub-lots within lot 2, currently, have no recommended tenderers. The flexible framework agreement is designed to provide opportunities for reopening for new entrants during the lifetime of the agreement, and this allows for future applicants to submit offers for these sub lots at a later date.

The scores for all tenderers and the tenderers recommended for award at the establishment of this flexible framework agreement are detailed in Appendix 2.

In addition, it is recommended:

- a) that authority be delegated to the Chief Executive of Scotland Excel (or Director of Strategic Procurement in the Chief Executive's absence) to approve a re-opening of the flexible framework agreement and any subsequent recommendations following the evaluation of offers received during this period of re-opening, or following the consideration of formal requests from existing suppliers for the addition of new lots (including sub-lots) and/or variation of council areas; and
- b) that the Executive Sub-Committee will be updated on the appointment of new tenderers following any re-openings to the flexible framework agreement on an annual basis via incorporation to the Annual Procurement Report.

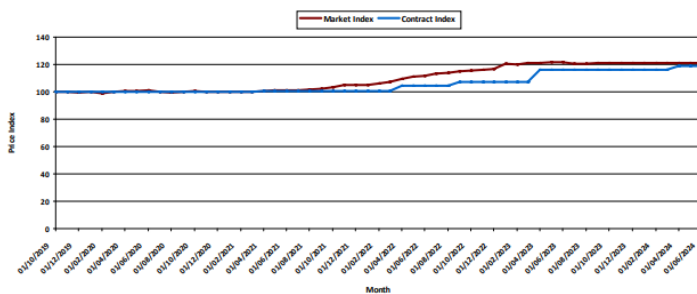
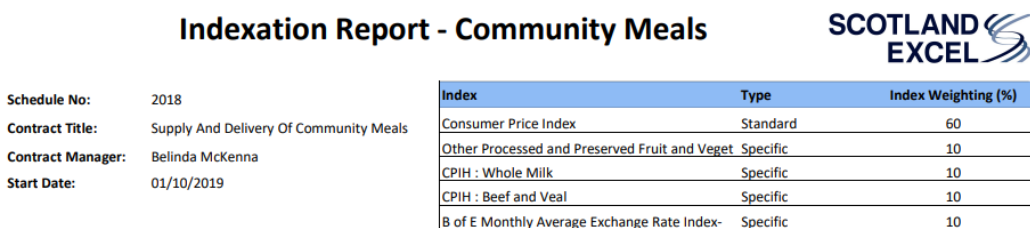
The Executive Sub Committee is accordingly requested to approve the recommendation to establish this flexible framework agreement, and the appointment of the tenderers as detailed within Appendix 2 and as set out in this section.

6. Benefits

Savings

The indexation model, which predicts framework performance against market movement is shown in Figure 1 below. The framework price can be seen relative to the market, with Scotland Excel's contract index recording below the market index for periods throughout the operation of the current framework agreement. The current contract index is operating at 2.4% below the market index.

Figure 1: Indexation Model



Notes:
The Contract Index tracks the general movement in contract prices and not the actual contract price paid. The Market Index tracks the general market movement against a weighted basket of relevant indices and not the current index levels. This report should be used as a guide only.

Savings are summarised in Table 3 in accordance with the Scottish Government procurement benefits reporting guidance.

Table 3: Savings Summary

Reference	Type	Reportable Outcome
BT3	Process savings from use of collaborative arrangements	£225,000

No direct price-based savings (BT1) or price versus market savings (BT2) are being reported for this flexible framework agreement.

Scotland Excel carried out a benchmarking exercise to compare the prices for all offered lots and sub-lots. This benchmarking exercise took the current best prices for each item and compared these with the best prices submitted for these same items within the renewal framework:

- Lot 1 - Average increase of 5%;
- Sub-lot 2.3 - Average increase of 7.5%; and
- Sub-lot 2.4 - Average increase of 1%.

The benchmarking shows an average weighted increase of approximately 4%. This figure was calculated using the above benchmarking increases and the estimated percentage of spend for each offered lot and sub-lot.

The increase is believed to stem from several different factors - including ongoing challenging market conditions, inflationary pressure on food, high energy costs and increases in labour costs - including payment of the Real Living Wage.

Scotland Excel will be entering into discussions with the recommended tenderers in respect of these factors and the pricing for associated items, through Post Tender Negotiations (PTN). This is to seek to ensure that prices are competitive and to refine and improve offers where possible.

Prices will also be actively managed through the period of operation for the flexible framework agreement to ensure pricing remains competitive.

Price Stability

All recommended tenderers have agreed to the fixed price period until 31 March 2025 from the commencement of the flexible framework agreement.

After the initial fixed price period only one price increase will be considered in any twelve-month period, unless varied by agreement through an exceptional

price review application. All requests for price increases must be accompanied by robust supporting documentary evidence, demonstrating the relevant cost pressures faced and will be evaluated against prevailing market conditions.

Suppliers are expected to pass onto the councils any benefit in the form of a lower price at any time throughout the duration of the flexible framework agreement.

Sustainability

The following sustainability benefits represent the Scottish Government reporting guidance for sustainability-based benefits (BT14).

Within the technical section of the tender, Scotland Excel included a sustainability and food sustainability related method statement, which sought answers related to:

- local and / or Scottish sourcing, production and food waste management;
- transport, fleet and logistics, including route efficiency;
- packaging and waste; and
- working with supply chain to minimise carbon impact.

Responses received as part of the tender exercise included commitment to prioritising Scottish and UK suppliers, donating excess food to charities to reduce waste, promoting route efficiency, use of biodegradable/ recyclable packaging, closed-loop recycling system for meal trays, annual reviews with upstream supply partners on carbon emissions and a commitment to Net Zero by 2040.

Community Benefits

Scotland Excel is committed to maximising community benefits delivery for members. Tenderers were asked to commit to the delivery of community benefit initiatives, against pre-agreed spend thresholds outlined within the community benefits method statement. These aim to be reflective of the National Indicators outlined within the Scottish Government's National Performance framework, and their underlying vision and goals.

Councils will accrue 'community benefit points' based on their level of spending with a supplier. These 'points' correlate to a negotiable benefit that the council can elect to receive at any given point throughout the lifetime of the flexible framework agreement. The two recommended tenderers have committed to delivering these benefits.

Within the published tender documents, tenderers were given a list of indicative community benefits that could be agreed with councils.

Examples of these are:

- Work Experience Placement
- Informal Training to Employees
- Equipment / Product Donations
- Sponsorship
- Charitable Donations
- Job for Long Term Unemployed (12 months+)
- Modern Apprenticeship

The list of Community Benefits examples was for illustration purposes only. Innovative Community Benefits can be discussed and agreed between the council and the supplier.

Scotland Excel will continue to engage with all appointed tenderers to drive maximum delivery of community benefits where appropriate. The delivery of Community Benefit commitments will be monitored through ongoing contract management returns.

Fair Work First Including the Real Living Wage

Scotland Excel and its members are committed to the delivery of high-quality public services and recognises that this is critically dependent on a workforce which is well-rewarded, well-motivated, well-led, has access to appropriate opportunities for training and development, is diverse and inclusive, and can influence decision making.

Within the technical section of the tender, tenderers were assessed on their approach to Fair Work First and payment of the Real Living Wage to their workforce. The recommended tenderers Real Living Wage status is detailed in Appendix 2. The tenderer who has advised they are not a Real Living Wage accredited employer and do not currently pay the Real Living Wage to all staff, has confirmed they do pay the Real Living Wage to all employees in Scotland.

Scotland Excel will continue to monitor Fair Work First, including encouraging uptake by tenderers of the Real Living Wage, during contract and tenderer management activity.

7. Contract Mobilisation and Management

As part of the mobilisation process all successful tenderers will be invited to a contract mobilisation session to outline the operation of the flexible framework agreement, including roles and responsibilities, management information and community benefit commitments. Successful tenderers will be issued with a mobilisation pack containing all required details for participation on the flexible framework agreement.

Previous generations of this framework have included tasting sessions as part of the evaluation of tenderers, for this renewal the UIG endorsed these tasting sessions will instead be considered as part of the mobilisation of the flexible framework agreement.

Mobilisation will also be conducted with the UIG through an online session, with the intention of increasing uptake and advertising updates for the flexible framework agreement. All users of the flexible framework agreement will be issued the guidance documents including terms and conditions, mini competition guidance and supplier pricing/ contact details – all of which will be available throughout the duration of the flexible framework agreement on the Scotland Excel members area.

In accordance with Scotland Excel's established contract segmentation tool, this flexible framework agreement is classified as class D. As such, there will be annual supplier meetings, ad-hoc support to councils/ suppliers and regular contract monitoring. This will ensure that the required service is monitored, maintained and where possible improved during the framework period.

8. Summary

The Supply and Delivery of Community Meals flexible framework agreement aims to provide service users with high quality, appetising meals and will maximise collaboration and deliver best value in terms of price, quality and service.

A range of benefits will be achieved in relation to price stability and sustainable procurement, and to the people who use the community meals service.

The Executive Sub Committee is requested to approve the recommendation to establish this flexible framework agreement, and the appointment of tenderers detailed within Appendix 2.

Appendix 1 – Participation, Spend and Savings Summary Supply and Delivery of Community Meals (1922)

Member Name	Participation in Contract	Participation Entry Date	Estimated Annual Spend (£)	Source of Spend Data	Indexation (%)	% Estimated Forecast Savings	Estimated Annual Savings (£)	Basis of Savings Calculation
Aberdeen City Council	Yes	01 August 2024	£79,785	Management Information Returns	2.4%	-4.0%	-£3,175	Benchmarked on Current Contract
Aberdeenshire Council	Yes	01 August 2024	£21,545	Management Information Returns	2.4%	-4.0%	-£857	Benchmarked on Current Contract
Angus Council	Yes	01 August 2024	£139,272	Management Information Returns	2.4%	-4.0%	-£5,543	Benchmarked on Current Contract
Argyll & Bute Council	No	-	-	-	-	-	-	-
City of Edinburgh Council	Yes	01 August 2024	£1,163	Management Information Returns	2.4%	-4.0%	-£46	Benchmarked on Current Contract
Clackmannanshire Council	No	-	-	-	-	-	-	-
Comhairle nan Eilean Siar	No	-	-	-	-	-	-	-
Dumfries & Galloway Council	No	-	-	-	-	-	-	-
Dundee City Council	No	-	-	-	-	-	-	-
East Ayrshire Council	Yes	01 August 2024	£104,591	Management Information Returns	2.4%	-4.0%	-£4,163	Benchmarked on Current Contract
East Dunbartonshire Council	No	-	-	-	-	-	-	-
East Lothian Council	Yes	01 August 2024	£125,259	Management Information Returns	2.4%	-4.0%	-£4,985	Benchmarked on Current Contract
East Renfrewshire Council	No	-	-	-	-	-	-	-
Falkirk Council	No	-	-	-	-	-	-	-
Fife Council	Yes	01 August 2024	£382,487	Management Information Returns	2.4%	-4.0%	-£15,223	Benchmarked on Current Contract
Glasgow City Council	Yes	01 August 2024	£1,035,722	Management Information Returns	2.4%	-4.0%	-£41,222	Benchmarked on Current Contract
Highland Council	Yes	01 August 2024	£0	Management Information Returns	2.4%	-4.0%	£0	Benchmarked on Current Contract
Inverclyde Council	No	-	-	-	-	-	-	-
Midlothian Council	Yes	01 August 2024	£52,209	Management Information Returns	2.4%	-4.0%	-£2,078	Benchmarked on Current Contract
Moray Council	No	-	-	-	-	-	-	-
North Ayrshire Council	Yes	01 August 2024	£204,450	Management Information Returns	2.4%	-4.0%	-£8,137	Benchmarked on Current Contract
North Lanarkshire Council	No	-	-	-	-	-	-	-
Orkney Islands Council	No	-	-	-	-	-	-	-
Perth & Kinross Council	Yes	01 August 2024	£15,094	Management Information Returns	2.4%	-4.0%	-£601	Benchmarked on Current Contract
Renfrewshire Council	Yes	01 August 2024	£488,455	Management Information Returns	2.4%	-4.0%	-£19,441	Benchmarked on Current Contract
Scottish Borders Council	Yes	01 August 2024	£118,083	Management Information Returns	2.4%	-4.0%	-£4,700	Benchmarked on Current Contract
Shetland Islands Council	No	-	-	-	-	-	-	-
South Ayrshire Council	Yes	01 August 2024	£540,786	Management Information Returns	2.4%	-4.0%	-£21,523	Benchmarked on Current Contract
South Lanarkshire Council	Yes	01 August 2024	£35,911	Management Information Returns	2.4%	-4.0%	-£1,429	Benchmarked on Current Contract
Stirling Council	Yes	01 August 2024	£16,133	Management Information Returns	2.4%	-4.0%	-£642	Benchmarked on Current Contract
West Dunbartonshire Council	No	-	-	-	-	-	-	-
West Lothian Council	Yes	01 August 2024	£0	Management Information Returns	2.4%	-4.0%	£0	Benchmarked on Current Contract
Totals			£3,360,948			-4.0%	-£133,766	
Associate Members	No	-	-	-	-	-	-	-
Totals			£3,360,948			-4.0%	-£133,766	

Indexation – This column confirms the difference when the relevant market indices are compared with the relevant Contract indices derived from framework specific cost drivers.

Appendix 2 – Scoring and Recommendations

<u>LOT/ SUB-LOT NUMBER</u>	<u>LOT/ SUB-LOT NAME</u>	<u>TENDERER NAME</u>	<u>SME STATUS</u>	<u>REAL LIVING WAGE STATUS</u>	<u>LOCATION</u>	<u>NUMBER OF LOTS/ SUB- LOTS BID FOR</u>	<u>NUMBER OF LOTS/ SUB-LOTS RECOMMENDED</u>	<u>OVERALL RECOMMENDATION STATUS</u>	<u>TOTAL COMMERCIAL SCORE</u>	<u>TOTAL TECHNICAL SCORE</u>	<u>TOTAL SCORE</u>	<u>PLACING</u>	<u>RECOMMENDED FOR AWARD FOR LOT/SUB- LOT?</u>
1	Bulk Delivery of Meals to a Central Distribution Point	apetito Ltd	Large	1	Wiltshire	2	2	SUCCESSFUL	70.00	18.50	88.50	1	Y
1	Bulk Delivery of Meals to a Central Distribution Point	OZOS SERVICES LTD	Small	2	London	2	0	UNSUCCESSFUL*	Not Scored*	Not Scored*	Not Scored*	-	N
2	Meal Delivery to Customers at Home/ Nominated Premises with Welfare Check												
2.1	Ambient Meals	OZOS SERVICES LTD	Small	2	London	2	0	UNSUCCESSFUL*	Not Scored*	Not Scored*	Not Scored*	-	N
2.2	Chilled and/or Fresh Meals	No tenders received	-	-	-	-	-	-	-	-	-	-	-
2.3	Frozen Meals	apetito Ltd	Large	1	Wiltshire	2	2	SUCCESSFUL	60.00	23.50	83.50	1	Y
2.3	Frozen Meals	I Care (GB) Ltd	Large	5	Lancashire	2	2	SUCCESSFUL	40.33	23.50	63.83	2	Y
2.4	Hot Meals	I Care (GB) Ltd	Large	5	Lancashire	2	2	SUCCESSFUL	60.00	23.50	83.50	1	Y
2.5	Part-prepared Meals	No tenders received	-	-	-	-	-	-	-	-	-	-	-

*Non-compliant(N/C)

KEY – *Real Living Wage Status Reference and Descriptions*

Real Living Wage Ref.	Description
1	<p>Paying and Accredited</p> <p>Accredited Real Living Wage Employer and commit to maintaining this for the duration of the Framework Contract</p>
2	<p>Paying & Progressing to Accreditation</p> <p>Currently paying the Real Living Wage and going through the process of becoming an accredited Real Living Wage Employer.</p> <p>Commitment to gaining accreditation over the initial <u>two year</u> period of the Framework Contract.</p>
3	<p>Paying & Commitment to Accreditation</p> <p>Currently paying the Real Living Wage.</p> <p>Not yet progressing accreditation but commitment to gaining accreditation over the initial <u>two year</u> period of the Framework Contract.</p>
4	<p>Paying but No Commitment to Accreditation</p> <p>Currently paying the Real Living Wage.</p> <p>Not an accredited Real Living Wage Employer but paying the Real Living Wage to all employees (except volunteers, <u>apprentices</u> and interns) and commit to maintaining this for the duration of the Framework Contract.</p>
5	<p>Not Paying but Commitment to Pay</p> <p>Not an accredited Real Living Wage Employer and do not currently pay the Real Living Wage to all employees (except volunteers, apprentices and interns) but commit to paying the Real Living Wage to all employees (except volunteers, apprentices and interns) within the initial <u>two year</u> period of the Framework Contract</p>
6	<p>Not Paying</p> <p>Neither accredited nor paying Real Living Wage</p>



Scotland Excel

To: Executive Sub-Committee

On: 21 June 2024

**Report by:
Chief Executive of Scotland Excel**

Tender: Supply and Delivery of Waste Disposal Equipment

Schedule: 0923

Period: 48 months

1. Introduction and Background

This recommendation is for the award of a fourth-generation renewal framework for Supply and Delivery of Waste Disposal Equipment.

The framework will provide a mechanism to procure a wide range of waste disposal equipment, including, but not limited to, large containers, skips, compactors, balers, and roll packers. The end users of this framework are likely to be the Waste and/or Environment Departments within councils.

The framework will be for a period of 48 months from the commencement date as advertised in the published tender documents. Subject to approval and completion of a standstill period, the framework is intended to commence in July 2024.

This report summarises the outcome of the procurement process for this national framework agreement and presents recommendations for award.

2. Scope, Participation and Spend

This framework was developed in conjunction with procurement professionals and operational stakeholders from local authorities to provide sufficient product lists, and suitable terms and conditions enabling local authorities to make direct awards and conduct mini competitions via this framework.

As part of the strategy development and through consultation with the User Intelligence Group (UIG), the inclusion of four lots was endorsed as shown in Table 1. The scope of this lot structure has remained as per the current framework, as this meets the needs of the local authorities.

Table 1: Framework Structure

Lot Number	Description	Estimated % Spend through Lot
1	Skips and Containers	60
2	Compactors	15
3	Balers	5
4	Roll Packers	20

As detailed in Appendix 1, 29 councils have confirmed their intention to participate in this framework, with all councils being named on the advertised contact notice. Associate members, including NHS and APUC were also named, as they indicated their intention to participate on this framework.

The framework was advertised at £1 million per annum, which is an estimated spend of £4 million over the 4-year lifetime of the framework. This advertised spend allows for increased participation from councils and associate members not currently utilising the framework.

3. Procurement Process

A Prior Information Notice (PIN) was published for this framework opportunity on 11 September 2023, which resulted in expressions of interest from 26 tenderers.

Thereafter, the Contract Notice was published via the Find a Tender and Public Contract Scotland (PCS) portal on the 15 April 2024, with the tender documentation being immediately available via the Public Contracts Scotland Tender (PCS-T) system. The tender exercise was conducted and concluded in accordance with the law and procedures currently in force.

The procurement exercise followed an open tender procedure to encourage maximum competition and participation.

The published tender documents anticipated the appointment to the framework of a range of tenderers with relevant and demonstrable experience and capabilities. There was no fixed number of tenderers to be awarded participation and no fixed score ensured success. The most economically advantageous tenderer or tenderers was/were to be identified following completion of the evaluation in accordance with the requirements set down within the tender documents. The intention was to appoint a sufficient number of tenderers on each lot of the framework to meet the varied requirements of Councils.

The tender followed a two-stage tendering procedure undertaken concurrently. Stage one, Qualification, was conducted using the Single Procurement Document (SPD). Within the SPD, tenderers were required to answer a set of exclusionary questions along with providing details and/or acknowledgement of insurance, financial standing, quality management, health and safety, and environmental management policies and/or procedures.

At the second stage of the process, offers were evaluated against the award criteria applying the weightings outlined in Table 2.

Table 2: Evaluation Criteria / Weightings

Award Criteria	Total Available Scores
Commercial Section	80
Technical Section	20

Within the technical section, tenderers were required to evidence their knowledge and experience by responding to technical questions and method statements, as detailed in Table 3.

Table 3: Method Statement Scoring

Question	Award Criteria Points (All Lots)	Sub Criteria		Scoring Methodology
Method Statements	14			
Method Statement 1 – Support Services and Spare Parts Management (All Lots)		5		
Pre and Post Sales Support			3	5 Point Methodology
Spare Parts			2	5 Point Methodology
Method Statement 2 – Sustainability and Environment (All Lots)		9		
Sustainable Supply Chain			3	5 Point Methodology
Repurchase/disposing council old product			3	5 Point Methodology
Carbon Footprint and Waste Reduction			3	5 Point Methodology
Net Zero Policy			0	Not Scored
Community Benefits	3			Yes/No
Workforce Matters	3			
Fair Work First			3	5 Point Methodology
Living Wage			0	Not Scored

Within the commercial section, tenderers were invited to offer on a lot by lot, item by item basis and provide unit list prices against each item. In addition, a full load delivery price was requested for each council area.

Within the Technical and Commercial Sections Tenderers were also asked to respond to a number of non-scored questions that had important contractual effects. This included confirming their ability to service, where they could opt to service one, some or all council areas.

Following a full evaluation of all submissions, scoring was completed in accordance with the published tender evaluation methodology, and a score was calculated for each tenderer.

4. Report on Offers Received

The tender documents were downloaded by 23 tenderers, with 10 tender responses received by the specified closing date and time. However, it should be noted that 1 tenderer submitted a non-compliant bid as no commercial submission was available for evaluation. The tenderer was notified that Scotland Excel had concluded that the bid was non-compliant.

Based on the criteria and scoring methodology set out in the tender documents, a full evaluation of offers received was completed. A summary of all the offers received and the scoring achieved by each tenderer is set out in Appendix 2.

5. Recommendations

Based on the evaluation undertaken, and in line with the advertised criteria and weightings summarised above, it is recommended that a multi-tenderer framework arrangement is awarded to 9 tenderers as outlined in Appendix 2.

These 9 recommended tenderers offer best value and represent a mix of micro, small, medium and large organisations.

The range of tenderers recommended provides coverage and competitive options for all participating bodies as well as offering a degree of choice and capacity across the full range of product required in the tender.

The Executive Sub Committee is accordingly requested to approve the recommendation to award this framework as detailed in Appendix 2.

6. Benefits

Savings

Scotland Excel carried out a benchmarking exercise to compare the prices offered for lot 1, (60% of spend), for the list of items detailed.

This benchmarking exercise took the current best prices for each item and compared these with the best pricing submitted for these same items within the renewal framework, considering which tenderers have agreed to service each council.

Given current market conditions and analysis including our indexation model, it was anticipated that an increase was likely, and benchmarking has confirmed an average increase of around 8%. This is representative of the ongoing challenging market conditions faced by tenderers over the course of the last few years, with the volatile pricing of steel and diesel.

Analysis of our Indexation model, which predicts framework performance against market movement, demonstrates that our previous framework pricing was

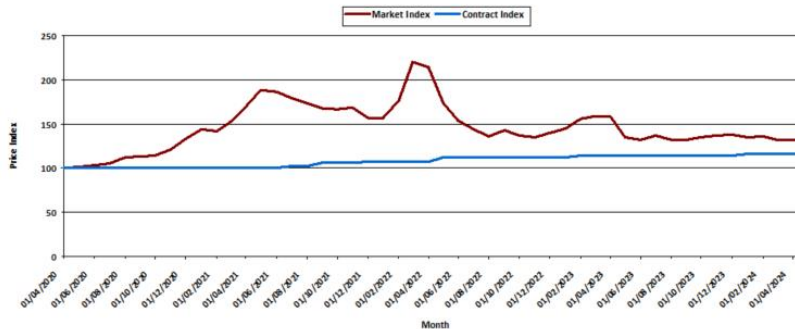
approx. 10% below the market, as demonstrated in Figure 1 below. When this is considered with the 8% increase, it is forecast that there will an average of 2% cost avoidance against current market pricing.

Indexation Report - Waste Disposal Equipment



Schedule No: 1419
 Contract Title: Waste Disposal Equipment
 Contract Manager: Lesley Holmes
 Start Date: 01/04/2020

Index	Type	Index Weighting (%)
Steel - HRB	Specific	50
Producer Price Index	Standard	40
Road Fuel - Diesel	Standard	10



Notes:

The Contract Index tracks the general movement in contract prices and not the actual contract price paid. The Market Index tracks the general market movement against a weighted basket of relevant indices and not the current index levels. This report should be used as a guide only.

Produced by Scotland Excel - 29/05/2024

Figure 1: Waste Disposal Equipment Indexation Report

Scotland Excel included a question on cost drivers within the technical envelope. This will allow a review to be undertaken of the indexation model to ensure that the market indices being monitored remain correct and relevant, as well as ensuring that the index weighting is appropriate based on council spend patterns.

Scotland Excel will continue to work with successful tenderers at mobilisation stage to ensure the best indices are monitored in relation to these products.

This framework also provides a benefit from the efficiencies achieved through working collaboratively. With 29 local authorities indicating their intention to use this framework, the efficiencies based on employment time in the purchasing organisation is set out by the Scottish Government at £12,500 for this type of tender. This does not take account of the efficiencies achieved by NHS, APUC or associate members.

Table 4 below summarises the benefits of this exercise to our members, in accordance with the [Scottish Government procurement benefits reporting guidance](#).

Table 4: Savings Summary

Reference	Type	Reportable Outcome
BT1	Direct price-based savings	£0
BT2	Price versus market savings	2%
BT3	Process savings from use of collaborative arrangements	£362,500

Price Stability

All recommended tenderers have agreed to the 6-month fixed price period at the start of the framework. Provision thereafter is for price reviews once per 3-month period to accommodate market fluctuations – particularly caused by the price of steel. All requests for price increases will be evaluated against prevailing market conditions and supporting documentary evidence.

Tenderers may submit a price decrease at any time throughout the duration of the framework.

Rebate

A rebate of 0.75% payable to Scotland Excel will be applied to framework spend above £100,000 and will be calculated based on all frameworks spend with the supplier reported through management information returns.

Sustainable Procurement Benefits

Sustainability

The following sustainability benefits represent the Scottish Government reporting guidance for sustainability-based benefits (BT14).

Within the technical section of the tender, Scotland Excel included a sustainability related method statement, which included questions related to:

- the ability to demonstrate that materials come from sustainable, reliable and approved routes.
- Demonstrate what methods are used to ensure that the supply chain does not adversely affect the environment.
- fleet / vehicle environmental standards used to carry out their day-to-day business activities and deliveries.
- activities undertaken to minimise the carbon footprint and increase waste reduction for call offs under the framework.
- materials waste prevention.
- an organisation's policy to achieve Net Zero.

Responses received as part of the tender exercise are summarised, below:

- Commitments to using more recycled steel within the manufacturing process.
- Use of green hydrogen and wind farms for energy at manufacturing sites
- Conversion of compactors and roll packers to all electric and move away from diesel and incorporating low energy motors.
- Commitments to assist in removing and disposing of old product.
- Conversion of fleet of vehicles to a combination of electric and fuel-efficient engines.
- Upgrading of painting facility to use fewer toxic paints and reduce wastage.

Community Benefits

Scotland Excel is committed to maximising community benefits delivery for members. Tenderers were asked to commit to the delivery of community benefit initiatives against pre-agreed spend thresholds outlined within the community benefits method statement. These aim to be reflective of the National Indicators outlined within the Scottish Government's National Performance framework, and their underlying vision and goals. Councils will accrue 'community benefit points' based on their level of spending with a supplier. These 'points' correlate to a negotiable benefit that the council can elect to receive at any given point throughout the lifetime of the framework. Of the recommended tenderers, all but 1 have committed to delivering these benefits. Scotland Excel will continue to engage with all appointed tenderers to drive maximum delivery of community benefits where appropriate.

Within the published tender documents, tenderers were given a list of indicative community benefits that could be agreed with councils. Examples of these are:

- Fundraising (Events in the local authority area for charity)
- Community Volunteering (Staff volunteering to local good causes)
- Work Experience (Placements for school students in the local authority)
- Training (Training sessions for wider community)
- Employability Workshops (Events in school, college, or community group)
- Supply Chain Development
- Donation of materials and/or labour
- Sponsorship (Local sports team or community event)
- Recruitment (within local authority area)

Scotland Excel will monitor delivery of these commitments during the lifetime of the framework, and this will also be reported through ongoing contract management returns.

Fair Work First Including the Real Living Wage

Scotland Excel and its members are committed to the delivery of high-quality public services and recognise that this is dependent on a workforce that is well-rewarded, well-motivated, well-led, has access to appropriate opportunities for training and skills development, are diverse and is engaged in decision making.

Within the technical section of the tender, tenderers were assessed on their approach to Fair Work First and payment of the Real Living Wage to their workforce. Of the 9 recommended tenderers, 8 pay the Real Living Wage with 2 being accredited Real Living Wage employers and 2 in the process of being accredited Real Living Wage employers, as detailed in Appendix 2 – Scoring and Recommendations. The 1 recommended tenderer, Personnel Hygiene Services Limited, who do not currently pay the Real Living Wage, has confirmed that they pay above the National Living Wage to all staff with 60% of employees being paid above the Living Wage Foundation rate. This tenderer has stated that they are committed to paying the Real Living wage to all employees within the next 2 to 3 years.

Scotland Excel will continue to monitor Fair Work First, including the Real Living Wage status through our contract and supplier management activity.

7. Contract Mobilisation and Management

As part of the mobilisation process all successful tenderers will be invited to a contract mobilisation session to outline the operation of the framework, including roles and responsibilities, management information and community benefit commitments. Tenderers and participating members will be issued with a mobilisation pack containing all required details to utilise the framework.

In accordance with Scotland Excel's established contract segmentation tool, this framework is classified as class E. As such, it will require annual supplier contact, annual surveys and annual user group reviews as appropriate.

8. Summary

This new framework for the Supply and Delivery of Waste Disposal Equipment aims to maximise collaboration, support councils' environment departments to deliver the various services they provide for recycling and deliver best value. A range of benefits can be reported in relation to best value, sustainability and community benefits.

The Executive Sub Committee is requested to approve the recommendation to award this framework agreement as detailed in Appendix 2.

**Appendix 1 – Participation, Spend and Savings Summary
0923 Supply and Delivery of Waste Disposal Equipment**

Council Name	Participating in Contract	Participation Entry Date	Estimated Annual Spend	Source of Spend Data	Indexation (%)	% Estimated Forecast Savings	Estimated Annual Savings (£)	Basis of Savings Calculation
Aberdeen City Council	No	N/A	£0	No previous spend or projected spend to provide	10.0%	-8.0%	£0	Benchmarked on Current Contract
Aberdeenshire Council	Yes	Start	£70,563	Council provided 4 year projection	10.0%	-8.0%	-£1,411	Benchmarked on Current Contract
Angus Council	Yes	Start	£25,590	MI verified	10.0%	-8.0%	-£512	Benchmarked on Current Contract
Argyll and Bute Council	Yes	Start	£6,250	Council provided 4 year projection	10.0%	-8.0%	-£125	Benchmarked on Current Contract
City of Edinburgh Council	No	N/A	£0	No previous spend or projected spend to provide	10.0%	-8.0%	£0	Benchmarked on Current Contract
Clackmannanshire Council	Yes	Start	£0	Zero spend to date but still want to participate	10.0%	-8.0%	£0	Benchmarked on Current Contract
Comhairle nan Eilean Siar	Yes	Start	£20,000	Council verified estimated annual spend	10.0%	-8.0%	-£400	Benchmarked on Current Contract
Dumfries and Galloway Council	Yes	Start	£5,371	MI verified	10.0%	-8.0%	-£107	Benchmarked on Current Contract
Dundee City Council	Yes	Start	£28,119	MI verified	10.0%	-8.0%	-£562	Benchmarked on Current Contract
East Ayrshire Council	No	N/A	£0	Council has their own contract	-	-	-	-
East Dunbartonshire Council	Yes	Start	£33,181	MI verified	10.0%	-8.0%	-£664	Benchmarked on Current Contract
East Lothian Council	Yes	Start	£36,197	MI verified	10.0%	-8.0%	-£724	Benchmarked on Current Contract
East Renfrewshire Council	Yes	Start	£0	Zero spend to date but still want to participate	10.0%	-8.0%	£0	Benchmarked on Current Contract
Falkirk Council	Yes	Start	£25,000	Council provided 4 year projection	10.0%	-8.0%	-£500	Benchmarked on Current Contract
Fife Council	Yes	Start	£0	Zero spend to date but still want to participate	10.0%	-8.0%	£0	Benchmarked on Current Contract
Glasgow City Council	Yes	Start	£0	MI verified	10.0%	-8.0%	£0	Benchmarked on Current Contract
Highland Council	Yes	Start	£100,456	MI verified	10.0%	-8.0%	-£2,009	Benchmarked on Current Contract
Inverclyde Council	Yes	Start	£12,000	Council verified estimated annual spend	10.0%	-8.0%	-£240	Benchmarked on Current Contract
Midlothian Council	Yes	Start	£0	Zero spend to date but still want to participate	10.0%	-8.0%	£0	Benchmarked on Current Contract
Moray Council	Yes	Start	£9,852	MI verified	10.0%	-8.0%	-£197	Benchmarked on Current Contract
North Ayrshire Council	Yes	Start	£50,000	Council verified estimated annual spend	10.0%	-8.0%	-£1,000	Benchmarked on Current Contract
North Lanarkshire Council	Yes	Start	£34,148	MI verified	10.0%	-8.0%	-£683	Benchmarked on Current Contract
Orkney Islands Council	Yes	Start	£45,625	Council provided 4 year projection	10.0%	-8.0%	-£913	Benchmarked on Current Contract
Perth and Kinross Council	Yes	Start	£90,000	Council verified estimated annual spend	10.0%	-8.0%	-£1,800	Benchmarked on Current Contract
Renfrewshire Council	Yes	Start	£35,301	MI verified	10.0%	-8.0%	-£706	Benchmarked on Current Contract
Scottish Borders Council	Yes	Start	£25,668	MI verified	10.0%	-8.0%	-£513	Benchmarked on Current Contract
Shetland Islands Council	Yes	Start	£19,287	MI verified	10.0%	-8.0%	-£386	Benchmarked on Current Contract
South Ayrshire Council	Yes	Start	£4,690	MI verified	10.0%	-8.0%	-£94	Benchmarked on Current Contract
South Lanarkshire Council	Yes	Start	£9,200	MI verified	10.0%	-8.0%	-£184	Benchmarked on Current Contract
Stirling Council	Yes	Start	£40,000	Council verified estimated annual spend	10.0%	-8.0%	-£800	Benchmarked on Current Contract
Tayside Contracts	No	N/A	-	-	-	-	-	-
West Dunbartonshire Council	Yes	Start	£30,246	MI verified	10.0%	-8.0%	-£605	Benchmarked on Current Contract
West Lothian Council	Yes	Start	£13,608	MI verified	10.0%	-8.0%	-£272	Benchmarked on Current Contract
Total			£770,352					

Appendix 2 – Scoring and Recommendations

<u>LOT NUMBER</u>	<u>LOT NAME</u>	<u>TENDERER NAME</u>	<u>SME STATUS</u>	<u>REAL LIVING WAGE STATUS</u>	<u>LOCATION</u>	<u>NUMBER OF LOTS BID FOR</u>	<u>NUMBER OF LOTS RECOMMENDED</u>	<u>OVERALL RECOMMENDATION STATUS</u>	<u>TOTAL COMMERCIAL SCORE</u>	<u>TOTAL TECHNICAL SCORE</u>	<u>TOTAL SCORE</u>	<u>PLACING</u>	<u>RECOMMENDED FOR AWARD FOR LOT</u>
1	Skips and Containers	G J F Fabrications Ltd	Medium	Option 5	West Midlands	1	1	SUCCESSFUL	70.58	14.25	84.83	1	Y
1	Skips and Containers	ACM Environmental Limited	Medium	Option 1	Waltham Abbey	4	4	SUCCESSFUL	71.68	12.00	83.68	2	Y
1	Skips and Containers	Skip Units Limited	Small	Option 5	Derby	1	1	SUCCESSFUL	71.83	11.50	83.33	3	Y
1	Skips and Containers	Glasgow Waste Containers Limited	Micro	Option 3	Coatbridge	1	1	SUCCESSFUL	70.16	7.50	77.66	4	Y
1	Skips and Containers	JS Burgess Engineering Limited	Medium	Option 3	Whaley Bridge	1	1	SUCCESSFUL	66.48	9.50	75.98	5	Y
1	Skips and Containers	Rosswywendy Limited	Micro	Option 2	Aberdeen	4	0	UNSUCCESSFUL	N/C	N/C	N/C	N/C	N
2	Compactors	Bergmann Direct Limited	Small	Option 5	Lincoln	2	2	SUCCESSFUL	75.29	18.50	93.79	1	Y
2	Compactors	Grade-All International Ltd	Small	Option 1	Dungannon	2	2	SUCCESSFUL	65.36	15.75	81.11	2	Y
2	Compactors	ACM Environmental Limited	Medium	Option 1	Waltham Abbey	4	4	SUCCESSFUL	67.20	12.00	79.20	3	Y
2	Compactors	Personnel Hygiene Services Limited	Large	Option 7	Tamworth	3	3	SUCCESSFUL	52.53	18.00	70.53	4	Y
2	Compactors	Rosswywendy Limited	Micro	Option 2	Aberdeen	4	0	UNSUCCESSFUL	N/C	N/C	N/C	N/C	N
3	Balers	ACM Environmental Limited	Medium	Option 1	Waltham Abbey	4	4	SUCCESSFUL	79.23	12.00	91.23	1	Y
3	Balers	Blue Machinery (Scotland) Ltd	Small	Option 5	Stirling	1	1	SUCCESSFUL	77.92	8.25	86.17	2	Y
3	Balers	Personnel Hygiene Services Limited	Large	Option 7	Tamworth	3	3	SUCCESSFUL	48.96	18.00	66.96	3	Y
3	Balers	Grade-All International Ltd	Small	Option 1	Dungannon	2	2	SUCCESSFUL	46.94	15.75	62.69	4	Y
3	Balers	Rosswywendy Limited	Micro	Option 2	Aberdeen	4	0	UNSUCCESSFUL	N/C	N/C	N/C	N/C	N
4	Roll Packers	Bergmann Direct Limited	Small	Option 5	Lincoln	2	2	SUCCESSFUL	78.54	18.50	97.04	1	Y
4	Roll Packers	ACM Environmental Limited	Medium	Option 1	Waltham Abbey	4	4	SUCCESSFUL	60.59	12.00	72.59	2	Y
4	Roll Packers	Personnel Hygiene Services Limited	Large	Option 7	Tamworth	3	3	SUCCESSFUL	36.82	18.00	54.82	3	Y
4	Roll Packers	Rosswywendy Limited	Micro	Option 2	Aberdeen	4	0	UNSUCCESSFUL	N/C	N/C	N/C	N/C	N

Note: a key for Real Living Wage Status Reference and Descriptions is included below.

Key: Real Living Wage Status Reference and Descriptions

Real Living Wage Status Reference	Real Living Wage Status Description
1	I am an accredited Real Living Wage Employer and commit to maintaining this for the duration of the Framework Contract.
2	I am currently going through the process of becoming an accredited Real Living Wage Employer and commit to gaining accreditation over the initial two year period of the Framework Contract. I currently pay the Real Living Wage to all employees (except volunteers, apprentices and interns).
3	I am not an accredited Real Living Wage Employer but commit to gaining accreditation over the initial two year period of the Framework Contract. I currently pay the Real Living Wage to all employees (except volunteers, apprentices and interns) and commit to maintaining this until I have gained accreditation.
4	I am not an accredited Real Living Wage Employer but commit to gaining accreditation over the initial two year period of the Framework Contract. I do not currently pay the Real Living Wage to all employees.
5	I am not an accredited Real Living Wage Employer but pay the Real Living Wage to all employees (except volunteers, apprentices and interns) and commit to maintaining this for the duration of the Framework Contract.
6	I am not an accredited Real Living Wage Employer and do not currently pay the Real Living Wage to all employees but commit to paying the Real Living Wage to all employees (except volunteers, apprentices and interns) within the first two years of the Framework Contract.
7	I am not an accredited Real Living Wage Employer and do not currently pay the Real Living Wage to all employees.

Scotland Excel

To: Executive Sub-Committee

On: 21 June 2024

**Report by:
Chief Executive of Scotland Excel**

Care & Support Flexible Framework Agreement

1. Purpose

The purpose of this paper is to provide members with an update in respect of the work currently being undertaken to establish a new national flexible framework agreement for care & support services and to ask members to note the potential of a Special Executive Sub-Committee meeting being called.

2. Background

In February a contract notice was published inviting providers to apply to join a new flexible framework for care at home and supported living services. The anticipated commencement date for the new framework was July 2024, replacing the existing framework due to expire.

The application process was met with a good response from the market with applications received from around 400 services. A thorough evaluation process was undertaken of all elements of the applications including analysis of proposed fees.

3. Fee Concerns

The results of the commercial analysis results were shared with participating local authorities, following completion of the evaluation, who flagged significant concerns about increases in fees proposed by some providers. As a result, post tender negotiations (PTN) were undertaken with providers, in collaboration with participating authorities. The purpose of these meetings was to enable open and transparent discussions about the specific challenges faced by local areas and the impact of challenging budgets.

Following these meetings, the majority of participating local authorities asked for more time to conclude these conversations. A number of providers also asked

for additional time to review their original proposals. It has therefore not been possible to conclude award recommendations and seek committee approval to award in June to enable a July commencement date as advertised.

4. Implications

Award approval at the next scheduled Executive Sub-Committee in August which would enable a September commencement date for the new framework.

Providers participating in the current care and support framework received an increase to their fees, in line with Scottish Government's adult social care pay increase, in April. Anticipating a July commencement date and new fees agreed through the application process, local authorities did not support an increase to fees beyond the amount funded by Scottish Government in April. Therefore, providers have not received an increase in relation the non-staffing portion of their fees in the current financial year.

The delay to the commencement date means providers seeking increases to this portion of their fees will not receive them until the new framework is live and the relevant parties agree to transfer existing packages of care to the new framework terms. Providers have highlighted concerns about any delay to the agreement of the new framework agreement and fees.

5. Next Steps

To minimise the financial impact of the delayed commencement date on providers, Scotland Excel is considering options to seek approval to award the framework before the next scheduled meeting in August, should the necessary conversations be concluded earlier.

Members are therefore asked to note the potential of a Special Executive Sub-Committee meeting being called during the summer recess period to enable Scotland Excel to seek approval to award the Care & Support Flexible Framework Agreement.

Approval to extend the existing framework to ensure coverage during this period will be sought via Scotland Excel's internal governance processes.

Scotland Excel

To: Executive Sub-Committee

On: 21 June 2024

**Report by:
Chief Executive of Scotland Excel**

**Request for Associate Membership of Scotland Excel by:
Milnbank Housing Association Limited**

1. Background

- 1.1 Scotland Excel operates an Associate programme to allow access to its frameworks and services to a wide range of other public service orientated bodies. Applications can be made for Associate Membership by organisations such as council arm's length organisations, community groups, charities, housing associations and voluntary organisations which are a public body or a body that engages in activities of a public nature.

Organisations apply to Scotland Excel for Associate Membership to allow them to access the frameworks for goods and services which are in place for members. Associates do not have the opportunity to influence the future contract delivery schedule which is reserved for the full local authority members.

Associate membership supports the wider aims of Scotland Excel by increasing overall spend against frameworks, providing additional income and supporting the goals of promoting excellent public procurement across Scottish organisations.

2. Organisation Background

- 2.1 Milnbank Housing Association Limited was established in 1975 and is based in the Dennistoun area of the east end of Glasgow with has 1670 properties available for social rent. The associations mission is to provide excellent homes and services in a thriving community.
- 2.2 Milnbank Housing Association Limited is an accredited real living wage employer.
- 2.3 Milnbank Housing Association Ltd is a Registered Society (under the Co-operative and Community Benefit Societies Act 2014 and the Housing Scotland Act 2010), a Registered Social Landlord and is registered as a Scottish charity.

3. Associate Membership Process

3.1 Before any application is submitted for approval, a number of validation checks on the organisation are carried out. These include a review of the Memorandum & Articles of Association, the financial position and the type of contracts that the organisation is likely to access. It is confirmed that satisfactory validation checks have been completed in relation to this application.

3.2 Scotland Excel monitors all requests from applicants to become associate members to ensure that any legal requirements are met. In this case, Milnbank Housing Association Limited can be recommended for associate membership on the basis of the Local Authorities (Goods and Services) Act 1970 section 1 (1B)(c). Namely, that it has functions that are public in nature or engages in activities of that nature so long as the purpose or effect of access to Scotland Excel's services is to facilitate its discharge of those functions or activities.

3.3 Fees are determined in a number of ways:

Arms Length External Organisations (ALEOs) related to local authority members pay no fee as this is covered within requisition fees.

National Health Service (NHS) bodies, Colleges and Universities, and Non departmental bodies of the Scottish Government pay no fee under a reciprocal agreement that allows local authorities to utilise contracts created by the relevant procurement centres of expertise.

All other associate fees are calculated on a standard methodology agreed by committee. e.g. Housing Associations pay based on the number of houses within their portfolio.

4. Recommendations

4.1 It is recommended to committee that Milnbank Housing Association Limited application to join Scotland Excel as an associate member be approved, with an annual fee of £2,590 subject to the agreement document.