

## Notice of Meeting and Agenda Scotland Excel Joint Committee

Date	Time	Venue
Friday, 09 December 2022	10:45	Remotely by MS Teams,

MARK CONAGHAN  
Clerk

### Membership

Councillor Alex McLellan and vacancy (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 and Councillor Mandy Watt (City of Edinburgh Council); Councillor Ellen Forson (Clackmannanshire Council); Councillor Kenny Macleod (Comhairle Nan Eilean Siar); Councillor Carolyn Wilson (Dumfries and Galloway Council); Councillor Lynne Short (Dundee City Council); Councillor Stephen Canning (East Ayrshire Council); Councillor Calum Smith (East Dunbartonshire Council); Councillor John McMillan (East Lothian Council); Councillor Tony Buchanan (East Renfrewshire Council); Councillor Margaret Anslow (Falkirk Council); Councillor Altany Craik and Councillor Ross Vettraino (Fife Council); Councillor Ruairi Kelly and Councillor Rashid Hussain (Glasgow City Council); Councillor Derek Loudon and vacancy (Highland Council); Councillor Martin McCluskey (Inverclyde Council); Councillor Douglas Bowen (Midlothian 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 Dennis Leask (Shetland Islands 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).

Councillor Shaw (Convener) and Councillor Altany Craik (Vice Convener)

## **Further Information**

For further information in connection with this meeting, please email  
[democratic-services@renfrewshire.gov.uk](mailto:democratic-services@renfrewshire.gov.uk)

## Items of business

### Apologies

Apologies from members.

### Declarations of Interest

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

- |           |   |                  |
|-----------|---|------------------|
| <b>1</b>  | <b>Minute of Joint Committee</b>  | <b>5 - 12</b>    |
|           | Minute of meeting of the Joint Committee held on 17 June 2022.  |                  |
| <b>2</b>  | <b>Minutes of Executive Sub-committee</b>   | <b>13 - 48</b>   |
|           | Minutes of meetings of the Executive Sub-committee held on 17 June, 19 August, 16 September, 21 October and 18 November 2022. |                  |
| <b>3</b>  | <b>Presentation</b>   |                  |
|           | Presentation by Chief Executive of Scotland Excel.  |                  |
| <b>4</b>  | <b>Revenue Estimates 2023/24</b>  | <b>49 - 58</b>   |
|           | Joint report by Treasurer and Chief Executive of Scotland Excel.  |                  |
| <b>5</b>  | <b>Contract Delivery Plan Update</b>  | <b>59 - 72</b>   |
|           | Report by Chief Executive of Scotland Excel.  |                  |
| <b>6</b>  | <b>Community Benefits and Fair Work Practices Update</b>  | <b>73 - 78</b>   |
|           | Report by Chief Executive of Scotland Excel.  |                  |
| <b>7</b>  | <b>Draft Corporate Strategy 2023/28</b>   | <b>79 - 106</b>  |
|           | Report by Chief Executive of Scotland Excel.  |                  |
| <b>8</b>  | <b>Draft Operating Plan for April 2023 to March 2024</b>  | <b>107 - 116</b> |
|           | Report by Chief Executive of Scotland Excel.  |                  |
| <b>9</b>  | <b>Strategic Risk Register</b>  | <b>117 - 138</b> |
|           | Report by Chief Executive of Scotland Excel.  |                  |
| <b>10</b> | <b>Review of Job Titles for the Heads of Service of Scotland Excel</b>  | <b>139 - 140</b> |
|           | Report by Chief Executive of Scotland Excel.  |                  |
| <b>11</b> | <b>Membership of Scotland Excel Executive Sub-committee</b>   |                  |
|           | Report by Clerk. (not available - copy to follow)   |                  |

<b>12</b>	<b>Membership of Scotland Excel Chief Executive Officers Management Group</b>	<b>141 - 142</b>
	Report by Clerk.	
<b>13</b>	<b>Meetings of Scotland Excel Joint Committee in 2023</b>	<b>143 - 144</b>
	Report by Clerk.	



## Minute of Meeting Scotland Excel Joint Committee

Date	Time	Venue
Friday, 17 June 2022	09:30	Remotely by MS Teams,

### Present

Councillor Brenda Durno (Angus Council); Councillor William Sinclair (Argyll and Bute Council); Councillor Carolyn Wilson (Dumfries and Galloway Council); Councillor Stephen Canning (East Ayrshire Council); Councillor John McMillan (East Lothian Council); Councillor Margaret Anslow (Falkirk Council); Councillor Altany Craik and Councillor Ross Vettraino (both Fife Council); Councillor Ruairi Kelly and Councillor Rashid Hussain (both Glasgow City Council); Councillor Douglas Bowen (Midlothian Council); Councillor Christina Larsen (North Ayrshire Council); Councillor Michael McPake and Councillor Gary Robinson (both North Lanarkshire Council); Councillor Sheila McCole (Perth and Kinross Council); Councillor John Shaw (Renfrewshire Council); Councillor Mark Rowley (Scottish Borders Council); Councillor Ryan Thomson (substitute for Councillor Dennis Leask) (Shetland Islands Council); Councillor Peter Henderson (South Ayrshire Council); Councillor Walter Brogan (South Lanarkshire Council); and Councillor Rachel Nunn (Stirling Council).

### In Attendance

J Welsh, Director, S Brannagan, Head of Customer & Business Services, H Carr, Head of Strategic Procurement, L Campbell, Corporate Services Manager, M Robertson, Marketing and Communications Manager, E Hay, Strategic Procurement Manager, L Richard, Senior Procurement Manager, L Muir, Category Manager, Z Shankly, Customer Account Manager, K Forrest, Office Manager and N French, Customer Services Assistant (all Scotland Excel); and M Conaghan, Head of Corporate Governance (Clerk), C McCourt, Head of Finance & Business Services, K Festorazzi, Principal Accountant, E Currie, Senior Committee Services Officer and K O'Neill, Assistant Democratic Services Officer (all Renfrewshire Council); and M Ferris, Senior Audit Manager (Audit Scotland).

## **Apologies**

Councillor Ellen Forson (Clackmannanshire Council); Councillor Kenny Macleod (Comhairle Nan Eilean Siar); Councillor Lynne Short (Dundee City Council); Councillor Calum Smith (East Dunbartonshire Council); Councillor Tony Buchanan (East Renfrewshire Council); Councillor Martin McCluskey (Inverclyde Council); Councillor Dennis Leask (Shetland Islands Council); Councillor Eileen Logan (South Lanarkshire Council); Councillor Daniel Lennie (West Dunbartonshire Council); and Councillor Anne McMillan (West Lothian Council).

## **Declarations of Interest**

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

Prior to the start of the meeting the Clerk welcomed members to the first meeting of the Joint Committee following the local government elections in May 2022.

### **1 Appointment of Convener**

The Clerk asked for nominations for the post of Convener.

Councillor Robinson, seconded by Councillor Henderson, moved that Councillor Shaw be appointed as Convener of the Joint Committee.

There being no further nominations it was agreed that Councillor Shaw be appointed as Convener of the Joint Committee.

**DECIDED:** That Councillor Shaw be appointed as Convener of the Joint Committee.

## **Chair**

Councillor Shaw thereafter took the chair.

### **2 Appointment of Vice Convener**

The Convener asked for nominations for the post of Vice Convener.

Councillor Shaw, seconded by Councillor McMillan, moved that Councillor Craik be appointed as Vice Convener of the Joint Committee.

There being no further nominations it was agreed that Councillor Craik be appointed as Vice Convener of the Joint Committee.

**DECIDED:** That Councillor Craik be appointed as Vice Convener of the Joint Committee.

### **3 Term of Office of Convener and Vice Convener**

There was submitted a report by the Clerk relative to the term of office for the Convener and Vice Convener of the Joint Committee.

**DECIDED:** That the term of office of the Convener and Vice Convener of the Joint Committee be until the next local government elections in May 2027.

#### 4 **Membership of Joint Committee**

There was submitted a report by the Clerk relative to the appointments by member authorities to the Scotland Excel Joint Committee. It was noted that an updated appendix detailing appointments was issued prior to the meeting.

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

#### 5 **Membership of Executive Sub-committee**

There was submitted a report by the Clerk seeking approval for the continued appointment of the existing membership of the Scotland Excel Executive Sub-committee for a further period to June 2023.

The report intimated that in June 2017, the Joint Committee agreed to increase the number of members of the Sub-committee from 12 to 13 to include both the Convener and Vice Convener and the Procedural Standing Orders had been amended to reflect that change. However, the new arrangements remained subject to the requirement that where possible, the membership of the Executive Sub-committee should reflect the geographic diversity of the constituent authorities.

Councillor Shaw, seconded by Councillor McCole, moved, in terms of Standing Order 36, that Standing Order 35 be suspended to allow consideration of the membership of the Executive Sub-committee as detailed in Standing Order 40a. This was agreed unanimously.

After discussion Councillor Shaw, seconded by Councillor McCole, proposed that:

(a) Standing Order 40a be amended to read that “the Executive Sub-committee shall comprise a maximum of 14 members including the Convener and Vice Convener with the other members appointed by the Joint Committee. The Convener and Vice Convener of the Joint Committee shall be the Convener and Vice Convener of the Executive Sub-committee.”;

(b) That it be agreed that the Executive Sub-committee comprise elected members from Aberdeenshire Council, Angus Council, City of Edinburgh Council, Comhairle nan Eilean Siar, Dumfries & Galloway Council, Fife Council (Vice Convener), Glasgow City Council, Highland Council, North Ayrshire Council, North Lanarkshire Council, Renfrewshire Council (Convener), South Ayrshire Council, South Lanarkshire Council and Shetland Islands Council; and

(c) That the membership of the Executive Sub-committee be next reviewed at the meeting of the Joint Committee in December 2022.

This was agreed unanimously.

**DECIDED:**

(a) That Standing Order 40a be amended to read that “the Executive Sub-committee shall comprise a maximum of 14 members including the Convener and Vice Convener with the other members appointed by the Joint Committee. The Convener and Vice Convener of the Joint Committee shall be the Convener and Vice Convener of the

Executive Sub-committee.”;

(b) That it be agreed that the Executive Sub-committee comprise elected members from Aberdeenshire Council, Angus Council, City Of Edinburgh Council, Comhairle nan Eilean Siar, Dumfries & Galloway Council, Fife Council, Glasgow City Council, Highland Council, North Ayrshire Council, North Lanarkshire Council (Vice Convener), Renfrewshire Council (Convener), South Ayrshire Council, South Lanarkshire Council and Shetland Islands Council; and

(c) That the membership of the Executive Sub-committee be next reviewed at the meeting of the Joint Committee in December 2022.

## **6 Minute of Joint Committee**

There was submitted the Minute of the meeting of the Joint Committee held on 10 December 2021.

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

## **7 Minutes of Executive Sub-committee**

There were submitted the Minutes of the meetings of the Executive Sub-committee held on 10 December 2021, 28 January 2022, 18 February 2022 and 18 March 2022.

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

## **Sederunt**

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

## **8 Overview of Scotland Excel**

The Chief Executive of Scotland Excel gave a presentation to members providing an overview of Scotland Excel's governance and management structures; the budget process which included information on annual requisitions, the budget reported to the Joint Committee in December of each year, spend reviews and the reporting process; details of the organisations development journey from 2008 to present day; procurement and consultancy services; projects and partnerships; community wealth building; the opportunities offered by the Scotland Excel Academy; both the governance and benefits of associate membership; the framework portfolio which had a total value of circa £2 billion; additional commissioned projects in both adult social care and children and families; construction, transport and environment frameworks and the focus on supporting a Just Transition to Net Zero; corporate, education and ICT frameworks; supply chain disruption; delivering value; return on investment for both pre-2022 and 2022 and beyond; the income strategy which included information on rebates, consultancy, the Academy, new build and associates; environmental sustainability; and emerging priorities.

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

## **Sederunt**

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



## 9 **Unaudited Annual Accounts 2021/22**

There was submitted a report by the Treasurer relative to Scotland Excel's unaudited annual accounts for 2021/22, a copy of which were attached to the report.

The report intimated that the accounts for the year ended 31 March 2022 would be submitted to Audit Scotland for audit in advance of the statutory deadline of 30 June 2022. The accounts indicated that Scotland Excel's core activities resulted in a small overspend of £3,217 in 2021/22 compared to a budgeted break-even position and that projects returned income of £326,488 over expenditure. This resulted in a combined underspend for the year of £323,271 which had been added to usable reserves, which were committed as outlined in note 3 to the accounts.

The management commentary within the accounts provided an overview of Scotland Excel's performance during 2021/22 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 no later than 31 August and the annual governance statement should be formally approved at this time.

Further, that in accordance with the Local Authority Accounts (Scotland) Regulations 2014, 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, Audit Scotland, by 30 September. Under the Coronavirus (Scotland) Act 2020, this had been extended to 30 November this year and the 2021/22 audited accounts were scheduled to be presented to the Executive Sub-committee on 18 November 2022 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 2021/22 be noted; and

(b) That the annual governance statement be approved.

## 10 **Elected Member Engagement Plan**

There was submitted a report by the Chief Executive of Scotland Excel providing an overview of the engagement activity proposed for Joint Committee elected members.

The report advised that a member of Scotland Excel's Executive Team would request a meeting with all elected members on the Joint Committee at least once a year to provide a one-to-one opportunity to discuss the organisation's recent activities and forward plans and examine the value delivered for each council from its membership and would make contact with members twice per year to provide an opportunity for members to discuss any specific matters with staff; Scotland Excel's quarterly e-newsletter would be issued to members together with copies of corporate publications and briefing notes; members would receive invitations to online and in-person events and would be invited to Scotland Excel's biennial Supplier Awards in 2023 which would celebrate the role of suppliers in public procurement; the Scotland Excel Academy offered regular Introduction to Public Procurement courses which might be of interest

to members and that bespoke training could be arranged for members where there was sufficient demand; a dedicated Account Manager was assigned to each Council and that contact would be made with members to offer any support required; and that members could also make contact with the Executive Team or Senior Management Team at any time.

**DECIDED:** That the proposed elected member engagement plan be approved.

## 11 **Operating Plan for April 2022 – March 2023**

There was submitted a report by the Chief Executive of Scotland Excel presenting the organisation's operating plan for the period 1 April 2022 to 31 March 2023, a copy of which formed Appendix 1 to the report.

The report intimated that the plan covered the key activities being undertaken during the 2022/23 financial year to complete the delivery of the current five-year corporate strategy. It was noted that a new five-year strategy would be developed over the coming year in conjunction with local authority stakeholders and would be presented to the Joint Committee for approval in December 2022.

A copy of the performance report against the 2021/22 operating plan formed Appendix 2 to the report. This plan covered a 15-month period from 1 January 2021 to 31 March 2022 as a result to the changes to the planning process necessitated by the Covid-19 pandemic.

The report advised that Scotland Excel followed a robust process to develop its corporate strategy and operating plan as detailed in section 2 of the report. The 2022/23 operating plan had 34 commitments which reflected the key actions Scotland Excel would undertake this financial year to conclude the five-year strategy. These commitments were aligned to more than 100 specific actions which were cascaded to staff as part of Scotland Excel's performance review and development programme.

The report further advised that progress reports were produced to track Scotland Excel's performance against operating plan commitments and reported to the Executive Sub-committee at the end of each quarter with half-yearly and annual reports being submitted to Joint Committee meetings. These reports summarised the progress made against operating plan commitments and used a 'traffic light' symbol to provide a guide to the status of each activity.

It was noted that Scotland Excel performed well against the commitments set out in its 2021/22 operating plan with 27 commitments progressing in line with plans and indicated as green within the report; two commitments were indicated as amber within the report and would be completed in 2022/23; and one commitment was indicated as black within the report. It was noted that due to restrictions on holding national and regional events, the coaction project would now be implemented on a project-by-project basis.

**DECIDED:** That the content of the operating plan for 2022/23 and the performance against the 2021/22 operating plan be noted.

## **Sederunt**

Councillor McMillan left the meeting prior to consideration of the following item of business and Councillor Henderson left the meeting during consideration of the following item of business.

## 12 **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.

The report noted 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 organisations' procurement strategy.

It was noted 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.

### **DECIDED:**

(a) That the content of the annual procurement report, as appended to the report, be noted; and

(b) That publication of the annual procurement report on Scotland Excel's website be approved.

## 13 **Scotland Excel's Approach to Risk**

There was submitted a report by the Chief Executive of Scotland Excel providing an overview of Scotland Excel's approach to strategic risk management.

The report provided detail on how Scotland Excel intended to share risk assessments with local authority partners, the reporting regime to the Joint Committee and Executive Sub-committee and internal monitoring and assessment procedures. The report also summarised the current strategic risk identified within Scotland Excel's strategic risk register.

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

## 14 **Date of Next Meeting**

**DECIDED:**

- (a) That it be noted that the next meeting of the Joint Committee would be held at 10.45 am on 9 December 2022; and
- (b) That the Clerk, in consultation with the Convener, consider arrangements for future meetings of the Joint Committee and advise members.



## Minute of Meeting Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 17 June 2022	11:45	Remotely by MS Teams,

### Present

Councillor Brenda Durno (Angus Council); Councillor Carolyn Wilson (Dumfries and Galloway Council); Councillor Altany Craik (Fife Council); Councillor Ruairi Kelly (Glasgow City Council); Councillor Christina Larsen (North Ayrshire Council); Councillor Gary Robinson (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council); Councillor Ryan Thomson (substitute for Councillor Dennis Leask) (Shetland Islands Council).

### Chair

Councillor Shaw, Convener, presided.

### In Attendance

J Welsh, Chief Executive, H Carr, Head of Strategic Procurement, S Brannagan, Head of Customer & Business Services, L Campbell, Corporate Services Manager, M Robertson, Marketing & Communications Manager, L Richard, Strategic Procurement Manager, E MacLuskie and N Howie, both Procurement Coordinators, Z Shankley, Project & Account Manager, J McKenzie, Assistant Category Manager, G Maxwell, Procurement Coordinator, E Hay, Strategic Procurement Manager and K Forrest, Office Manager, (all Scotland Excel); and M Conaghan, Head of Corporate Governance (Clerk), C McCourt, Head of Finance & Business Services, K Campbell, Assistant Chief Internal Auditor, K Festorazzi, Principal Accountant, E Currie, Senior Committee Services Officer and K O'Neill, Assistant Democratic Services Officer (all Renfrewshire Council).

### Apologies

Councillor Kenny Macleod (Comhairle nan Eilean Siar) and Councillor Peter Henderson (South Ayrshire Council).

### Declarations of Interest

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

## 1 **Minute**

There was submitted the Minute of the meeting of the Executive Sub-committee held on 22 April 2022.

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

## 2 **Revenue Budget Monitoring Report**

There was submitted a joint revenue budget monitoring report by the Treasurer and the Chief Executive of Scotland Excel for the period 1 April 2021 to 31 March 2022.

The report intimated that Scotland Excel operated a core and project budget methodology and that core budgeting represented the primary activities of Scotland Excel which were traditionally wholly funded through member requisitions. In June 2018, the Joint Committee approved a funding model proposal whereby Scotland Excel would generate income through additional income streams being, consultancy services; new build housing; learning and development; rebates; and associate membership expansion. It was noted that financial reporting for these income streams was reported under project budget reporting and that project reserves were ring-fenced reserves for on-going project delivery.

The report advised that at the end of the financial year 2021/22, Scotland Excel recorded a small operating deficit of £1,000 in its core activities and Appendix 1 to the report provided the revenue budget monitoring statement for the period and included a summary of movement in the revenue reserves. The significant variations to budget were highlighted in section 4.3 of the report. Appendix 2 to the report provided a summary of the 2022/23 operating budget and section 5.2 of the report outlined the key assumptions used in developing these projections.

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

## **Sederunt**

Councillor Thomson joined the meeting prior to consideration of the following item of business.

## 3 **Internal Audit Annual Report 2021/22**

There was submitted a report by the Chief Auditor, Renfrewshire Council, relative to the Internal Audit annual report on Scotland Excel 2021/22.

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 2021/22 and contained an audit assurance statement.

**DECIDED:** That the Internal Audit annual report 2021/22 be noted.

4(a) **Contract for Approval Repair and Maintenance of Catering Equipment**

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of a renewal framework for the repair and maintenance of catering equipment for the period 7 May 2022 until 30 April 2025, with the option to extend for one 12-month period until 30 April 2026. It was noted that subject to approval and completion of a standstill period, the framework was intended to commence on 1 July 2022.

The framework would provide councils and associate members with a mechanism to procure repair and maintenance services for commercial gas, electrical and refrigeration catering equipment.

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

The report advised that the framework had been advertised at a total value of £1.5 million per annum, which equated to an estimated spend of £6 million over the maximum four-year term of the framework and Appendix 1 to the report detailed the participation, spend and savings summary of those councils and associate members participating in the framework.

Tender responses had been received from 10 suppliers and Appendix 2 to the report provided a summary of the offers received.

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

Based on the evaluation undertaken, and in line with the advertised criteria and weightings set out in the report, it was recommended that a multi-supplier framework arrangement be awarded to 10 suppliers across the three lots, as outlined in Appendix 3 to the report.

It was noted that there was a minor name correction to one name shown in Appendices 2, 3 and 4, in that any reference to C & M Environment Limited should read C & M Environment Limited Limited.

Appendix 4 to the report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage.

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

**DECIDED:** That the award of the multi-supplier framework for the repair and maintenance of catering equipment, as detailed in Appendix 3 to the report, noting the name change referred to above, be approved.

## Declaration of Interest

At this point in the meeting, Councillor Robinson declared an interest in item 4(b) for the reason that his company was a customer of one of the suppliers. Councillor Robinson indicated that as he had declared an interest, he would leave the online meeting during any discussion and voting on the item.

### 4(b) **Contract for Approval - Supply, Delivery, Installation and Maintenance of Water Coolers and Associated Consumables**

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of a second-generation renewal framework for the supply, delivery, installation and maintenance of water coolers and associated consumables for the period 7 July 2022 to 6 July 2025, with the option to extend for a period of up to 12 months until 6 July 2026.

The framework would provide stakeholders with a mechanism to purchase and rent a range of water coolers including free standing bottled water coolers and plumbed water coolers as well as associated maintenance and sanitisation services.

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

The report advised that the framework had been advertised at a total value of £1 million per annum, which equated to an estimated spend of £4 million over the maximum four-year term of the framework and Appendix 1 to the report detailed the participation, spend and savings summary of those councils and associate members participating in the framework.

Tender responses had been received from seven suppliers and Appendix 2 to the report provided a summary of the offers received.

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

Based on the evaluation undertaken, and in line with the advertised criteria and weightings set out in the report, it was recommended that a multi-supplier framework arrangement be awarded to six suppliers across the three lots, as outlined in Appendix 3 to the report.

Appendix 4 to the report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage.

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

**DECIDED:** That the award of the multi-supplier framework for the supply, deliver, installation and maintenance of water coolers and associated consumables, as detailed in Appendix 3 to the report, be approved.



#### 4(c) **Employability Services Flexible Dynamic Purchasing System**

There was submitted a report by the Chief Executive of Scotland Excel seeking approval for the establishment of a new Dynamic Purchasing System (DPS) for employability services, which the Chief Executive of Scotland Excel had elected to establish in terms of Contract Standing Order 28 and also for the Chief Executive of Scotland Excel to be granted the appropriate delegation to appoint new entrants to the DPS during its lifetime, as detailed in the report. It was noted that, subject to completion of the standstill period, the flexible DPS was intended to take effect on or around 1st July 2022.

The report intimated that employability services comprised a range of local and national provision that supported individuals to move closer to, enter, sustain and progress in employment and that these services were provided across all local authority areas in Scotland. The services were designed to be flexible and based on the needs of the end-user with the aim to help people to access the most relevant support on their journey towards work. Further, that this procurement exercise had been conducted by Scotland Excel on behalf of councils and had been funded and sponsored by the Scottish Government and the Improvement Service as part of the implementation of the No One Left Behind (NOLB) programme, which aimed to change the employability system in Scotland to make it more adaptable, responsive and person-centred.

The report advised that currently, employability services were delivered by local authorities alongside nationally provided services which were funded by the Scottish Government. In March 2022, funding moved from national to local governance via local authorities as lead accountable bodies. Local authorities would now manage the funding on behalf of the Local Employability Partnerships who would agree the investment priorities as part of a Local Delivery Plan.

The report noted that the flexible DPS had been divided into four service categories and the report detailed the procurement process for this DPS. It was noted that the request to participate document had been downloaded by 244 organisations with 151 responses received, as detailed in Appendix 1 to the report.

Based on the evaluation undertaken, and in line with the advertised requirements summarised in the report, it was recommended that a flexible DPS arrangement be established with 130 suppliers as detailed in Appendix 2 to the report. Appendix 3 to the report detailed the service categories and geographical sub-categories.

#### **DECIDED:**

(a) That the flexible DPS be established in accordance with the recommendations detailed in Appendix 2 to the report;

(b) That delegated authority be granted to the Chief Executive of Scotland Excel, or the Head of Procurement in the Chief Executive's absence, to approve the evaluation outcome of any new entrants that completed the qualification process for entry to the flexible DPS throughout its validity period in accordance with the published DPS conditions and in compliance with the applicable law; and

(c) That the Executive Sub-committee be updated on the status of admitted service providers on an annual basis as part of the annual procurement report.

5(a) **Request for Associate Membership: 2023 Cycling World Championships Limited**

There was submitted a report by the Chief Executive of Scotland Excel advising that 2023 Cycling World Championships Limited had submitted an application to become an associate member of Scotland Excel.

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

**DECIDED:** That the application by 2023 Cycling World Championships Limited to become an associate member of Scotland Excel, with no annual membership fee, be approved subject to completion and signing of the agreement documentation.

5(b) **Request for Associate Membership: Scotrail Trains Limited**

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

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

**DECIDED:** That the application by Scotrail Trains Limited to become an associate member of Scotland Excel, with an annual membership fee of £2,500, be approved subject to completion and signing of the agreement documentation.

6 **Date of Next Meeting**

**DECIDED:** That it be noted that the next meeting of the Executive Sub-committee would be held remotely on MS teams at 9.30 am on 19 August 2022.

## Minute of Meeting Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 19 August 2022	09:30	Remotely by MS Teams,

### Present

Councillor Brenda Durno (Angus Council); Councillor Mandy Watt (City of Edinburgh Council); Councillor Kenny Macleod (Comhairle Nan Eilean Siar); Councillor Carlyne Wilson (Dumfries & Galloway Council); Councillor Altany Craik (Fife Council); Councillor Christina Larsen (North Ayrshire Council); Councillor Gary Robinson (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council); Councillor Peter Henderson (South Ayrshire Council); and Councillor Walter Brogan (South Lanarkshire Council).

### Chair

Councillor Shaw, Convener, presided.

### In Attendance

J Welsh, Chief Executive, H Carr, Head of Strategic Procurement, S Brannagan, Head of Customer & Business Services, L Campbell, Corporate Services Manager, L Richard, Senior Procurement Manager, M Robertson, Marketing & Communications Manager, M MacRitchie, Business Service Assistant, E Benson, D Pettigrew, D Kerr and N Howie, all Procurement Co-ordinators, K Forrest, Office Manager and L Ftouni and F Lennie, both Modern Apprentices (all Scotland Excel); and C McCourt, Head of Finance & Business Services, L Mitchell, Managing Solicitor (Contracts & Conveyancing), K Festorazzi, Principal Accountant, and E Gray, Senior Committee Services Officer.

### Apologies

Councillor Dennis Leask (Shetland Islands Council) and Councillor Derek Loudon (Highland Council).

## **Declarations of Interest**

Councillor Shaw declared an interest in item 4(a) of the agenda for the reason that his partner was employed by Kibble. Councillor Shaw indicated that as he had declared an interest, he would leave the online meeting during any discussion and voting on the item.

### **1 Minute**

There was submitted the Minute of the meeting of the Executive Sub-committee held on 17 June 2022.

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

### **2 Chief Executive's Update Report**

There was submitted a report by the Chief Executive of Scotland Excel relative to the Chief Executive's update report considered at the meeting of the Scotland Excel Chief Executive Officers Management Group (CEOMG) held on 20 June 2022, covering the period from February 2022 to June 2022, a copy of which was appended to the report.

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

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

### **3 Revenue Budget Monitoring Report to 22 July 2022**

There was submitted a joint revenue budget monitoring report by the Treasurer and the Chief Executive of Scotland Excel for the period 1 April to 22 July 2022.

The report intimated that at the end of period 4, Scotland Excel was projecting a £77,000 underspend position by year-end in its core activities and a £76,000 drawdown from project. It was noted that both core and projects budgets would be monitored closely in order to mitigate any projected overspends and, as a result, Scotland Excel was confident that it would deliver against its planned budget by year-end. Further detail was provided in section 3 of the report.

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

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

## **Declaration of Interest**

Councillor Shaw having previously declared an interest in the following item of business left the meeting and took no part in the discussion or voting thereon.

## Chair

Following Councillor Shaw's withdrawal from the meeting, Councillor Craik, Vice Convener, took the Chair.

### 4(a) **Contract for Approval: Children's Residential Care and Education, including Short Breaks, Services Flexible Framework Agreement**

There was submitted a report by the Chief Executive of Scotland Excel relative to the flexible framework for children's residential care and education, including short break, for a period of six years from 1 October 2022 to 30 September 2028, unless terminated earlier in accordance with its terms. It was noted that subject to approval and completion of a standstill period, the flexible framework agreement was intended to commence on 1 October 2022.

The flexible framework would enable councils to purchase placements for children and young people from a range of independent and voluntary providers.

The report advised that following the publication of the Independent Care Review's reports in February 2020, the Promise Team had been established to implement the Care Review's recommendations with the objective of keeping 'the Promise' to improve the care system as outlined in the reports. The Independent Care Review had highlighted that the period between April 2021 and March 2024 would be a 'bedding down' period where the necessary legislative reform would be underway. In order to ensure that the flexible framework remained fit for purpose the flexible framework had been designed to allow for any legislative or policy changes and to accommodate any updates or ways of working that would further support councils and providers to keep 'the Promise'.

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

The report advised that the framework had been advertised at a total value of £951.6 million over its maximum lifetime of six years, which equated to £158.6 million per annum. It was noted that this spend could vary significantly depending on the nature, type and length of placements made under the framework. Appendix 1 to the report detailed the participation of councils.

Tender responses had been received from 41 suppliers and Appendix 2 to the report provided a summary of the offers received.

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

Based on the evaluation undertaken, and in line with the criteria and weightings set out in the report, it was recommended that 39 providers across the four service options be awarded to the flexible framework from its commencement, as outlined in Appendix 3 to the report.

Appendix 4 to the report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage.

The report intimated that, in accordance with Scotland Excel's established contract

and supplier management programme, the framework had been classified as class A in terms of risk and spend, as detailed in Appendix 5 to the report.

**DECIDED:**

(a) That the award of the flexible framework for multi-supplier framework for children's residential care and education, including short break, as detailed in Appendix 3 to the report, be approved;

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

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

**Chair**

Councillor Shaw re-joined the meeting and assumed the Chair.

**4(b) Contract for Approval: Outdoor Play and Sports Facilities Framework**

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of a renewal framework for outdoor play and sports facilities for the period 1 August 2022 to 31 July 2024, with the option to extend for up to two 12 months. It was noted that subject to approval and completion of a standstill period, the flexible framework agreement was intended to commence on or around 14 September 2022.

The framework would provide members with a mechanism to procure goods, services and works relating to outdoor plan area, including outdoor parks, gyms and learning areas, multi-use games areas, wheeled sports areas and artificial surfaces.

The report summarised the outcome of the procurement process for the framework which had been divided into 11 lots, as detailed in table 1 of the report. It was noted that lots 7, 8, 9 and 10 had been subdivided by 5 regions and that tenderers could opt to offer for one, some or all regions; that lot 11 had been split into four product groups and that tenderers could opt to offer for one, some or all product groupings; and that for lots 1, 2, 3, 4 and 6, councils would only be able to award contracts under the framework using mini-competitions.

The report advised that the framework had been advertised with an estimated spend of £60 million over the maximum four-year period and that all 32 councils would participate in the framework as detailed in Appendix 1 to the report. The report advised that Advanced Procurement for Universities and Colleges, the NHS and the Scottish Government had confirmed participation in the framework.

Tender responses had been received from 37 tenderers and Appendix 2 to the report provided a summary of the offers received.

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

confirmed the scoring achieved by each tenderer for each lot and regions and product groupings, where applicable.

Based on the evaluation undertaken, and in line with the advertised criteria and weightings set out in the report, it was recommended that a multi-contractor framework arrangement be awarded to 29 suppliers across the 11 lots, as outlined in Appendix 3 to the report.

Appendix 4 to the report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage.

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

**DECIDED:** That the award of the multi-contractor framework for outdoor play and sports facilities, as detailed in Appendix 3 to the report, be approved.

#### 4(c) **Contract for Approval: Supply and Delivery of Roadstone Materials**

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of a third-generation framework for the supply and delivery of roadstone materials for the period 1 October 2022 until 30 September 2026. It was noted that subject to approval and completion of a standstill period, the flexible framework agreement was intended to commence on 1 October 2022.

The framework covered a range of coated, uncoated and recycled roadstone as well as ready mixed concrete to support the requirements of councils' road departments.

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

The report advised that the framework had been advertised with an estimated value of £80 million over the maximum four-year period and Appendix 1 to the report detailed the participation, spend and savings summary of those councils participating in the framework.

Tender responses had been received from 14 suppliers and Appendix 2 to the report provided a summary of the offers received.

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

Based on the evaluation undertaken, and in line with the advertised criteria and weightings set out in the report, it was recommended that a multi-supplier framework arrangement be awarded to 14 suppliers across the four lots, as outlined in Appendix 3 to the report.

Appendix 4 to the report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage.

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

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

4(d) **Contract for Approval: Salt for Winter Road Maintenance**

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of a fourth-generation framework for salt for winter road maintenance for the period 1 November 2022 until 31 October 2026. It was noted that subject to approval and completion of a standstill period, the flexible framework agreement was intended to commence on 1 November 2022.

The framework covered a full range of salt and de-icing equipment and accessories including bulk and bagged rock salt, marine salt and treated salt to allow councils to deliver various public services.

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

The report advised that the framework had been advertised with an estimated value of £70 million over the maximum four-year period and Appendix 1 to the report detailed the participation, spend and savings summary of all councils participating in the framework, together with Tayside Contracts and associate members.

Tender responses had been received from six suppliers and Appendix 2 to the report provided a summary of the offers received.

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

Based on the evaluation undertaken, and in line with the advertised criteria and weightings set out in the report, it was recommended that a multi-supplier framework arrangement be awarded to six suppliers across the seven lots, as outlined in Appendix 3 to the report.

Appendix 4 to the report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage.

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

**DECIDED:** That the award of the multi-supplier framework for salt for winter road maintenance, as detailed in Appendix 3 to the report, be approved.

4(e) **Contract for Approval: Provision and Delivery of Washroom Solutions and Sanitary Products**

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of a framework for the provision and delivery of washroom solutions and sanitary products for the period 1 October 2022 until 30 September 2026. It was noted that subject to approval and completion of a standstill period, the flexible framework agreement was intended to commence on 1 October 2022.



The framework would provide councils and associate members with a mechanism to procure a range of products and services including sanitary waste disposal, nappy waste disposal sanitisers, air fresheners, sharps disposal, and medical waste disposal. It was noted that an 'on-loan' provision was included for certain equipment and that this was free to Scotland Excel members and also that there was a second lot for sanitary products to support the Scottish Government's commitment to promote dignity to women in educational establishments by providing free sanitary products.

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

The report advised that the framework had been advertised at a total value of £6 million per annum, which equated to an estimated spend of £24 million over the maximum four-year terms of the framework and Appendix 1 to the report detailed the participation, spend and savings summary of all councils participating in the framework, together with Tayside Contracts.

Tender responses had been received from 11 tenderers and Appendix 2 to the report provided a summary of the offers received.

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

Based on the evaluation undertaken, and in line with the advertised criteria and weightings set out in the report, it was recommended that a multi-supplier framework arrangement be awarded to 11 suppliers across the two lots, as outlined in Appendix 3 to the report.

Appendix 4 to the report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage.

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

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

5(a) **Request for Associate Membership: Dovetail Enterprises (1993) Ltd**

There was submitted a report by the Chief Executive of Scotland Excel advising that Dovetail Enterprises (1993) Ltd had submitted an application to become an associate member of Scotland Excel.

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

**DECIDED:** That the application by Dovetail Enterprises (1993) Ltd to become an associate member of Scotland Excel, with an annual membership fee of £500, be approved subject to completion and signing of the agreement documentation.

5(b) **Request for Associate Membership: Eden Court Highlands**

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

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

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

5(c) **Request for Associate Membership: Partick Housing Association Limited**

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

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

**DECIDED:** That the application by Partick Housing Association Limited to become an associate member of Scotland Excel, with an annual membership fee of £2,649, be approved subject to completion and signing of the agreement documentation.

6 **National Care Service (Scotland) Bill - Call for Views Response**

There was submitted a report by the Chief Executive of Scotland Excel seeking approval for Scotland Excel's proposed response to the Call for Views on the National Care Service (NCS) issued by the Scottish Government Health, Social Care and Sport Committee and other committees, a copy of which was appended to the report.

The report intimated that on 21 June 2022, the National Care Service (Scotland) Bill had been published allowing Scottish Ministers to transfer social care responsibility from local authorities to a new, national service. This could include adult and children's services, as well as areas such as justice social work and Scottish Ministers would also be able to transfer healthcare functions from the NHS to the NCS.

On 8 July 2022, a Call for Views on the National Care Services (Scotland) Bill had been published by Committees in the Scottish Parliament, of which three were likely to take evidence.

**DECIDED:** That the response, as appended to the report, be approved for submission to the Scottish Government.

7 **Operating Plan Update 2022/23**

There was submitted a report by the Chief Executive of Scotland Excel providing an update on the activity undertaken during the first quarter of the operating plan 2022/23, covering the period from 1 April to 30 June 2022.

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

Committee held on 10 December 2021.

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

It was noted that progress reports were produced quarterly to track Scotland Excel's activity against operating plan commitments and at the end of each quarter reports were submitted to the Executive Sub-committee with half-yearly and annual reports submitted to the Joint Committee.

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

## 8 **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 16 September 2022.



## Minute of Meeting Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 16 September 2022	09:30	Remotely by MS Teams,

### Present

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

### Chair

Councillor Shaw, Convener, presided.

### In Attendance

J Welsh, Chief Executive, H Carr, Head of Strategic Procurement, L Campbell, Corporate Services Manager, L Richard, Senior Procurement Manager, A Toland, Senior Procurement Specialist, A McCluskie, Procurement Co-ordinator, S Nicolson, Project & Customer Account Manager, K Forrest, Office Manager, N French, Corporate Services Assistant, and L Mooney, Senior Communications Specialist (all Scotland Excel); and L Mitchell, Managing Solicitor (Contracts & Conveyancing) and E Gray, Senior Committee Services Officer (both Renfrewshire Council).

### Apology

Councillor Mandy Watt (City of Edinburgh Council).

## **Declarations of Interest**

Councillor Robinson declared an interest in item 3 of the agenda for the reason that he was previously employed by one of the bidding suppliers. Councillor Robertson indicated that as he had declared an interest, he would leave the online meeting during any discussion and voting on the item.

### **1 Minute**

There was submitted the Minute of the meeting of the Executive Sub-committee held on 19 August 2022.

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

### **2 Chief Executive's Update Report to Chief Executive Officers Management Group (CEOMG) - August 2022**

There was submitted a report by the Chief Executive of Scotland Excel relative to the Chief Executive's update report considered at the meeting of the Scotland Excel Chief Executive Officers Management Group (CEOMG) held on 17 August 2022.

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

The report submitted to the CEOMG meeting held on 17 August 2022, which covered the period from June to August 2022, was appended to the report.

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

## **Declaration of Interest**

Councillor Robinson having previously declared an interest in the following item of business left the meeting and took no part in the discussion or voting thereon.

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

There was submitted a report by the Chief Executive of Scotland Excel relative to the flexible framework for social care agency workers for a period of two years from 1 November 2022 until 31 October 2024, with an option to extend for up to two twelve-month periods.

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

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

The report summarised the outcome of the procurement process for the framework which had been divided into three lots, as detailed in table 1 of the report. As detailed in the tender documents, tenderers had been recommended for appointment to each lot of the flexible framework by reference to 17 geographical regional sub-lots, as detailed in table 2 of the report, with regional sub-lot five being split into two for mainland and islands as requested by Argyll and Bute Council.

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

Tender responses had been received from 36 suppliers across the three lots. Two tenderers had been rejected as non-compliant bids and one tenderer failed to submit a completed 'Schedule 7 – Financial Information' and Appendix 2 to the report provided a summary of the offers received.

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

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

Appendix 4 to the report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage.

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

**DECIDED:**

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

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

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

## **Sederunt**

Councillor Robinson re-joined the meeting prior to consideration of the following item of business.

### **4(a) Request for Associate Membership: David MacBrayne Limited**

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

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

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

### **4(b) Request for Associate Membership: Ferguson Marine (Port Glasgow) Ltd**

There was submitted a report by the Chief Executive of Scotland Excel advising that Ferguson Marine (Port Glasgow) Ltd had submitted an application to become an associate member of Scotland Excel.

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

**DECIDED:** That the application by Ferguson Marine (Port Glasgow) Ltd to become an associate member of Scotland Excel, with no annual membership fee, be approved subject to completion and signing of the agreement documentation.

### **4(c) Request for Associate Membership: Hebridean Housing Partnership Limited**

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

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



**DECIDED:** That the application by Hebridean Housing Partnership Limited to become an associate member of Scotland Excel, with an annual membership fee of £3,450, be approved subject to completion and signing of the agreement documentation.

4(d) **Request for Associate Membership: Provanhall Housing Association Limited**

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

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

**DECIDED:** That the application by Provanhall Housing Association Limited to become an associate member of Scotland Excel, with an annual membership fee of £776, be approved subject to completion and signing of the agreement documentation.

4(e) **Request for Associate Membership: Southside Housing Association Limited**

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

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

**DECIDED:** That the application by Southside Housing Association Limited to become an associate member of Scotland Excel, with an annual membership fee of £3,210, be approved subject to completion and signing of the agreement documentation.

5 **Update on the Contract Delivery Plan**

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

The Convener proposed that this report be withdrawn and this was agreed unanimously.

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

6 **Date of Next Meeting**

**DECIDED:** That it be noted that the next meeting of the Executive Sub-committee would be held remotely on MS teams at 9.30 am on 21 October 2022.



## Minute of Meeting Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 21 October 2022	09:30	Remotely by MS Teams,

### Present

Councillor Alastair Forsyth (Aberdeenshire Council); Councillor Brenda Durno (Angus Council); Councillor Carolyne Wilson (Dumfries & Galloway Council); Councillor Altany Craik (Fife Council); Councillor Ruairi Kelly (Glasgow City Council); Councillor Derek Loudon (Highland Council); Councillor Christina Larsen (North Ayrshire Council); Councillor Gary Robinson (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council); Councillor Dennis Leask (Shetland Islands Council); Councillor Peter Henderson (South Ayrshire Council); and Councillor Walter Brogan (South Lanarkshire Council).

### Chair

Councillor Shaw, Convener, presided.

### In Attendance

J Welsh, Chief Executive, S Brannagan, Head of Customer & Business Services, M Mitchell, Strategic Procurement Manager, M Robertson, Marketing & Communications Manager, G Sutherland, Assistant Category Manager, I Calder, Project & Account Manager, E Hay, Strategic Programme Manager, N French, Corporate Services Assistant, and C Mills, Graduate (all Scotland Excel); and C McCourt, Head of Finance & Business Services, L Mitchell, Managing Solicitor (Contracts & Conveyancing) and E Currie, Senior Committee Services Officer (all Renfrewshire Council).

### Apologies

Councillor Mandy Watt (City of Edinburgh Council) and Councillor Kenny Macleod (Comhairle Nan Eilean Siar).

### Declarations of Interest

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

## 1 **Minute**

There was submitted the Minute of the meeting of the Executive Sub-committee held on 16 September 2022.

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

## **Sederunt**

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

## 2 **Revenue Budget Monitoring**

There was submitted a joint revenue budget monitoring report by the Treasurer and the Chief Executive of Scotland Excel for the period 1 April to 16 September 2022.

The report intimated that at the end of period 6, Scotland Excel was projecting an overspend position of £16,000 by year-end in its core activities and a planned £33,000 increase in committed project reserves by year-end. It was noted that both core and projects budgets would be monitored closely over the remainder of the financial year, targeting a break-even position for core operations by March 2023. Further detail was provided in section 3 of the report.

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

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

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

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of the first national framework for building construction consultancy services for a period of two years from the commencement date with an option to extend for up to a further 24-month period. It was noted that subject to approval and completion of a standstill period, the framework was intended to commence around 1 December 2022.

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

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

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

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

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

Based on the evaluation undertaken, and in line with the advertised criteria and weightings set out in the report, it was recommended that a multi-supplier framework arrangement be awarded to 94 suppliers across the 14 lots, as outlined in Appendix 3 to the report.

Appendix 4 to the report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage.

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

**DECIDED:** That the award of the multi-supplier framework for building construction consultancy services, as detailed in Appendix 3 to the report, be approved.

## **Sederunt**

Councillors Durno and Henderson joined the meeting during consideration of the following item of business.

### **3(b) Contract for Approval: Supply and Delivery of Street Lighting Materials**

There was submitted a report by the Chief Executive of Scotland Excel relative to the fourth-generation framework for the supply and delivery of street lighting materials.

The Convener proposed that this report be withdrawn and this was agreed unanimously.

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

### **3(c) Flexible Framework for Social Care Agency Workers: Revised Report**

Under reference to item 3 of the Minute of the meeting of this Sub-committee held on 16 September 2022, there was submitted a report by the Chief Executive of Scotland Excel relative to the flexible framework for social care agency workers.

The report intimated that following approval of this flexible framework, an issue had been identified pertaining to one provider, SRS Partnership Limited, who had submitted offers for lot 1 (care roles) and lot 3 (ancillary roles). The report considered

at the meeting on 16 September 2022 should have detailed that the supplier's offer for lot 3 was non-compliant and would therefore not be recommended for award.

This update report advised that there were no changes to the recommended providers, however, the appendices containing information on those recommended for award required to be updated. The report further advised that in relation to Appendix 2, where the double asterisk was in place for SRS Partnership Limited, the note should state (recommended for part-award (lot 1) and is non-compliant (lot 3)) and that in relation to Appendix 3, where the double asterisk was in place for SRS Partnership Limited, the note should state (recommended for part-award (lot 1) and is non-compliant (lot 3)) and SRS should appear under lot 3 (same as for other non-compliant tenderers) with 'N/C' in the total column. Amended appendices 2 and 3 were appended to the report.

**DECIDED:** That the updated appendices 2 and 3, attached to the report, be approved.

3(d) **Contract for Approval: Outdoor Play and Sports Facilities Framework: Revised Report**

Under reference to item 4(b) of the Minute of the meeting of this Sub-committee held on 19 August 2022, there was submitted a report by the Chief Executive of Scotland Excel relative to the renewal framework for outdoor play and sports facilities for the period 1 August 2022 to 31 July 2024, with the option to extend for up to two 12 months. It was noted that subject to approval and completion of a standstill period, the flexible framework agreement was intended to commence on or around 1 December 2022.

The report intimated that following approval of this framework, a change was required to the recommendations for lot 6, as detailed in section 5 of the report.

The framework would provide members with a mechanism to procure goods, services and works relating to outdoor play areas, including outdoor parks, gyms and learning areas, multi-use games areas, wheeled sports areas and artificial surfaces.

The report summarised the outcome of the procurement process for the framework which had been divided into 11 lots, as detailed in table 1 of the report. It was noted that lots 7, 8, 9 and 10 had been subdivided by 5 regions and that tenderers could opt to offer for one, some or all regions; that lot 11 had been split into four product groups and that tenderers could opt to offer for one, some or all product groupings; and that for lots 1, 2, 3, 4 and 6, councils would only be able to award contracts under the framework using mini-competitions.

The report advised that the framework had been advertised with an estimated spend of £60 million over the maximum four-year period and that all 32 councils would participate in the framework as detailed in Appendix 1 to the report. The report advised that Advanced Procurement for Universities and Colleges, the NHS and the Scottish Government had confirmed participation in the framework.

Tender responses had been received from 37 tenderers and Appendix 2 to the report provided a summary of the offers received.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the compliant offers had been carried out and Appendix 3 to the report confirmed the scoring achieved by each tenderer for each lot and regions and product groupings, where applicable.

Based on the evaluation undertaken, and in line with the advertised criteria and weightings set out in the report, it was recommended that a multi-contractor framework arrangement be awarded to 30 suppliers across the 11 lots, as outlined in Appendix 3 to the report.

The report noted that, following the standstill period relative to the original recommendations, a concern had been raised regarding the value on which capacity of existing recommended bidders to undertake the anticipated work in lot 6 was based. Having reviewed matters on that basis, Scotland Excel determined that it was appropriate to revise its original recommendations for lot 6 to include an additional recommended bidder. The additional bidder was considered suitable for recommendation and ensured that there was sufficient choice and scope for members. This update was shown in Appendix 3 to the report for lot 6. All other recommendations detailed in the report approved on 19 August 2022 were unchanged.

Appendix 4 to the report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage.

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

**DECIDED:**

(a) That the award of the multi-contractor framework for outdoor play and sports facilities, as detailed in Appendix 3 to the report, be approved; and

(b) That it be noted that this superseded the decision of the Executive Sub-committee of 19 August 2022.

**4 Request for Associate Membership: Glasgow Caledonian University**

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

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

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

**5 Update on the Contract Delivery Plan**

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

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

The report highlighted that, at any given point, there were around 70 frameworks in the Scotland Excel portfolio. At present, three further frameworks were being developed to be added to the portfolio in the coming year and that 26 of these frameworks would

be completed before 30 June 2023. A further 23 of these frameworks had extension options that were available to be exercised in 2022/23, with 19 of these extensions already approved.

The estimated forecast value of the Scotland Excel framework portfolio would be approximately £2 billion. It was noted that overall, efficiencies created by frameworks awarded so far during 2022/23 were benchmarked at 2.09%, which was within the forecast range. The report noted that this figure did not include the additional cost management measures in place for each framework via the indexation model which provided data on how the framework pricing compared to market indices relevant to the commodity being sourced. This was provided to ensure that Scotland Excel was able to manage pricing in volatile markets to ensure a favourable position for members.

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

A summary of spend and forecast savings per council for the period July 2021 and June 2022 was detailed in Appendix 5 to the report, with an average forecast efficiency of circa 1.44%.

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

## 6 **Date of Next Meeting**

**DECIDED:** That it be noted that the next meeting of the Executive Sub-committee would be held remotely on MS teams at 9.30 am on 18 November 2022.



## Minute of Meeting Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 18 November 2022	09:30	Remotely by MS Teams,

### Present

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

### Chair

Councillor Shaw, Convener, presided.

### In Attendance

J Welsh, Chief Executive, H Carr, Head of Strategic Procurement, S Brannagan, Head of Customer and Business Services, M Robertson, Marketing and Communications Manager, E Hay, Strategic Procurement Manager, L Campbell, Customer Services Manager, E Macluskie, Senior Procurement Specialist, S Christie, Commercial Programme Manager, P Barnes, Project and Account Manager, K Forrest, Office Manager, L Mooney, Senior Communications Specialist and C Kirkwood, Assistant Procurement Specialist (all Scotland Excel); M Ferris, A MacDonald and D Rigby (all Audit Scotland) and C McCourt, Head of Finance & Business Services, L Mitchell, Managing Solicitor (Contracts & Conveyancing), R Devine, Senior Committee Services Officer and K O'Neill, Assistant Democratic Services Officer (all Renfrewshire Council).

### Apology

Councillor Ruairi Kelly (Glasgow City Council).

## **Declarations of Interest**

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

### **1 Minute**

There was submitted the Minute of the meeting of the Executive Sub-committee held on 21 October 2022.

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

### **2 Chief Executive's Update Report to Chief Executive Officers Management Group (CEOMG) - November 2022**

There was submitted a report by the Chief Executive of Scotland Excel relative to the Chief Executive's update report considered at the meeting of the Scotland Excel Chief Executive Officers Management Group (CEOMG) held on 9 November 2022.

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

The report submitted to the CEOMG meeting held on 9 November 2022, which covered the period from August to October 2022, was appended to the report.

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

### **3 Draft Revenue Estimates 2023/24**

There was submitted a report by the Treasurer and the Chief Executive of Scotland Excel relative to the revenue estimates of Scotland Excel including the requisition of the constituent authorities for the financial year 2023/24 along with indicative planning figures for 2024/25 and 2025/26.

The report provided information on the assumptions that the budget had been based on; income from projects; a financial overview for Scotland Excel; the Scotland Excel funding model and member authority requisitions for 2023/24.

Appendix 1 to the report detailed the revenue estimates of Scotland Excel for 2023/24 and Appendix 2 to the report detailed requisitions from constituent authorities in 2022/23 and 2023/24 and the savings achieved in 2021/22.

**DECIDED:**

(a) That the revenue estimates of Scotland Excel for the financial year 2023/24, as detailed in Appendix 1 to the report, be noted;

(b) That the requisitions from constituent authorities, as detailed in Appendix 2 to the report, be noted; and

(c) That the indicative estimates for 2024/25 and 2025/26 be noted.

## **Sederunt**

Councillor Larsen joined the meeting prior to consideration of the following item of business.

### **4 Annual Audit Report on the Annual Accounts 2021/22**

Under reference to item 9 of the Minute of the meeting of the Joint Committee held on 17 June 2022, there was submitted a report by the Treasurer relative to Audit Scotland's findings from the audit of Scotland Excel's financial statements for 2021/22.

The report intimated that The Local Authority Accounts (Scotland) Regulations 2014 required the audited accounts to be approved for signature no later than 30 September each year. For 2021/22, the Local Government Finance Circular 6/2022: Extension to Accounts Approval and Publication Dates for 2021/22 provided flexibility to this deadline, extending it to 30 November 2022. Section 10 of the Regulations required the relevant committee to consider any report made by the appointed auditor before deciding whether to sign the audited accounts.

Audit Scotland's annual audit report formed Appendix 1 to the report and included their opinion that the annual accounts were free from material misstatement and presented a true and fair view of Scotland Excel's financial position at 31 March 2022 as well as details of adjustments made to the accounts during the course of the audit.

A copy of the audited annual accounts 2021/22 was attached as Appendix 2 to the report.

Following approval, the audited accounts would be submitted to the Convener, Treasurer and Chief Executive of Scotland Excel for electronic signature.

### **DECIDED:**

(a) That the findings of the 2021/22 audit as contained in the external auditor's (Audit Scotland) annual audit report, which formed Appendix 1 to the report, be noted; and

(b) That the Scotland Excel 2021/22 audited annual accounts, which formed Appendix 2 to the report, be approved for electronic signature.

### **5 Contract for Approval: Supply and Delivery of First Aid Materials**

There was submitted a report by the Chief Executive of Scotland Excel relative to the flexible framework for supply and delivery of first aid materials for a period of three years from 9 January 2023 until 8 January 2026, with an option to extend for up to one 12 month period.

The report intimated that this framework would provide councils and other participating bodies with a mechanism to follow the Health and Safety (First-Aid) Regulations 1981 and to procure a range of first aid materials for the workplace and the community. The framework would include, but was not limited to, first aid kits, gloves, ice & heat packs, wipes & tissues, hand sanitiser & soap, dressings & plasters, and other associated products.

As detailed in Appendix 1, 32 councils had confirmed their intention to participate in this framework, with all councils included in the advertised contract notice. The framework was advertised at a total value of £1.5 million per annum, which equated to an estimated spend of £6 million over the maximum 4-year term of the framework. The tender document was downloaded by 31 organisations, with 8 tender responses received by the specified closing date and time. A summary of all offers received was provided in Appendix 2. Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the compliant offers received was completed. Appendix 3 confirmed the scoring achieved by each bidder.

Appendix 4 to the report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage.

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

**DECIDED:** That the award of a multi-supplier framework arrangement to 3 suppliers across two lots, as outlined in Appendix 3 to the report, be approved.

## **6 Request for Associate Membership: Perth College UHI**

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

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

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

## **Sederunt**

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

## **7 Draft Corporate Strategy 2023/28**

There was submitted a report by the Chief Executive of Scotland Excel relative to the Draft Corporate Strategy 2023/28.

The report intimated that in June 2018, the Scotland Excel Joint Committee approved a five-year corporate strategy for the organisation. As this strategy period would end on 31 March 2023, Scotland Excel had worked on the development of a new corporate strategy which would be presented to the Joint Committee in December 2022.

The purpose of the report was to provide the Executive Sub-Committee with an opportunity to review the proposed corporate strategy in advance of its submission to the Joint Committee.

The report advised that Scotland Excel followed a robust strategic planning process to develop its corporate strategy and operating plans which were illustrated within the report. The future vision of the organisation was supported by a mission statement based on business capabilities with five corporate goals developed to reflect the key

priorities of local authorities: journey towards a net zero Scotland; drive for efficiency to support the financial sustainability of public services; community wellbeing with equal access to services, economic development, and fair work jobs across Scotland; development of resilient supply chains that maximise opportunities for Scottish businesses and the third sector and advancement of skills to deliver Scotland's economic transformation.

The report noted that annual operating plans would be developed to provide more detailed information on the actions and activities that Scotland Excel would undertake each year to deliver the strategy. The new corporate strategy builds on the progress made by Scotland Excel over the past five years and was developed in close consultation with local authority stakeholders and Scotland Excel staff. It responded to financial challenges facing local government and the wider public sector, while recognising other key social, economic and environment drivers that were important nationally and locally.

Progress on the strategic and operating reports would be produced quarterly to track Scotland Excel's performance. Half yearly and annual reports would be submitted to Joint Committee meetings in December and June, with reports for the interim quarters submitted to the Executive Sub-committee. A set of Key Performance Indicators (KPIs) which measured performance against the five corporate goals would be developed and would be reported against these indicators on an annual basis.

**DECIDED:** That the proposed Corporate Strategy 2023/28 be noted prior to submission to the Joint Committee in December 2022.

## 8 **Draft Operating Plan for April 2023 to March 2024**

There was submitted a report by the Chief Executive of Scotland Excel which provided the Executive Sub-committee with an opportunity to review the proposed operating plan for 2023/24 in advance of its submission to the Joint Committee in December 2022.

The report intimated that Scotland Excel would submit a new five-year strategy to the Joint Committee in December 2022 for approval. The strategy plan 2023-28 was supported by the Annual Operating Plan April 2023 to March 2024, which provided more detailed information on the actions and activities that Scotland Excel would undertake each year to deliver the strategy.

**DECIDED:** That the Draft Operating Plan for April 2023 to March 2024 be noted prior to submission to the Joint Committee in December 2022.

## 9 **Care Services Update**

There was submitted a report by the Chief Executive of Scotland Excel which provided an update on key developments undertaken by Scotland Excel's Social Care Team in terms of Care Services.

The report advised that the redesign process for National Care Home Contract (NCHC) was underway and involved the Scottish Government, Local Government, COSLA, Provider Representatives, Trade Unions, Care Inspectorate, Healthcare Improvement Scotland, Carers Groups, Independent Advocacy, Care Home Providers and Care Workers.

Negotiations had resumed for the placement costs for 2023/24 after having been delayed due to pressures and an agreement was reached to focus on what the financial solutions could be. The main themes of the redesign had been to ensure that residents focus remained at the centre of the contract, with a model built around sustainability and workforce development and inclusion of the possibility to explore whether the regulatory boundaries of the sector can adapt sufficiently. All new guidance and proposed legislation were being included to ensure that the contract continued to meet the changing demands of this sector.

The report advised that the framework for Care Homes for Adults with Learning Disabilities Including Autism was due to expire on 16 September 2023 and the development of the new framework had begun.

An update was also provided on the following categories: Residential Rehabilitation, Care and Support, Social Care Agency Workers, Children's Residential Care and Education and the £500 Special Recognition Payment Project.

In terms of the National Care Service (NCS) Bill Consultation the report advised that following publication of the National Care Service Bill for the delivery of social care, social work and community health in Scotland on 20 June 2022, a call for views was initiated under Stage 1 of the parliamentary process for consideration by the Health, Social Care and Sport Committee, supported by other committees.

Scotland Excel submitted a response to this consultation on 31 August 2022, a link to the response was provided. The response confirmed Scotland Excel's support for the overarching aspirations of the Bill and its commitment to continuing to work in partnership to support improvement, and highlighted concerns that the context of the current commissioning landscape and the contribution of good commissioning and improvement activity had not been fully recognised.

Scotland Excel had attended the first NCS Forum on 3 October 2022 and would participate in the Stakeholder Register where appropriate and had been invited to participate in the Adult Social Care Working Group on Ethical Commissioning on 16 November 2022. Early conversations had taken place with Scottish Government to consider unique and specialist workstreams which Scotland Excel were best placed to review. An invitation to attend the Health, Social Care and Sport Committee Meeting to be held on 29 November 2022 had been accepted and planning was underway to prepare for questioning by the committee.

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

## 10 **Meetings of Scotland Excel Executive Sub-committee in 2023**

There was submitted a report by the Clerk relative to proposed dates for meetings of the Executive Sub-committee during 2023.

**DECIDED:**

(a) That, if required, meetings of the Executive Sub-committee be held on 27 January, 17 February, 17 March, 21 April, 19 May, 18 August, 15 September, 20 October, and 17 November 2023 and that where these meetings were being held remotely, they commence at 9.30 am and where they were being held within a venue, they commence at 10.45 am;

(b) That, if required, meetings of the Executive Sub-committee be held on 16 June and 8 December 2023, prior to meetings of the Joint Committee and that where these meetings were being held remotely, they commence at 9.30 am and where they were being held within a venue they commence at 9.45 am; and

(c) That it be agreed that the Sub-committee continue to meet remotely.

11 **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 9 December 2022.





## **Scotland Excel**

**To: Joint Committee**

**On: 9 December 2022**

**Report by:  
The Treasurer and Chief Executive**

### **Revenue Estimates 2023/24**

#### **1. Summary**

- 1.1 The following report has been prepared by the Treasurer, in consultation with the Chief Executive, to present the Revenue Estimates of Scotland Excel, including the requisition of the constituent authorities, for the financial year 2023/24 along with indicative planning figures for 2024/25 and 2025/26.

#### **2. Recommendations**

- 2.1 It is recommended that members:

- approve the Revenue Estimates of Scotland Excel for the financial year 2023/24 as shown in Table 1 of Appendix 1.
- approve the requisitions from constituent authorities detailed in Appendix 2; and
- note the indicative estimates for 2024/25 and 2025/26.

#### **3. Background**

- 3.1 The annual Revenue Estimates process outlines the summary revenue budget position for the organisation. The budget estimates provided in the attached Appendix 1 outline the projected position and proposed requisitions for 2023/24 and outline an indicative projected position for 2024/25 and 2025/26. The assumptions used in developing these projections are outlined in sections 4 and 5 below.
- 3.2 The financial environment within which Scotland Excel and its member authorities currently operate continues to be characterised by challenging public sector spending requirements, following a prolonged period of change, arising from the UK's exit from the EU, the impact and now recovery from the COVID-19 pandemic, global supply chain issues following the invasion of Ukraine and increasingly volatile economic conditions, with very high current levels of

inflation. These factors have influenced the revenue budget estimates for 2023/24, 2024/25 and 2025/26 contained within this report. Indeed, figures presented for 2024/25 and 2025/26 should be treated as indicative only and will be subject to constant review as economic conditions develop over the coming year.

- 3.3 It is anticipated that due to the impact of the factors outlined above, local government in Scotland is likely to face further challenges in relation to available resource over the coming years. In this context, Scotland Excel will continue to seek operational efficiencies to manage its financial position flexibly in order to maintain its aim of minimising the level of requisition required, and also to develop strategic savings opportunities for member authorities, to ensure that best value continues to be achieved through Scotland Excel.
- 3.4 Scotland Excel has provided an update on the proposed requisition increase to a number of stakeholder groups including the Society of Local Authority Chief Executives (SOLACE), the Chief Executive Officers Management Group (CEOMG), Procurement Improvement Programme (PiP) Steering group (procurement managers) and the Chartered Institute of Public Finance and Accountancy (CIPFA) Directors of Finance forum. Stakeholders recognised the need for a requisition increase.

#### **4. Budget Assumptions**

- 4.1 The expenditure budget is based on the following assumptions:
- 4.2 An estimated budget provision of 3% in relation to a pay award for 2023/24 has been included in the budget forecast. An estimated 3% increase has also been added to the Employee Costs element of the indicative figures shown for 2024/25 and 2025/26. These are estimates only, used to provide indicative figures for 2024/25 and 2025/26 and should be considered alongside the continuing economic uncertainty. It should be noted that the 2022/23 pay award (5%) has been included in employee costs calculations.
- 4.3 In line with previous years practice, no standard inflationary adjustment has been made to non-salary expenditure lines. Any individual adjustments made are detailed in paragraph 4.4 below.
- 4.4 Adjustments to existing budgets have been made to specific expenditure lines to reflect operational demand in relation to:
- **Employee Costs** – in addition to the 3% pay inflation noted above (and 5% pay award for 2022/23), adjustment has been made to reflect the revised staffing structure currently in place within Scotland Excel and, as in previous

years, there is a staffing turnover assumption of 5%. Revised Employers National Insurance figures have also been incorporated in all employee cost figures, removing the Social Care NI Levy from future years. It should be noted that in line with the high level of inflation anticipated to continue in the short term, the pay settlement for 2023/24 could be higher than 3%. Any additional cost will be mitigated as far as possible by underspends elsewhere in the budget, with a draw from reserves being a possibility to cover any in-year shortfall. As with the current year settlement, the base budget would then require to be adjusted in 2024/25 for any additional cost.

- **Property Costs** – no inflationary element applied. Scotland Excel's energy costs are covered by the lease and service charge paid to Renfrewshire Council. Existing budgets are deemed sufficient for the current level of charge; however the lease terms are subject to periodic review.
- **Transport Costs** – no inflationary element applied despite fuel inflation pressures, as the budget has been underspent for the past few years given hybrid working with less travel for training and conferences.
- **Transfer Payments** – as the Apprenticeship Levy directly relates to employee costs, this has been increased in line.
- **Supplies and Services** – the budget has been reduced to reflect the transfer of the cost of additional legal support from Renfrewshire Council to Support Costs, as this is now included within the Service Level Agreement (SLA) annual charge for services. This additional legal support is required due the size and increasing complexity of the Scotland Excel framework portfolio.
- **Support Costs** – budget has been increased to reflect the increased costs in relation to the Service Level Agreement (SLA) with Renfrewshire Council, which now includes additional legal costs, as noted above. This is the first increase in SLA costs in 3 years and reflects an inflationary increase in staffing costs in the delivery of services and also the changing mix of services being provided.

#### 4.5 Income estimates include the following assumptions and adjustments to existing budgets:

- **Council Requisitions** – At the Joint Committee in December 2021, members noted an indicative 3% increase in requisition for 2023/24 and this has now been applied (see also section 7 below).
- **Associate Income** – The budget has been amended to reflect pre-COVID estimates previously noted by the Joint Committee.

- **Income from Projects** – Includes anticipated income from several Projects, including Flexible Procurement Services, Consultancy Services and Learning and Development (Academy). Further detail on the estimated income generated by each of these elements is presented in section 5 below.
- **Rebates** – Income from Rebates during 2023/24 has been amended to reflect current forecasts in relation to the number of Scotland Excel frameworks with rebates attached. Further detail on projected Rebate income for 2023/24, 2024/25 and 2025/26 is also presented in section 5 below.

4.6 In total, estimated non-requisition income for 2023/24 totals £1,061k representing 21% of operating costs for the year. This level of non-requisition income is estimated to continue into 2024/25 and 2025/26.

4.7 The current projected outturn position for 2022/23 is a break-even position for Core activities. Income and expenditure continues to be monitored closely throughout the financial year and reported regularly to the Executive Sub-Committee.

## 5. Income from Projects

5.1 **New Build Housing** – Income provision from the New Build project (£0k) reflects the continuing challenging environment within the construction sector, along with increased resource requirements for the ongoing development of the next generation New Build framework, which will be launched during 2024/25. No contribution from the New Build framework explains the projected reduction in Income from Projects figure for 2023/24; however, it is anticipated that the New Build framework will contribute to Income from Projects from 2024/25 onwards.

5.2 **Consultancy Services** – Income provision from Consultancy projects has been projected at £218k for 2023/24, reflecting the confirmed consultancy project portfolio at time of writing, and the growing market utilisation of the Flexible Procurement options being offered by Scotland Excel.

5.3 These Flexible Procurement options being offered to partners continue to grow in popularity, particularly in light of the challenging recruitment environment currently being experienced across the sector.

5.4 **Learning and Development (Academy)** – Income provision from the Scotland Excel Academy for 2023/24 has been projected at £30k to reflect the continuing journey back to pre-pandemic activity levels. Transition from a high quality face-to-face, longer-term learning experience to an online environment continues to present challenges for the Academy; however, it is forecast to achieve its target contribution of £30k for 2022/23.

- 5.5 Overall, income from New Build Housing (£0k), Consultancy (£218k) and the Scotland Excel Academy (£30k) will contribute £248k to core operating costs recorded under Income from Projects.
- 5.6 **Rebates** – Income provision from Rebates for 2023/24 has been projected at £583k. This projection reflects the increasing number of Scotland Excel frameworks anticipating a rebate on activity during 2023/24 and the possible impact on framework spend levels due to the current challenging economic environment.
- 5.7 Income from Rebates for Scotland Excel depends entirely on expenditure levels made through its frameworks. During the COVID-19 and Brexit periods, expenditure levels across Scotland Excel frameworks have varied significantly from pre-pandemic/pre-Brexit levels. Expenditure through some frameworks has reduced (e.g., Construction, Building Supplies), while others have experienced an increase in expenditure (e.g., Janitorial Supplies).
- 5.8 Estimated framework spend for 2023/24, 2024/25 and 2025/26 is derived from a range of management information, including historical spend, current economic conditions and market intelligence. This information is then used to estimate total framework spend, from which a Rebate figure is calculated.
- 5.9 Scotland Excel will monitor expenditure levels across all its frameworks to ensure that forecast Rebate levels continue to be achievable, and will report any significant variation on budget to the Executive Sub-Committee.

## **6. Financial Overview**

- 6.1 As outlined above, the financial outlook in the short and medium-term continues to be characterised by economic and operational uncertainty. At this point, areas of financial risk for the Joint Committee include: the uncertain and ongoing impact of both the COVID-19 pandemic and Brexit on Scottish Government funding allocations; increasing levels of inflation and cost of living and, the current volatility across the UK economy.
- 6.2 Members will be aware that a new funding model was approved at the June 2018 Joint Committee, which sees Core operations funded from both requisitions and income generated from a range of other sources. This move to a more commercial funding model has increased the overall level of financial risk to the organisation, which requires to be appropriately mitigated through a prudent level of reserves.
- 6.3 It is estimated that Core uncommitted reserves will amount to £246k at the end of the 2022/23 financial year, which represents 5.0% of anticipated operating

income in the year. This balance will be held to protect against any unforeseen costs that may arise as a result of the current levels of economic uncertainty. The minimum level of uncommitted reserves balance recommended by the Treasurer is 5%.

- 6.3 The information provided in Appendix 1 outlines the forecast year-end financial position for 2022/23, the proposed operating budget for 2023/24 and indicative figures for 2024/25 and 2025/26. The funding streams, as set out within the Funding Model Review approved by members at the June 2018 Joint Committee, have been incorporated into these estimates, making allowance where appropriate for the current economic uncertainty. These include the use of Associate income and income that is expected to be earned and generated by Projects during 2023/24. A 3% requisition increase has therefore been recommended for financial year 2023/24 in line with the indicative figure noted by the Joint Committee in December 2021.
- 6.4 Indicative figures have been included within the paper for financial years 2024/25 and 2025/26 and propose a 3% increase in requisition in both years to address anticipated inflationary cost pressures. It should be noted, however, that this currently results in a projected deficit at the end of each of these years. These figures presented for 2024/25 and 2025/26 are indicative only, and Scotland Excel will continue to closely monitor operating costs across future years with a view to mitigating this position.
- 6.5 Members will note that a memorandum section is detailed in Appendix 1 (Table 2) relating to the projects operated by Scotland Excel. The funding of these projects is not covered by requisition income and the income and expenditure shown are for information purposes only. Project expenditure and income will vary each financial year and activities are generally short-term in nature, therefore only the 2023/24 figures, as known at this time, are provided. As outlined above, Projects are forecast to contribute income towards Core activities during the forthcoming financial years.

## **7. 2023/24 Member Authority Requisitions**

- 7.1 An increase of 3% has been recommended for 2023/24 for member authority requisitions, as detailed in Appendix 2 of this report. As per the Minute of Agreement, member requisitions are calculated by aggregating a fixed annual membership fee, which is 20% of requisition total, with the remainder based on each member council's population as a proportion of total member population. For 2023/24, population numbers have been sourced from the 2021 mid-year population estimates published by the National Records of Scotland. It should be noted that the requisitions outlined do not include amounts payable by councils in relation to the National Care Home Contract.
- 7.2 In addition to member authority requisitions for 2023/24, Appendix 2 also details the estimated savings and estimated cost avoidance accrued by member authorities during 2021/22. Joint Committee representatives and all local authorities will receive their annual value reports during December 2022 detailing savings, cost avoidance, rebates and other member benefits.
- 7.3 Any future events that may materially affect these finances will be the subject of a report to the Executive Sub-Committee as required throughout the year.
- 7.4 The requisition funding drawdown will be invoiced annually during October, in accordance with arrangements made by the Treasurer.





# Appendix 1

# Scotland Excel Revenue Estimates

<b>Table 1</b>	<b>2022/23 Approved Budget £000</b>	<b>2022/23 Forecast Outturn £000</b>	<b>2023/24 Proposed Budget £000</b>	<b>2024/25 Indicative Budget £000</b>	<b>2025/26 Indicative Budget £000</b>
<b>Core Activity</b>					
Employee Costs	4,096	4,075	4,207	4,435	4,598
Property Costs	217	216	217	217	217
Transport Costs	20	10	20	20	20
Supplies and Services	311	308	291	291	291
Transfer Payments	16	15	22	22	23
Support Costs	272	272	303	310	316
<b>Total Core Operating Costs</b>	<b>4,932</b>	<b>4,896</b>	<b>5,060</b>	<b>5,295</b>	<b>5,465</b>
Council Requisitions	(3,883)	(3,883)	(3,999)	(4,119)	(4,243)
Associate Income	(220)	(203)	(230)	(240)	(240)
Income from Projects	(286)	(267)	(248)	(298)	(293)
Rebates	(543)	(543)	(583)	(578)	(578)
<b>Total Core Operating Income</b>	<b>(4,932)</b>	<b>(4,896)</b>	<b>(5,060)</b>	<b>(5,235)</b>	<b>(5,354)</b>
<b>Core Operating Deficit/(Surplus)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>60</b>	<b>111</b>
<b>Uncommitted Reserves</b>					
Opening Balance at 1 April	246	246	246	246	186
Use of Reserves	0	0	0	(60)	(111)
<b>Closing Balance at 31 March</b>	<b>246</b>	<b>246</b>	<b>246</b>	<b>186</b>	<b>75</b>
<b>% of Operating Income</b>	<b>5.0%</b>	<b>5.0%</b>	<b>4.9%</b>	<b>3.6%</b>	<b>1.4%</b>

<b>Table 2</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Project Activity</b>			
Employee Costs	1,416	1,607	1,534
Transport Costs	4	3	3
Supplies and Services	10	41	59
Transfer Payments	5	8	7
Support Costs	501	311	843
<b>Total Project Costs</b>	<b>1,936</b>	<b>1,970</b>	<b>2,446</b>
Income from Projects	(2,111)	(2,261)	(2,868)
<b>Project Deficit / (Surplus)</b>	<b>(175)</b>	<b>(291)</b>	<b>(422)</b>
Transfer to Core	286	258	248
<b>Transfer from Project Reserves</b>	<b>111</b>	<b>(33)</b>	<b>(174)</b>
<b>Project Reserves</b>			
Opening Balance at 1 April	1,096	1,096	1,129
Use of Reserves	(111)	33	174
<b>Closing Balance at 31 March</b>	<b>985</b>	<b>1,129</b>	<b>1,303</b>
<b>% of Operating Income</b>	<b>46.7%</b>	<b>49.9%</b>	<b>45.4%</b>

## Appendix 2

## Member Requisitions 2023/24 &amp; Savings Achieved 2021/22

Requisition by Authority	2022/23	2023/24	Savings Achieved 2021/22	Cost Avoidance 2021/22	Savings + Cost Avoidance
Aberdeen City	£154,289	£157,769	£522,792	£117,900	£640,692
Aberdeenshire	£172,791	£178,354	£196,183	£117,900	£314,083
Angus	£90,340	£92,786	£93,178	£117,900	£211,078
Argyll and Bute	£73,094	£75,330	£207,863	£117,900	£325,763
City of Edinburgh	£322,741	£332,351	£570,882	£117,900	£688,782
Clackmannanshire	£53,574	£55,083	£177,811	£117,900	£295,711
Dumfries and Galloway	£108,910	£111,859	£239,499	£117,900	£357,399
Dundee City	£109,171	£111,234	£266,678	£117,900	£384,578
East Ayrshire	£93,643	£96,230	£321,538	£117,900	£439,438
East Dunbartonshire	£86,041	£88,571	£162,844	£117,900	£280,744
East Lothian	£85,160	£88,967	£259,424	£117,900	£377,324
East Renfrewshire	£78,587	£81,378	£336,691	£117,900	£454,591
Falkirk	£115,750	£118,812	£858,024	£117,900	£975,924
Fife	£236,667	£243,764	£592,699	£117,900	£710,599
Glasgow City	£384,257	£395,787	£766,389	£117,900	£884,289
Highland	£158,361	£163,975	£29,493	£117,900	£147,393
Inverclyde	£68,506	£69,772	£299,656	£117,900	£417,556
Midlothian	£76,841	£80,269	£91,297	£117,900	£209,197
Moray	£78,752	£81,279	£77,661	£117,900	£195,561
Na h-Eileanan Siar	£39,462	£40,547	£68,568	£117,900	£186,468
North Ayrshire	£100,881	£103,352	£408,192	£117,900	£526,092
North Lanarkshire	£218,370	£224,305	£419,396	£117,900	£537,296
Orkney Islands	£36,932	£38,153	-£3,588	£117,900	£114,312
Perth and Kinross	£110,667	£114,789	£264,809	£117,900	£382,709
Renfrewshire	£126,104	£130,044	£411,142	£117,900	£529,042
Scottish Borders	£89,947	£92,727	-£8,223	£117,900	£109,677
Shetland Islands	£37,301	£38,387	-£5,213	£117,900	£112,687
South Ayrshire	£88,298	£90,643	£121,884	£117,900	£239,784
South Lanarkshire	£206,520	£213,347	£389,087	£117,900	£506,987
Stirling	£77,836	£79,562	£127,725	£117,900	£245,625
West Dunbartonshire	£74,834	£76,246	£553,062	£117,900	£670,962
West Lothian	£128,379	£133,337	£513,863	£117,900	£631,763
	<b>£3,883,006</b>	<b>£3,999,008</b>	<b>£9,331,306</b>	<b>£3,772,800</b>	<b>£13,104,106</b>

**Cost Avoidance calculation** - the number of new and renewed Scotland Excel frameworks that went live in the financial year is multiplied by the average number of councils participating in those frameworks then multiplied by £12,000. This sectoral figure is then allocated evenly across the 32 local authorities.

## Scotland Excel

**To: Joint Committee**

**On: 9 December 2022**

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

### **Contract Delivery Plan Update**

#### **1. Introduction**

This report provides a progress update on the 2022/ 2023 contract delivery plan.

For 2022/23 a commitment was made to bring the Contract Delivery Plan back into line with pre-pandemic planning. This involved ensuring all of the frameworks due for renewal during 2020/21, 2021/22 or 2022/23 were concluded as close as possible to the end of March 2023. Many of those due at a point in the first of those two financial years were rescheduled in order to provide supplier relief while national lockdowns, workforce furloughing and supply disruption were prevalent.

Achieving this aim within a challenging economic environment has proved to be demanding. The impact of the economic downturn evident to Scotland Excel includes:

- higher numbers of bidders in many contracts as recurring public sector spend becomes more attractive in a recession (up >60% since 2017/18)
- greater complexity in lotting structures to support regional and local delivery (up 20%)
- recruitment challenges and high demand from the private sector for experienced procurement professionals (around 60% of staff in new roles)
- increased council requirements for collaborative solutions as available public resources contract meaning more complex packages are being developed under frameworks.

Together these factors have driven a need for rapid improvement to some of Scotland Excel's procedures. Coupled with the shift to remote and hybrid working practices a new way of working has been required. Many of our processes will benefit from greater standardisation, further automation and additional safeguards to ensure accuracy.

Much of this work is underway now with more improvements planned through the coming months.

#### **2. Progress to Date**

Appendices 1 – 4 of this report on the 2022/ 2023 Contract Delivery Plan detail new framework developments and renewals, flexible frameworks, framework extensions and frameworks with ongoing contract management activity.

At any given point there are around 70 frameworks in the Scotland Excel contract portfolio, with 3 further frameworks to be developed and added in the coming year. 23 of these frameworks are to be renewed during 2022/2023 (Appendix 1).

A further 17 of the frameworks on the current portfolio have extension options that are available to be exercised in 2022/ 2023, with 10 of these extensions already being approved (Appendix 3).

The estimated forecast value of the Scotland Excel framework portfolio is approximately £2Billion.

Overall, efficiencies created by frameworks awarded so far during 2022/2023 are benchmarked at 1.70%, which is slightly below the forecast range. This figure does not include the additional cost management measures in place for each framework via the indexation model. This model provides data on how the framework pricing compares to market indices relevant to the commodity being sourced. This is provided to ensure Scotland Excel is able to manage pricing in volatile markets to ensure a favorable position for members.

A summary of spend and forecast savings per council between July 2021 and June 2022 can be found in Appendix 5, with an average forecast efficiency of c.1.44%.

In addition to the activity detailed in Appendices 1 - 4, Scotland Excel is exploring the benefits of further collaborative procurement across high spend, critical service areas in the construction, corporate, ICT and social care teams. In order to create capacity to add new activities to the portfolio and support strategically significant areas of spend, a consolidation of the existing portfolio is underway. This means some existing frameworks within related markets are being considered for merger and some lower value frameworks will not be renewed.

## **Social Care**

The **Care and Support Flexible Framework** has 138 providers and 439 services following the last reopening in April 2022. To date 12 of the 23 Participating Councils are utilising the framework. A re-opening consultation exercise is currently under consideration and a Prior Information Notice has been issued to the provider market to establish the level of interest. The interest expressed, coupled with forecast demand requirements, will help inform the reopening decision.

The **Residential Rehabilitation** project was commissioned by the Scottish Government with the remit of researching and developing national approaches for commissioning of alcohol and drug residential rehabilitation. The initial market research and analysis phase has concluded and options for national commissioning and the implementation phase of the project are being discussed with the Scottish Government.

The **Care Homes for Adults with Learning Disability** is due to expire on 15 September 2023. A survey has been issued to stakeholders to ascertain what is

working well and areas for improvement. The findings will be used to inform the development of the next framework iteration.

The redesign process of the **National Care Home Contract (NCHC)** has now started. Review of the redesign strategy will continue in order to encapsulate guidance and legislation that has a direct impact on the contract. As expected, when working across multiple agencies and individual groups, there has been a “settling in” period for the process which may have an impact on the projected timeline of March 2023 for completion. This will continue to be monitored and assessed by Scotland Excel.

Scotland Excel proceeded to award the **Children’s Residential and Education, including Short Breaks**, Services flexible framework in September and the framework went live on 1st October. The framework had 39 providers and 280 services recommended for award and allows for new entrants during its lifetime; interest has already been expressed by several providers that are keen to join the framework following its establishment.

The renewal framework reflects the feedback received from providers and councils to create a streamlined process that reduces the administrative burden on providers whilst increasing the information sharing and transparency around services and fees. The renewal framework also features continuing care services, which reflects the policy direction of supporting children and young people in placements over a longer time period, where it is appropriate to do so.

Scotland Excel will continue to mobilise the framework over the coming months, ensuring that providers and councils have access to all relevant framework information. This includes an interactive Service Directory for councils that features increased functionality including linking the service information to real-time Care Inspectorate grades. This aims to support commissioners with their decision making and provide detailed information in a user-friendly format.

Scotland Excel is engaging with stakeholders regarding the renewal contracts for **Secure Care Services**. The current contracts have been extended to 30<sup>th</sup> March 2024, however due to increased policy change in this area, work is underway relating to the next generation contracts, to ensure these are fit for purpose and meet the needs of children and young people.

## **Construction, Transport and Environmental Services**

Scotland Excel’s **Electric Vehicle Charging Infrastructure (EVCI)** has now been fully mobilised with both contractors and customers. The objective of the framework is to support the transition from petrol and diesel light commercial vehicles. This move to lower emission vehicles in Scotland will impact on the service provision councils will make for citizens, tenants of their housing stock and the public sector fleet by 2025 and is in line with the Scottish Government Climate Change Plans.

An EVCI workshop was held by Scotland Excel on 28 October, this was well attended by representatives of local authorities and associate members. In addition to Scotland Excel discussing with members methods for effective utilisation of the framework, the

session shared sectoral good practice. These topics included “Innovation projects and alternative business models” delivered by East Lothian Council and “EV Charging Infrastructure programme and mobilising private finance” which was delivered by Scottish Futures Trust.

Scotland Excel’s **Energy Efficiency Contractors (EEC)** framework provides members with a pathway to upgrade Scotland’s existing housing stock (~660,000 homes) and buildings, with innovative energy efficiency measures to reduce carbon output and household bills.

A focused working group meeting will be held in December at Mitsubishi Electric’s Factory. This will be supported by the Scottish Government Supply Chain Development team and Scottish Enterprise. The meeting will explore the demand for Heat Pump installations in Scotland with a view to understanding public procurement opportunities which may provide potential to strengthen Scottish manufacturing capability.

In recognition of the Scottish Government’s skills requirements for energy efficiency works, Scotland Excel has been working in collaboration with Energy Skills Partnership (ESP) to explore how the supply chain can develop to meet demand in coming years; a large part of this has focused on improving the quality and skills within the industry.

Earlier this year Scotland Excel held contractor mobilisation events at two of our local colleges - West College Scotland and Forth Valley College. Following the success of these events, Scotland Excel continues to work with ESP and the supply chain with further session planned for early 2023. The sessions will focus on the skills landscape for the colleges sector, supporting contractors with future training needs and the development of a skills/training matrix. A key objective of this partnership is to continue to build on a quality workforce that will help Scotland towards its net zero targets by 2045.

Several frameworks are currently under development:

Our merged **Construction Materials** framework brings six mature goods-based frameworks together, creating efficiencies for our stakeholder groups. By harmonising tendering and contract management milestones, once awarded, this framework will enable a range of sustainable procurement outcomes. At our strategy User Intelligence Group (UIG) the procurement route, mobilisation dates and market volatility were subject to careful consideration, alongside the development of merged terms and conditions and a rationalised schedule of goods to be made available. Further consultation with the UIG will confirm the strategy - reflecting the engagement to date - and set out the revised project timelines, as shown in Appendix 1, to align with council requirements.

The tender period for the first-generation **Property Maintenance and Refurbishment** framework concluded on 14 November, after an extension to ensure the opportunity could be signposted to local supply chains by our members councils. There has been a high level of interest in the arrangement, and we now move into our evaluation phase in accordance with our published methodology. As such, we have revised the

timescale for the evaluation, as reflected in Appendix 1, to ensure sufficient capacity to review the volume of tender responses.

For **Grounds Maintenance** supplies and the Purchase of **Light and Heavy Plant** a UIG took place on 11 October with local authorities, to further develop a strategy for these, which currently sit as two separate frameworks. Options to improve how these frameworks are structured to reflect operational use were discussed and agreement made to rationalise and procure under a single framework which will be referred to as **Grounds and Plant Equipment**. Work is underway to further define the revised procurement strategy.

Two arrangements, **Outdoor Play and Sports Facilities** and **Building Construction Consultancy** have been presented to the Executive Sub Committee and are progressing through our award procedures. **Street Lighting Materials** was prepared for submission to the Executive Sub Committee but is now subject to judicial interruption. In consultation with our insurers, legal representation has been instructed and next steps will be overseen by the Executive Sub Committee as appropriate.

Our strategy for the second-generation **New Build Residential Construction Framework** is nearing conclusion as attention turns to preparation of the tender documents. A range of engagement is underway with a diverse stakeholder group to inform refinements to our offering, with revised scope and terms being developed as appropriate. Further consultation will be scheduled in the New Year to set out our progress for the next generation, due to be available from August 2023.

### **Corporate, ICT and Operational Supplies and Services**

Food inflation has now reached its highest level in 45 years. Food and non-alcoholic beverage prices rose by 16.2% in the 12 months to October, up from 14.5% in September, according to the Office for National Statistics (ONS). Milk, cheese and eggs were the biggest contributors to the rise, with recording inflation of more than 20%, while bread, cereals, fish, meat and vegetable prices all rose more than 15% and fats and oils prices were 33% ahead year-on-year. The ONS estimated food prices were now at their highest annual rate since September 1977.

Contract notices for the renewal frameworks for **Janitorial Products** and **Fresh Meats, Cooked Meats and Fresh Fish** have been published with tender documentation available through the Public Contracts Scotland Tender website. Tenders are due to close early December, with evaluation taking place during December and January with recommendations due to be presented at the January and February Executive Sub Committee meetings respectively.

The next generation **Audio Visual** framework is due to go live in April 2023. A prior information notice has been issued to the market through Public Contracts Scotland and tender development is in its final stages which the contract notice due to be published during December 2022.

Scotland Excel is currently finalising the award of the second generation **First Aid Materials** framework. Framework mobilisation will take place during December 2022 ahead of the contract going live in January 2023.

Prior information notices have been issued through Public Contracts Scotland for upcoming tenders including **Bottled Gas, Fire Safety Equipment, Commercial Catering Equipment, Road Signage and Cleaning Equipment**.

The ICT team continues to develop the tender documents for the following frameworks: **National Shared Digital ARC, Technology Enabled Care**. The **National Shared Digital ARC** project has experienced some delays in tender release, due to the complex nature of terms and conditions and cyber security requirements. The tender is expected to launch in early part of 2023.

The team is engaged in several projects with the Scottish Local Government Digital Office: these projects include **Office 365, Security Operation Centre** and the **Scottish Technology Asset Management Platform (STAMP)** which is a central repository of data on ICT and digital solutions being used across local government.

The team regularly attends and provides procurement input for the following boards – Digital Assurance, Public Sector Innovation, the Department for Education four nations roundtable on commercial themes in schools and Telecare Steering Group. A proposal is currently being developed to assist the Improvement Service with some of its key procurements for 2023.

### **3. Conclusion**

Members are invited to note the progress made to date.



## Appendix 1 – List of New or Renewal Contracts during 2022/2023

Service	Estimated Annual Collaborative Contract Opportunity	Activity	Original Forecast Date	Previous Forecast Date	Delivered Date	Latest Forecast Date if Different	Forecast Savings Range	Delivered Savings Forecast	Comments
<b>Contracts Approved since April 2022</b>									
Electric Vehicle Charging Points	20,000,000	New Contract	Aug-20	Feb-22	Apr-22	Apr-22	5.5%	0%	Approved by Executive Sub Committee April 2022. Framework live May 2022
Personal Protective Equipment	10,000,000	Renew	Mar-21	Mar-22	Apr-22	Apr-22	2% - 4%	0%	Approved by Executive Sub Committee April 2022
Library Books & Textbooks	14,000,000	Renew	Feb-22	Mar-22	Apr-22	Apr-22	2% - 4%	0.10%	Approved by Executive Sub Committee April 2022
Digital Publications and Services	1,000,000	Renew	Feb-22	Mar-22	Apr-22	Apr-22	2% - 4%	12%	Approved by Executive Sub Committee April 2022
Water Coolers	1,500,000	Renew	Jan-22	Apr-22	Jun-22	Jun-22	2% - 4%	5%	Approved by Executive Sub Committee June 2022
Repair of Catering Machines	2,000,000	Renew	Jan-22	Apr-22	Jun-22	Jun-22	2% - 4%	-10%	Approved by Executive Sub Committee June 2022
Employability Services	20,000,000	New Contract	Apr-22		Jun-22	Jun-22	N/A	N/A	Approved by Executive Sub Committee June 2022. The Flexible DPS was established on 27 July 2022 and is now live, with new entrant applications possible throughout its duration.
Outdoor Play and Sports Facilities	15,000,000	Renew	Mar-21	Mar-22	Aug-22	Aug-22	2% - 4%	0%	Approved by Executive Sub Committee August 2022
Washroom Solutions	14,000,000	Renew	Sep-22	Aug-22	Aug-22	Aug-22	2%-4%	0.40%	Approved by Executive Sub Committee August 2022
Salt for winter maintenance	17,500,000	Renew	Jul-22		Aug-22	Oct-22	2%-4%	0%	Approved by Executive Sub Committee August 2022. Framework live November 2022.
Roadstone	25,000,000	Renew	Jul-22		Aug-22	Oct-22	2%-4%	-2%	Approved by Executive Sub Committee August 2022. Framework live October 2022.
Children's Residential	158,300,000	Renew	Mar-22		Oct-22	Oct-22	N/A	N/A	Approved by Executive Sub Committee August 2022. Framework live October 2022. New entrant applications are possible throughout its duration.
First Aid Materials	2,000,000	Renew	Sep-22	Sep-22	Nov-22	Nov-22	2%-4%	4.5%	Approved by Executive Sub-committee November 2022. Framework live January 2023.
Social Care Agency Workers	20,000,000	Renew	Sep-22	Sep-22	Oct-22	Dec-22	N/A	N/A	Submitted to Executive Sub-committee December 2022.

Service	Estimated Annual Collaborative Contract Opportunity	Activity	Original Forecast Date	Previous Forecast Date	Delivered Date	Latest Forecast Date if Different	Forecast Savings Range	Delivered Savings Forecast	Comments
<b>Contracts Planned for Approval at future Executive Sub Committees</b>									
<b>January 2023 Executive Sub Committee</b>									
Janitorial Products	12,000,000	Renew	Jan-23	Jan-23			2%-4%		Tender evaluation ongoing.
Building Construction Consultancy	18,750,000	New Contract	May-21	Mar-22		Jan-23	2%-4%	0%	Planned for presentation to the Executive Sub Committee January 2023
<b>February 2023 Executive Sub Committee</b>									
Fresh Meats, Cooked Meats and Fresh Fish	40,000,000	Renew	Sep-22	Jan-23		Feb-23	2%-4%		Tender evaluation ongoing.
<b>March 2023 Executive Sub Committee</b>									
Property Maintenance and Refurbishment	75,000,000	New Contract	Dec-22			Mar-23	2%-4%		Tender returned, progressing through evaluation.
Audio Visual Equipment	7,500,000	Renew	Mar-23	Mar-23		Feb-23	2%-4%		Strategy approved, Tender under development
Fire Safety Products	2,500,000	Renew	Apr-22	Jan-23		Feb-23	2%-4%		Strategy approved, Tender under development
Commercial Catering Equipment	4,000,000	Renew	Oct-22			Mar-23	2%-4%		Strategy approved, Tender under development

Service	Estimated Annual Collaborative Contract Opportunity	Activity	Original Forecast Date	Previous Forecast Date	Delivered Date	Latest Forecast Date if Different	Forecast Savings Range	Delivered Savings Forecast	Comments
<b>2023/24 Executive Sub Committees</b>									
National Shared Digital Alarm Receiving Centre	1,000,000	New Contract	Aug-22	Dec-22		TBC	2%-4%		In development
Technology Enabled Care Goods	9,000,000	Renew	Dec-22	Dec-22		May-23	2%-4%		Prior Information Notice Issued. Evaluation Methodology Under Development
Street Lighting Materials	15,000,000	Renew	Aug-22	Oct-22		TBC	2%-4%		Street Lighting Materials was prepared for submission to committee but is now subject to judicial interruption. In consultation with insurers legal representation has been instructed. Next steps will be overseen at Executive Sub-committee as appropriate.
Security Operating Centre	TBC	New Contract	Nov-22			TBC	2%-4%		Pending
Cleaning Equipment	2,000,000	Renew	Mar-23			TBC	2%-4%		Opportunity Assessment to be undertaken to confirm requirements/spend
Grounds and Plant Equipment	5,000,000	Renew	Mar-23			Jun-23	2%-4%		Development consolidates Grounds Maintenance Equipment and Light & Heavy Plant frameworks
Bottled Gas	2,000,000	Renew	Nov-21	Not being renewed		TBC	2% - 4%		Decision not to renew reviewed and will now be retendered. Prior Information Notice Issued July 2022. Strategy under development
Road Signage	1,250,000	Renew	Nov-22			TBC	2%-4%		Opportunity Assessment to be undertaken to confirm requirements/spend
New Build Residential Construction	375,000,000	Renew	Jun-23			TBC	2%-4%		Second generation framework being developed for renewal in August 2023.
Security Services and Cash Collection	12,500,000	Renew	Jun-23			TBC	2%-4%		Entering pre-strategy in New Year.
Hot Beverages	1,000,000	Renew	Dec-22	Not being renewed		Not being renewed	2%-4%		Not being renewed
Energy Advice	1,000,000	Renew	Dec-22	Not being renewed		Not being renewed	2%-4%		Not being renewed. Services now available through Energy Efficiency Contractors
Vending Machines	1,000,000	Renew	Mar-23	Not being renewed		Not being renewed	2%-4%		Not being renewed

Service	Estimated Annual Collaborative Contract Opportunity	Activity	Original Forecast Date	Previous Forecast Date	Delivered Date	Latest Forecast Date if Different	Forecast Savings Range	Delivered Savings Forecast	Comments
<b>2023/24 Executive Sub Committees</b>									
Cleaning Equipment	2,000,000	Renew	Mar-23			TBC	2%-4%		Opportunity Assessment to be undertaken to confirm requirements/spend
Construction Materials	70,000,000	Renew	Apr-23			Jun-23	2%-4%		Strategy UIG held, tender documents being prepared.
Asbestos related works and services	12,000,000	Renew	Jul-23			TBC	2%-4%		Strategy approved; tender documents being prepared.
Bread and Rolls	1,500,000	Renew	Oct-23			Aug-23	2%-4%		Pending
Alcoholic Beverages (OSS)	1,250,000	Renew	Renew			Aug-23	2%-4%		Pending
Sheriff Officers	1,100,000	Renew	Nov-23			Oct-23	2%-4%		Pending
Care Homes for Adults with Learning Disabilities Including Autism	26,500,000	Renew	Oct-23			TBC	n/a		Pending

## Appendix 2 – Flexible Contracts

Service	Estimated Annual Collaborative Contract Opportunity	Activity	Anticipated Re-Opening Date	Comments
Care and Support	£140,000,000	Flexible Framework Agreement	In Progress	A re-opening consultation exercise is currently under consideration and a Prior Information Notice has been issued to the provider market to establish the level of interest.
Social Care Agency Workers	£20,000,000	Flexible Framework Agreement	N/A	The tender closed on 30 June 2022 and is at the final stages of the evaluation process for renewal.
Care Homes for Adults with Learning Disabilities Including Autism	£26,500,000	Flexible Framework Agreement	N/A	New entrants may be approved at any point during the lifetime of the Flexible Framework dependent on the circumstances and demand
Bikeability Scotland Training Providers	£300,000	Dynamic Purchasing System (DPS)	N/A	New entrants may be approved at any point during the lifetime of the DPS
Recyclable and Residual Waste	£40,000,000	Dynamic Purchasing System (DPS)	N/A	New entrants may be approved at any point during the lifetime of the DPS
Digital Telecare	£4,000,000	Dynamic Purchasing System (DPS)	N/A	New entrants may be approved at any point during the lifetime of the DPS
Employability Services	£20,000,000	Flexible Dynamic Purchasing System (DPS)	N/A	New entrants may be approved at any point during the lifetime of the DPS
Children's Residential	£158,300,000	Flexible Framework Agreement	N/A	New entrants may be approved at any point during the lifetime of the Flexible Framework

### Appendix 3 – Contracts with extension options and contract management activity ongoing during 2022/2023

Contract Description	Est Annual Value
Boiler Maintenance	£10,000,000
Grounds Maintenance Equipment	£6,000,000
Groceries and Provisions	£30,000,000
Fresh Fruit and Vegetables	£1,500,000
Technology Enabled Care	£6,300,000
Demolition Services	£18,000,000
New Build Residential Construction	£375,000,000
Catering Sundries	£6,000,000
Community Meals	£4,000,000
Building and Timber	£15,000,000
Electrical Materials	£20,000,000
Plumbing and Heating Materials	£22,500,000
Trade Materials	£10,000,000
Secure Care Services	£17,500,000
Musical Instruments	£1,750,000
Education Materials	£17,500,000
Domestic Furniture and Furnishings	£26,000,000

*Contracts which are shaded have been approved for extension*

#### Appendix 4 - Contracts with no renewal or extension activity and contract management activity ongoing during 2022/2023

Contract Description	Est Annual Value	Contract Description	Est Annual Value
Bitumen Products	£12,000,000	Security Services and Cash Collection	£12,500,000
Waste Composition Analysis	£750,000	Social Care Case Management Solutions	£7,000,000
Vehicle Parts	£12,000,000	Vehicle Purchase RM6060	£10,000,000
Fostering and Continuing Care	£34,000,000	Waste Disposal Equipment	£1,250,000
Organic Waste	£12,000,000	Supply Teacher Booking System	£300,000
Engineering and Technical Consultancy	£17,125,000	Heavy Vehicles	£25,000,000
Energy Efficiency Contractors	£200,000,000	Recycle and Refuse Containers	£12,500,000
Tyres for Vehicles and Plant	£6,500,000	Education and Office Furniture	£8,000,000
Frozen Foods	£25,000,000	Milk	£8,000,000
Online School Payments	£2,000,000	Pest Control	£1,000,000

## Appendix 5 – Expenditure summary per Council: Jul'21 – Jun'22

Member Organisation	Actual Spend	Forecast Spend	Variance	% of Total Actual Spend	Sum of Estimated Saving	% Saving
South Lanarkshire Council	£38,996,896	£74,060,120	52.7%	5.85%	£289,819	0.74%
Glasgow City Council	£38,629,775	£49,626,510	77.8%	5.80%	£697,983	1.81%
Fife Council	£38,052,952	£117,000,617	32.5%	5.71%	£484,745	1.27%
Associate Members	£37,494,649	£62,740,804	59.8%	5.63%	£783,732	2.09%
Aberdeen City Council	£36,806,646	£35,889,690	102.6%	5.52%	£579,607	1.57%
The City of Edinburgh Council	£35,664,652	£34,479,688	103.4%	5.35%	£480,568	1.35%
Aberdeenshire Council	£34,451,401	£38,087,473	90.5%	5.17%	£221,830	0.64%
West Lothian Council	£32,623,230	£28,746,098	113.5%	4.89%	£429,315	1.32%
Falkirk Council	£30,488,149	£47,484,253	64.2%	4.57%	£848,289	2.78%
North Lanarkshire Council	£30,243,228	£61,259,601	49.4%	4.54%	£508,546	1.68%
North Ayrshire Council	£26,873,422	£51,863,487	51.8%	4.03%	£456,949	1.70%
West Dunbartonshire Council	£25,584,923	£28,511,422	89.7%	3.84%	£536,061	2.10%
The Highland Council	£23,863,727	£28,945,743	82.4%	3.58%	£21,761	-0.09%
Dundee City Council	£20,242,642	£22,453,567	90.2%	3.04%	£247,501	1.22%
Renfrewshire Council	£20,024,442	£41,102,178	48.7%	3.00%	£402,831	2.01%
East Lothian Council	£15,970,211	£13,126,852	121.7%	2.40%	£283,176	1.77%
Dumfries and Galloway Council	£15,065,493	£13,700,908	110.0%	2.26%	£186,057	1.23%
Stirling Council	£14,182,886	£9,706,537	146.1%	2.13%	£114,922	0.81%
South Ayrshire Council	£13,910,156	£20,302,544	68.5%	2.09%	£134,695	0.97%
Scottish Borders Council	£12,701,815	£13,538,344	93.8%	1.91%	£43,767	-0.34%
Perth and Kinross Council	£12,625,572	£12,255,311	103.0%	1.89%	£256,393	2.03%
East Ayrshire Council	£12,352,348	£15,829,852	78.0%	1.85%	£307,745	2.49%
East Dunbartonshire Council	£11,541,464	£11,167,820	103.3%	1.73%	£136,229	1.18%
Tayside Contracts	£11,357,620	£8,974,637	126.6%	1.70%	£41,249	0.36%
Argyll and Bute Council	£11,114,070	£9,791,421	113.5%	1.67%	£187,954	1.69%
Clackmannanshire Council	£10,850,530	£13,108,054	82.8%	1.63%	£164,723	1.52%
East Renfrewshire Council	£10,619,082	£12,304,710	86.3%	1.59%	£300,784	2.83%
Midlothian Council	£9,654,028	£11,217,878	86.1%	1.45%	£62,206	0.64%
Inverclyde Council	£9,226,131	£7,869,088	117.2%	1.38%	£349,991	3.79%
Angus Council	£9,077,425	£20,531,843	44.2%	1.36%	£85,326	0.94%
The Moray Council	£8,461,378	£27,216,727	31.1%	1.27%	£45,042	0.53%
Orkney Islands Council	£3,177,637	£1,773,797	179.1%	0.48%	£5,297	-0.17%
Shetland Islands Council	£2,598,968	£2,621,428	99.1%	0.39%	£8,588	-0.33%
Comhairle nan Eilean Siar	£1,959,815	£4,085,819	48.0%	0.29%	£61,061	3.12%
<b>Total</b>	<b>£666,487,362</b>	<b>£951,374,821</b>	<b>70.1%</b>	<b>100.00%</b>	<b>£9,605,915</b>	<b>1.44%</b>



## **Scotland Excel**

**To: Joint Committee**

**On: 9 December 2022**

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

### **Community Benefits and Fair Work Practices Update**

#### **1. Introduction**

Community benefit requirements are defined in the Procurement Reform (Scotland) Act 2014 as a contractual requirement imposed by a contracting authority, relating to training and recruitment, or sub-contracting opportunities. Since the introduction of community benefits within the public procurement landscape, this has expanded to improve the economic, social, or environmental wellbeing of the authority's area in a way additional to the main purpose of the contract in which the requirement is included.

This report will highlight the community benefits delivered in the period of 1 April 2022 to 30 September 2022, aligned with the Scotland Excel framework portfolio. Additionally, an update will be provided regarding Fair Work Practices which will give an analysis of suppliers and providers' Living Wage status.

Scotland Excel continually strives to be innovative in its approach to community benefits. We recognise that community benefits have a considerable social, environmental, and economic impact within local communities, and we continue to encourage and grow awareness in this regard. Our approach to community commitments has been developed to further advance the undertakings made by suppliers and to facilitate a robust process for the collection of responses. A revised collection process was developed and rolled out across Scotland Excel to simplify the process and ensure wider transparency of available benefits to our members.

Scotland Excel utilises the community benefit menu that has been favoured by procurement specialists when embarking on new procurement exercises and offers a focused approach across the Scotland Excel procurement portfolio. Furthermore, it aims to encourage suppliers and providers to deliver community benefits within the awarding local authority area.

#### **2. Summary**

Twice yearly, suppliers and providers are requested to complete a comprehensive community benefits template. This information is collated to illustrate the variety and extent of community benefits delivered through Scotland Excel frameworks. This method of collection together with ongoing contract management aims to

support the delivery of the commitments made by suppliers and providers at point of tender. For the return through to 30 September 2022, community benefits have been sought from suppliers and providers who have received more than £50,000 spend over the preceding two quarters via Scotland Excel frameworks.

Table 1 shows a summary of the social value added across the Scotland Excel procurement portfolio since 2013. The figures are complete for the year ending March 2022.

	2013/ 2014	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	2019/ 2020	2020/ 2021	2021/ 2022	April – September 2022	Total
No of Apprentices	9	92	49	18	52	34	37	26	40	27	384
No of New Jobs	78	43	29	53	146	280	249	340	370	111	1699
No of Work Placements	0	5	6	17	30	107	43	47	39	1	295
Hours of Volunteering & Mentoring	95	377	1279	1570	1637	803	853	608	616	294	8,132
Hours of Work Experience	5305	28214	16734	7852	2541	667	10,360	19	1,292	1217	74,201
Value of Other Community Benefits	£2,474	£16,550	£46,140	£87,814	£311,549	£437,443	£901,410	£858,590	£733,572	£419,137	£3,814,679

*Table 1: Summary of social value added across the collaborative portfolio*

Suppliers with over £50k of spend in the previous six months were contacted with a request to report their community benefits delivery for the period 1<sup>st</sup> April to 30<sup>th</sup> September 2022.

A total of 428 community benefits can be reported for this period. All 32 local authorities have received community benefits, as well as our associate partners. The scale of return is based upon contract utilisation; the more spend generated, the better the benefits return into the local authority area. These community benefits include:

- Total Number of Employees Recruited to Deliver Contract: 111
- Total Number of Apprenticeships Recruited to Deliver Contract: 27

- Total Number of Hours of Work Experience for School Pupils, College, and University Students: 1217
- Total Number of Volunteering Hours: 294
- Total Monetary Value of Other Community Benefits: £419,937.

The reported community benefits for this period are delivered across the classification listed above as well as across local authority regions.

An example under the Apprentice classification has been delivered under the current Asbestos Related Works and Services framework. Three unemployed apprentices were placed through the Department of Work and Pensions (DWP) as trainee asbestos surveyors. These appointments were made at the living wage rate, with opportunities to shadow and assist trained asbestos surveyors. The community benefit was created through the employment of the individuals and the provision of training in asbestos surveying, an important aspect of building maintenance services. Two of the placements were for people based in South Ayrshire and one in Glasgow.

A further example is linked to the Scotland Excel Domestic Furniture and Furnishings framework. One of the suppliers redistributed 550 hospital beds that had originally been bought for the Louisa Jordan Hospital but never used. These items had an original cost of £900 each and were donated to many charitable organisations in Scotland. A number also sent to support the effort in the Ukraine.

The accrued community benefits value per local authority area is noted within Appendix 1.

In relation to Fair Work First (including the Living Wage) Scotland Excel commenced formal consideration within tenders in early 2015. Since this time the respective position on bidders' work practices has been outlined within Executive Sub Committee Contracts for Approval Reports.

Scotland Excel continues to ensure transparency within the tender process and focus on aspects of fair work practices deemed relevant for each framework.

Scotland Excel continues to monitor and encourage the implementation of fair working practices and to work closely with suppliers to review their progress in this area. It is possible to mandate the real Living Wage in public contracts where: Fair Work First practices, including payment of the real Living Wage is relevant to how the contract will be delivered, and:

- it does not discriminate amongst potential bidders.
- it is proportionate to do so, and
- the contract will be delivered by workers based in the UK

Within the last six months reporting period, the living wage status including those suppliers with accredited living wage status is shown within Table 2.

	JUNE 2022	NOVEMBER 2022	CHANGE SINCE JUNE 2022
Accredited	211	262	+51
Progressing towards accreditation	56	51	-5
Committed to gaining accreditation over the first 2 years of the framework	89	88	-1
Not accredited but paying the Living Wage	467	494	+27
Not accredited or paying the Living Wage but committed to doing so within 2 years	38	44	+6
Neither accredited nor paying Living Wage	97	93	-4
<b>TOTAL APPLICABLE SUPPLIERS WHERE STATUS IS KNOWN</b>	<b>958</b>	<b>1032</b>	<b>+74</b>
<b>TOTAL PAYING</b>	<b>823</b>	<b>895</b>	<b>+72</b>
<b>% PAYING</b>	<b>85.90%</b>	<b>86.70%</b>	<b>+0.8%</b>

*Table 2 Living Wage Status*

### 3. Next Steps

The next community benefits data collection, analysis and review cycle will be completed in line with the Management Information process to cover the period through to the end of 31 March 2023. The results will be reviewed with the supply base and where appropriate will be incorporated into supplier performance objectives.

### 4. Conclusion

Committee members are requested to note the content of this report and support the on-going practices in place to monitor delivery of community benefits and the application on Fair Work practices for the 2022/23 financial year.

## **Appendix 1 Community Benefits by Council Apr to Sep 22**

	<b>Number of new apprentices</b>	<b>Number of new employees</b>	<b>Number of work placements</b>	<b>Hours of volunteering</b>	<b>Hours of work experience</b>	<b>Monetary value of Other Community Benefits</b>
<b>Aberdeen City Council</b>	0.20	6.50	0.00	0.00	0.00	£31,968
<b>Aberdeenshire Council</b>	9.20	1.00	0.00	0.00	88.00	£4,034
<b>Angus Council</b>	0.50	0.00	0.00	0.00	0.00	£6,855
<b>Argyll &amp; Bute Council</b>	0.00	0.00	0.00	0.00	0.00	£6,590
<b>Associate Member</b>	0.00	5.00	0.14	36.75	0.00	£59,064
<b>City Of Edinburgh Council</b>	1.55	0.00	0.00	115.00	240.25	£31,662
<b>Clackmannanshire Council</b>	0.00	1.00	0.00	0.00	50.00	£250
<b>Comhairle nan Eilean Siar</b>	0.00	0.00	0.00	0.00	0.00	£250
<b>Dumfries &amp; Galloway Council</b>	0.00	0.00	0.00	0.00	0.00	£5,813
<b>Dundee City Council</b>	0.00	0.00	0.00	0.00	0.00	£11,180
<b>East Ayrshire Council</b>	4.00	0.00	0.00	0.00	0.00	£26,850
<b>East Dunbartonshire Council</b>	0.00	4.40	0.00	0.00	0.00	£950
<b>East Lothian Council</b>	1.00	2.10	0.00	0.00	0.00	£10,440
<b>East Renfrewshire Council</b>	0.00	0.00	0.00	0.00	0.00	£2,250
<b>Falkirk Council</b>	2.50	12.00	0.00	2.40	5.40	£27,550
<b>Fife Council</b>	1.00	14.20	0.00	0.00	0.00	£12,326
<b>Glasgow City Council</b>	3.79	11.07	0.00	96.00	65.89	£40,597
<b>Highland Council</b>	0.00	5.80	0.00	0.00	0.00	£16,691
<b>Inverclyde Council</b>	0.00	0.00	0.00	0.00	0.00	£1,250
<b>Midlothian Council</b>	0.00	0.20	0.00	0.00	0.00	£1,364
<b>North Ayrshire Council</b>	0.00	5.10	0.00	0.00	0.00	£10,722

<b>North Lanarkshire Council</b>	0.10	6.09	0.00	39.39	192.00	£16,853
<b>Orkney Islands Council</b>	0.00	8.00	0.00	0.00	0.00	£250
<b>Perth &amp; Kinross Council</b>	0.20	4.60	0.00	0.00	0.00	£32,330
<b>Renfrewshire Council</b>	0.00	5.80	0.00	0.00	0.00	£10,835
<b>Scottish Borders Council</b>	1.00	0.00	0.00	0.00	0.00	£1,250
<b>Shetland Islands Council</b>	0.00	0.00	0.00	0.00	0.00	£2,250
<b>South Ayrshire Council</b>	2.25	0.00	0.00	0.00	0.00	£3,395
<b>South Lanarkshire Council</b>	0.00	2.10	0.00	0.00	525.00	£24,721
<b>Stirling Council</b>	0.10	3.00	0.00	0.00	50.00	£2,111
<b>The Moray Council</b>	0.00	0.00	0.00	0.00	0.00	£1,900
<b>West Dunbartonshire Council</b>	0.00	3.40	0.00	0.00	0.00	£2,150
<b>West Lothian Council</b>	0.00	10.00	0.00	4.00	0.00	£12,435
<b>Total</b>	<b>27.40</b>	<b>111.36</b>	<b>0.14</b>	<b>293.54</b>	<b>1216.54</b>	<b>£419,137</b>

## Scotland Excel

To: Joint Committee

On: 9 December 2022

Report by:  
Chief Executive of Scotland Excel

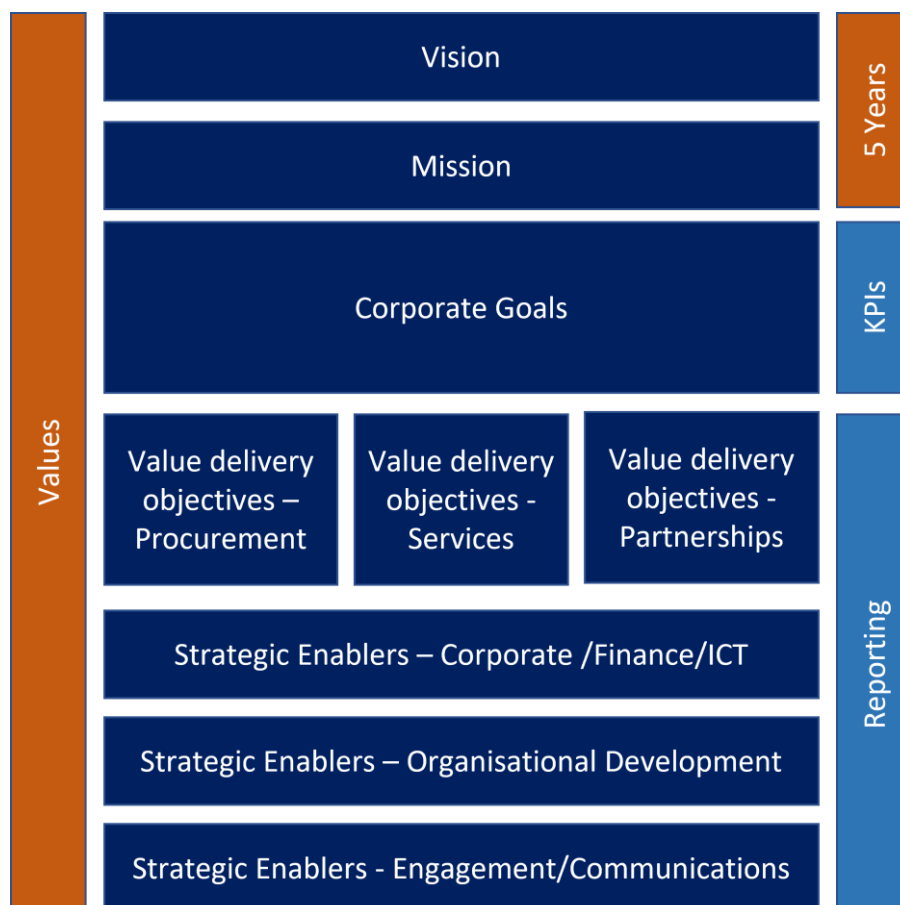
### Draft Corporate Strategy 2023-28

#### 1. Purpose of the report

In June 2018, Scotland Excel's Joint Committee approved a five-year corporate strategy for the organisation. As this strategy period will end on 31 March 2023, the organisation has been working on the development of a new corporate strategy. This report presents a draft of this new strategy which covers the five years from 01 April 2023 to 31 March 2028.

#### 2. Strategic planning process

Scotland Excel follows a robust strategic planning process to develop its corporate strategy and operating plans as illustrated by the graphic below:



The future vision of the organisation is supported by a mission statement based on business capabilities. Five corporate goals have been developed to reflect the key priorities of local authorities:

- Journey towards a net zero Scotland
- Drive for efficiency to support the financial sustainability of local public services
- Community wellbeing with equal access to services, economic development, and fair work jobs across Scotland
- Resilient supply chains that maximise opportunities for Scottish businesses and the third sector
- Advancement of skills to deliver Scotland's economic transformation

All these goals influence the strategic commitments made by Scotland Excel to ensure that the delivery of procurement and commissioning, services, and partnerships meet the requirements and expectations of members. Delivery is supported by strategic enablers – key business activities that ensure the successful implementation of the strategy. All aspects of the strategy are underpinned by corporate values shared by all of our staff – professional, respectful, courageous and integrity.

Annual operating plans will be developed to provide more detailed information on the actions and activities that Scotland Excel will undertake each year to deliver the strategy. This approach ensures the flexibility to develop and implement appropriate plans to meet the corporate goals within a changing public sector landscape.

### **3. Strategic direction 2023-18**

The new corporate strategy builds on the progress made by Scotland Excel over the past five years, and was developed in close consultation with local authority stakeholders and Scotland Excel staff. It responds to financial challenges facing local government and the wider public sector, while recognising other key social, economic and environmental drivers that are important nationally and locally – climate change, community wellbeing, supply chain resilience, and skills development

### **4. Monitoring and reporting**

As with the previous strategy and operating plans, progress reports will be produced quarterly to track Scotland Excel's performance. Half yearly and annual reports will be submitted to Joint Committee meetings in December and June, with reports for the interim quarters submitted to the Executive Sub-Committee. A set of Key Performance Indicators (KPIs) which measure our performance against the five corporate goals will be developed, and we will report against these indicators on annual basis.

### **5. Recommendation**

The members of the Joint Committee are invited to review and approve the proposed five-year corporate strategy for 2023-28.





# Corporate Strategy

01 April 2023 – 31 March 2028

## Foreword

In May 2022, following the local council elections, I was delighted to have the opportunity to act as Convener of Scotland Excel for a second term.

Coming from a procurement background, I already understood the value that can be delivered through a professional and strategic approach to sourcing and contract delivery. However, during my first five years as Convener, I came to truly understand just how valuable the work of Scotland Excel is for our sector.

Scotland Excel has worked hard over the years to dispel the myth that procurement is only about savings and efficiencies. Every framework developed by the organisation is underpinned by a strategic sourcing strategy that considers the impact of the procurement across National Outcomes, as well as the ways in which it can support local policies and priorities for social value and economic development.

Since 2013, Scotland Excel has incorporated community benefits into frameworks which have generated 1,650 jobs, 367 apprenticeships, almost 73,000 hours of work experience, and over £3m for local causes.

There are more than 600 Scottish suppliers, contractors and care providers on Scotland Excel frameworks, representing over 60% of the total number and almost 65% of total spend. Around 81% of these are SMEs. Scotland Excel encourages suppliers to pay the Real Living Wage to their employees, and 86% have confirmed that they do.

Of course, the past few years have brought unprecedented challenges for both the public and private sectors, and I was proud of how quicky and effectively the organisation responded to the Covid-19 pandemic.

With an almost seamless transfer to remote working, Scotland Excel was immediately on hand to support members with regular news and bulletins about the impact on procurement, as well help them source essential goods for managing the pandemic. Contract delivery plans were adapted to recognise the difficulties faced by suppliers bidding for frameworks while many of their staff were on furlough.

I was particularly impressed by Scotland Excel's offer of temporary free associate membership to all eligible public sector and third sector organisations to help them during the pandemic. As many of these organisations work in partnership with local government, or provide services on their behalf, this initiative signified a genuinely holistic approach to supporting communities at this time.

Despite the challenges of the past few years, there is much to celebrate in what Scotland Excel has achieved. Ground-breaking frameworks such as new build residential housing, energy efficiency contractors, and electric vehicle charging infrastructure provide an effective route to market for services that help us create a better built environment for our communities, while supporting our journey towards net zero.

A new framework for care and support services facilitates the commissioning of personalised services for those who need them, while ongoing work with a wide range of stakeholders to refresh the national care home contract will demonstrate its value regardless of any future changes to the delivery of care.

Other services, including the Academy, have gone from strength-to-strength over the past five years. As well as making an important contribution towards Scotland Excel's funding, these initiatives play an essential role in leading the sector towards a culture of best practice.

It is important that we attract the best people to a career in public procurement. We must equip new entrants and existing professionals with the skills they need so that procurement becomes an integral part of the solution to the challenges we are facing. The Academy plays a part in achieving this ambition, as does the recent Graduate Trainee programme established within Scotland Excel.

I began this foreword by saying that procurement is not just about savings and efficiencies. However, it is an unavoidable fact that public sector finances are under the greatest pressure experienced for decades. Our new strategy recognises this and, while our local priorities will always influence our choices, we must be open to change in how we manage procurement at a national level.

As we present our strategy for the next five years, I urge you all to continue working together with Scotland Excel to ensure that we leverage the collaborative power of procurement to help us overcome our challenges, now and in the future.

Cllr John Shaw  
Renfrewshire Council, and  
Convener of Scotland Excel's Joint Committee

## Introduction

When we developed our 2018-23 corporate strategy, we set out to support our local government members with the financial challenges they were facing at a time of growing demand for services.

Who could have foreseen that the years covered by that strategy would encompass a global pandemic which has been one of the most significant events in most of our lifetimes? Along with health and other public services, local authorities were at the frontline keeping the country safe and functioning at this difficult time. I applaud each and every one of our local government and other public sector colleagues for their contribution.

As our country returns to a 'new normal' after the pandemic, our sector is facing a raft of challenges, old and new, affecting the delivery of public services. Many factors are playing a part – global materials shortages, labour market disruption, rising energy prices, and double-digit inflation to name but a few. Developing a five-year strategy to support our members has not been an easy task when seismic and shifting change is happening all around us.

However, there will always be a role for procurement to play in meeting public sector challenges. Following extensive engagement with our stakeholders, we have focused our strategy on the key areas facing local government and the wider public sector – climate change, financial pressures, community wellbeing, supply chain resilience, and skills development.

These goals are often linked in ways that present a conundrum for our members. For example, reducing the impact of climate change is an urgent priority, not just for Scotland but for the planet, however greener procurement options often require investment. The same can be said for supporting our communities through local economic development where the options to buy locally may come at a cost.

Councils are facing some particular issues that we must recognise as part of our strategy. Financial pressures have never been greater. Indeed, we are hearing that for many local services it may be a question of survival rather than sustainability. In addition, plans for a National Care Service, while laudable in its objectives to improve care services, could threaten the overall viability of councils who may lose around a third of their budgets and staff.

In developing this strategy, we recognise that there will be difficult choices facing our members as they balance affordability with other drivers such as carbon reduction and community wealth-building. These decisions will be made based on local priorities, and we remain committed to incorporating a full range of social, economic and environmental benefits within our frameworks. We will offer as much

clarity as possible on the value of these benefits to help our members reach their conclusions.

Almost fifteen years have now passed since Scotland Excel was established as the centre of procurement expertise for local government. Our organisation has evolved significantly since 2008 to align with the requirements of members, and we will continue to do so. I believe our longevity is in itself a significant measure of our success, and it is our whole-hearted commitment to delivering value for our members that has underpinned our achievements.

Whatever the next five years may bring, the pandemic has shown us that solutions can be found when we collaborate and work together. On this positive note, I wish you all well and look forward to continuing to work towards our shared goals of delivering affordable public services for thriving communities.

Julie Welsh  
Chief Executive, Scotland Excel

## Context

When we set out on our journey to develop a new corporate strategy, we asked some of the most senior people in local government for the views on what the next five years might bring for councils and the wider public sector. Their responses were unequivocal – the sector is facing unprecedented challenges, and financial constraints alone are unlike anything experienced for decades.

Many factors have influenced the current environment – recovery from the Covid-19 pandemic, issues around Brexit, global shortages, rising inflation and interest rates, and the war in Ukraine. These are macro-environmental factors that we cannot influence or change, yet we must respond to their impact if current levels of public services are to be sustained, or even survive.

In May 2022, the Scottish Government published its first Spending Review since 2011, covering the period until the end of the current parliamentary session in 2025-26. During this time, the block grant for Scotland from the UK government is unlikely to increase significantly, which places considerable constraints on the funding available for Scottish public sector organisations.

According to an analysis by the Fraser of Allander Institute (FAI), the Spending Review implies that the local government funding will decrease by at least 7% in real terms to 2026-27. Sustaining the delivery of high-quality public services in the face of budget cuts would be demanding at any time but, with so many additional factors in play, the challenges are enormous.

In October 2021, the Scottish Government set out an ambitious strategy to address inequality, make progress towards a wellbeing economy, and accelerate inclusive person-centred public services. Similar goals appear within Scotland's National Strategy for Economic Transformation, published by the government in March 2022, which presents a vision of *“a wellbeing economy: a society that is thriving across economic, social and environmental dimensions, and that delivers prosperity for all Scotland's people and places.”*

While realising these strategies would undoubtedly benefit Scotland in the longer term, there is likely to be significant change and investment required at a national and local level to achieve these aims. As well as direct costs to deliver the public services which support the strategy goals, there may be other indirect financial pressures. For example, encouraging businesses to reduce inequality through better wages, working conditions and fair work, may lead to increased costs which are passed on to public sector organisations buying from these companies.

Other areas of policy and legislation are likely to impact costs. Scotland's climate change legislation has set a target for net zero emissions of all greenhouse gases by

2045. Interim targets are in place for 2030, and many councils already have net zero at the heart of their strategies to create greener local communities. However, while there is government funding available for initiatives such as energy efficiency measures in buildings, other costs directly impact over-stretched budgets. Low carbon and carbon neutral procurement options can save money as well as the planet over time, but they often require significant initial investment.

While public sector organisations can play an important part in creating a circular economy, there is still much work to be done to make this a reality. Procurement frameworks have included refurbishment and reuse options for some years, but the materials, manufacturing and distribution infrastructure is not yet in place to allow significant traction.

Local government is also facing one of the biggest changes to its remit for many years. Plans for a National Care Service (NCS) could see social work and social care services for adults, children and justice move from local authorities to local care boards which report directly to the Scottish Government. This has the potential to reduce the local government workforce and budget by a third, with a resulting loss of economies of scale which may seriously impact other local services.

The NCS plans also have implications for the national procurement and commissioning work that has been undertaken by Scotland Excel for more than a decade. Since 2012, we have developed unique expertise in creating national policy-driven arrangements which can be used to commission person-centred care services at a local level.

These arrangements focus on quality of service and transparency of cost to support planning and budgeting; they are not price or savings driven. At the time of writing, NCS plans propose that this work will be undertaken by local care boards which may well lead to cost disparity across different regions. It may also require care providers, many of which are small third sector organisations, to submit multiple proposals or bids to different boards.

## **Our strategy**

While our strategy places the financial challenges of our members at its heart, we have also based it around principles that lead to a greener, wealthier and fairer Scotland – net zero, community wellbeing, supply chain opportunities and skills development.

While we expect significant and ongoing change to be a feature of the next five years, a strategic approach to public procurement is a proven driver of social, economic and environmental benefits. We believe that this strategy offers us the flexibility to adapt what we do to support our members, while adhering to the core

principles that bring benefits to our communities. Our actions will be reflected within our annual operating plans.

Nevertheless, when it comes to procurement, it is clear that difficult choices will need to be made to balance affordability with other benefits. Seventeen years have now passed since the McClelland Review of Public Procurement in Scotland was published. Now may be the time to revisit how we structure and deliver procurement across the public sector, and Scotland Excel is open to considering any changes that make procurement even more valuable for our members.



# Strategy Map

Corporate Values  
Professional • Respectful • Courageous • Integrity

## Vision

To provide collaborative, innovative and transformative solutions that support social, economic and environmental wellbeing.

## Mission

We will make the most of our expertise and experience by leading and collaborating on solutions that support local and national aims for fairer, wealthier and greener communities.

## Corporate Goals

Through our experience, expertise, innovation and collaboration, we will create and deliver solutions which provide value to our members across key strategic areas:

- Journey towards a net zero Scotland
- Drive for efficiency to support the financial sustainability of local public service.
- Community wellbeing with equal access to services, economic development and fair work jobs.
- Resilient supply chains that maximise opportunities for Scottish businesses and the third sector.
- Advancement of skills to deliver Scotland's economic transformation.

### Procurement & Commissioning

We will continue to develop and manage procurement solutions which provide an effective route to market for our members. Our frameworks will continue to deliver additional social, economic and environmental value for communities.

We will:

- Support our members with their drive for financial sustainability by helping them to maximise savings, efficiencies and benefits from our frameworks.
- Implement our new sustainable procurement and net zero strategies to support our members' net zero journey.
- Develop and deliver new and next generation contracts for key strategic areas including construction, digital and care.
- Respond to new policy and legislation that may impact the value delivered by our frameworks.

### Services

We will continue to provide services for our members to help them strengthen their procurement capability, including through the Scotland Excel Academy.

We will:

- Develop proposals for growing our membership and expanding the market for our services.
- Identify and evaluate new service opportunities that provide value to our members.
- Explore alternative business models to support growth and reduce reliance on membership fees.
- Develop and implement new qualification and procurement training programmes based on member requirements.
- Champion public procurement talent through employment and training initiatives.

### Partnerships

We will continue to work with the Scottish Government and other national public sector organisations to influence and support policies and programmes that deliver benefits for our members.

We will:

- Develop a partnership strategy to plan and prioritise engagement activity which maximises the value of our relationships.
- We will strengthen our relationships with other local government bodies to provide a unified connection between policy, finance and procurement.
- Develop mutually beneficial relationships with care and other third sector organisations.
- Explore opportunities to provide additional value for members through working in partnership with UK organisations.

### Strategic Enablers: Corporate, Finance & ICT

We will continue to develop robust and cost-effective corporate, finance and ICT services which support all business operations and underpin the delivery of our five-year strategy.

We will:

- Explore the opportunities, benefits and risks of alternative business models.
- Enhance our income forecasting and rebate monitoring tools.
- Explore office and facilities solutions appropriate for hybrid and remote working.
- Develop and implement a new business intelligence strategy and plan.
- Develop and deliver a new five-year ICT strategy and plan to enhance business efficiency.
- Explore methods to reduce the carbon footprint of our business operations.

### Strategic Enablers: Organisational Development

We will continue to implement our People Strategy and the recommendations of our Gold Standard Investors in People report to ensure that our staff fulfill their potential. A culture of performance management will support career development and underpin the delivery of effective and efficient services.

We will:

- Implement an employee journey that supports the recruitment and retention of talented staff.
- Undertake succession planning to support career development and create a steady pipeline of talent at all levels.
- Equip staff with the skills required to provide value to our customers, now and in the future.
- Support the wellbeing of our staff through flexible working, physical and mental health resources, and staff engagement platforms.

### Strategic Enablers: Engagement & Communication

We will continue to develop and deliver engagement and communications plans which increase Scotland Excel's influence and ensure our members obtain maximum value from our services.

We will:

- Increase engagement with elected members and other senior stakeholders.
- Improve customer experience and increase satisfaction.
- Engage with partners and stakeholders on net zero strategies and other key policy areas.
- Provide advocacy and representation for our members within key national policy groups and programmes.

## Our Corporate Goals

Scotland Excel has set five overarching corporate goals for this strategy which will permeate all of the activities we undertake to deliver against our commitments in procurement and commissioning, services, and partnerships.

These goals reflect the key strategic challenges and opportunities that our members are facing. Through our experience, expertise, innovation, and collaboration, we will create and deliver solutions which provide value to our members across these areas:

- Journey towards a net zero Scotland
- Drive for efficiency to support the financial sustainability of local public services
- Community wellbeing with equal access to services, economic development and fair work jobs across Scotland
- Resilient supply chains that maximise opportunities for Scottish businesses and the third sector
- Advancement of skills to deliver Scotland's economic transformation

Scotland Excel has engaged extensively with stakeholders to validate these corporate goals and understand their significance to our members. Our delivery of this strategy will be underpinned by our corporate values shared by all our people – professional, respectful, courageous and integrity.

We will develop and implement a set of Key Performance Indicators (KPIs) which measure our performance against these goals, and we will report against these indicators as part of our annual operating plans.

## Value delivery: procurement & commissioning

Scotland Excel has an established portfolio of over 70 frameworks with an annual value of £2bn. Adopting a sustainable procurement approach, we consider the social, economic and environmental impact of our frameworks, including the ways in which they can support the delivery of Scotland's National Outcomes.

### Progress to date

Over the past five years, new framework developments have focused mainly on complex, high spend areas within construction and care. Our award-winning new build residential housing framework was launched in August 2019 to provide a quick and efficient route to market for councils and housing associations building new affordable homes. This framework has supported the construction industry across Scotland, with 64% of sub-contracted spend being placed with local suppliers.

Within our care portfolio, a ground-breaking flexible framework for adult care and support services was launched in April 2020. This is used by local health and social care partnerships to commission personalised services for those who need support to live at home. As a flexible framework, it reopens regularly to admit new providers and services which encourages innovation and increases choice for service users. Payment of the Real Living Wage to care workers is embedded within the terms and reflected in fees to support the sustainability of the care sector.

Scotland's net zero ambitions have had a significant influence on the development of our portfolio. In June 2021, we launched a waste composition analysis framework in partnership with Zero Waste Scotland to help councils provide consistent data on what households throw away. The data is used to inform climate change policy and decision-making at a national and local level.

In February 2022, the second generation of our energy efficiency contractors framework was released. Councils and housing associations can use the framework to source an extensive range of innovative energy efficiency measures that cut carbon emissions, tackle fuel poverty and create warmer homes. Scotland Excel worked closely with ESP (Energy Skills Partnership) Scotland to embed skills development within the framework and ensure that the supply chain is equipped to deal with new technologies.

The last five years have not been without their challenges, particularly during the Covid-19 pandemic. We were proud to be able to help our members source essential goods, such as personal protective equipment (PPE) and hand sanitiser, through ongoing monitoring of stock levels. We are now continuing to monitor and, where

possible, mitigate the impact of other significant global factors which are affecting the availability and price of many commodities.

## **Our strategic approach**

Over the coming five years, we will continue to develop, deliver and manage procurement solutions which provide an effective and efficient route for our members to procure goods and services to support public services.

We will help our members with their drive towards financial efficiency by developing and implementing a range of commercially focused initiatives to increase the savings they derive through frameworks. Working with key suppliers, we will seek opportunities to improve pricing by reviewing core product lists and reduce costs through streamlined distribution methods.

We will review our approach to contract delivery to increase member visibility of forthcoming frameworks, and encourage wider participation in framework development to maximise usage and deliver benefits for all members. We will continue to work closely with members to help them optimise their use of existing frameworks to maximise savings.

We will continue to promote frameworks which help our members to implement their climate change policies, and consider any new framework opportunities that can support their net zero journey. We will also work with suppliers, partners and members to identify opportunities to reduce the carbon footprint of our existing contract portfolio.

Our frameworks will deliver additional value for communities through tendering and supply chain opportunities for local suppliers, community benefits, and skills development. We will continue to encourage suppliers to pay the Real Living Wage, and ensure that the Scottish Government's minimum rate of pay for social care workers is reflected in the fees paid to care providers on our adult care frameworks.

We will continue to monitor and respond to national policy and legislation that impacts our frameworks, ensuring that we have a seat at the table to share our expertise and represent our members when procurement is central to policy delivery. In particular, we will engage with the Scottish Government's plans for a National Care Service, ensuring that the impact of any changes to the procurement and commissioning of care services is fully understood.

## **Our commitments**

Collaborative procurement is a powerful tool for delivering best value for the public money spent by our members on goods and services to deliver frontline services. As the financial challenges facing our members increases, we believe that more can be achieved through new approaches and better collaboration.

Scotland Excel is already exploring a number of pathways towards increased savings and efficiency. One of the foundations of this work is to increase member participation in our frameworks as there is a direct correlation between the number of frameworks used and the value generated by collaborating through Scotland Excel.

To support this, we will undertake a review of our approach to contract delivery and engage with stakeholders to better understand the barriers to participation. Where members have their own contracts, we provide greater visibility of forthcoming collaborative developments and encourage their involvement. As well as maximising volumes to improve pricing, this approach increases efficiency by eliminating duplication across the sector, and ensures that public procurement professionals are focused on areas where they can add most value.

Scotland Excel develops multi-supplier, multi-lot frameworks designed to offer members the flexibility and choice to meet local needs, for example through working with SME suppliers in their area to support economic development. However, we believe there are some areas where a national approach could offer significantly greater value.

Where products are largely undifferentiated and framework suppliers tend to be larger UK or international companies, for example washroom products, we believe there is an opportunity to rationalise core product lists and focus supply to achieve better pricing and higher rebates. A national approach to the distribution of these products could also reduce costs and carbon impact. Local businesses can still be involved in the supply chain as demonstrated by frameworks such as frozen food.

We will ensure that resources, systems and processes are strengthened within Scotland Excel to underpin these new approaches. Improvements to data management and reporting are already ongoing, and we will review our contract management and key supplier activities to ensure that we can identify and act upon all opportunities to optimise contract performance and maximise commercial value.

We will continue to deliver new and next generation frameworks, applying our existing expertise and working with partners to help shape markets and encourage innovation. We will focus our efforts where the greatest value can be delivered for members, for example where our frameworks support core local industries such as construction, or help to increase the efficiency of public services through digital delivery.

Scotland's climate change legislation sets a target date for net zero emissions of all greenhouse gases by 2045, with an interim target of 70% reduction by 2030. Our new sustainable procurement and net zero strategies will support our members with this journey by encouraging participation in frameworks such as energy efficiency contractors and electric vehicle charging infrastructure.

Framework renewals for new build residential housing and construction materials will support the design and build of homes that reduce carbon emissions. Across our full portfolio, we will continue to encourage suppliers to implement carbon reducing initiatives, for example through product innovations, recycling, and improved logistics. We are considering options for measuring the carbon impact of our frameworks, and will support the implementation of a national or sectoral solution for measurement.

Climate change is just one of many legislative and policy drivers embedded in our frameworks. Other diverse examples include incorporating 'Good Food Nation' goals within our food contracts, supporting payment of the Scottish Welfare Fund through our domestic furniture and furnishings framework, and deterring the involvement of serious and organised crime groups within public procurement.

In particular, our care frameworks embed a range of policies and guidance which support a human-rights based approach to the delivery of person-centred care services. Plans for a National Care Service, announced by the Scottish Government in 2021, will have a significant impact on the social care landscape and the local government sector in particular.

Scotland Excel is committed to engaging positively and constructively with the government to share our expertise in national procurement and commissioning, ensuring that the advances made over more than ten years are considered within their plans. In the meantime, we will continue to develop and deliver national arrangements which support the commissioning of person-centred care services at a local level.



## Value delivery: services

Since the introduction of national Procurement Capability Assessments (PCAs) in 2009, Scotland Excel has introduced a range of services to help members strengthen their procurement teams. Sector-wide procurement improvement projects have enhanced key areas of practice, while learning and development programmes have enriched the skills and knowledge of practitioners.

### Progress to date

Over the past five years, in addition to our sector-wide projects and activities, we have delivered successful consultancy projects for individual councils, ranging from major procurement transformation programmes through to focused support for policy areas such as early-learning expansion.

Larger consultancy projects have been designed around proven change modules which expand the knowledge and skills of the council procurement teams while embedding sustainable improvements to procurement practice and performance. Some projects have additionally involved the delivery of ambitious savings targets.

We have also delivered successful projects for a number of associate members from across the public sector, including council arms-length external organisations (ALEOs), universities, health trusts and housing associations. Resources for these projects are fully funded by the associate member, and they make a valuable contribution to the core operational costs of Scotland Excel.

Since the pandemic, many members have experienced resourcing challenges within their procurement teams. In 2021, we launched a new flexible procurement service which provides cost-effective procurement support, tailored to specific requirements. This can range from taking full ownership of specific procurement projects to providing additional resource to work within teams. The service offers significant advantages over other temporary resourcing options, and is proving popular with members.

Scotland Excel has also delivered several projects funded by the Scottish Government which have benefited our members. In 2021, we launched a community wealth-building pathfinder project with four councils. As a result, a community wealth-building toolkit has now been published on the Scotland Excel Academy website and is available as a model for all councils to use to support their own journey.

The Scotland Excel Academy has made significant progress over the past five years. The team responded quickly to the challenge posed by the pandemic lockdown by

taking accredited programmes online, ensuring that participants could complete their qualifications without interruption.

To provide ongoing learning opportunities during the pandemic, the Academy launched 'Stay Connected', a programme of free online seminars covering a variety of procurement and business topics. The programme now forms part of the Academy's core offering, and more than 1,200 delegates have participated in sessions.

In January 2022, as a result of our successful bid to deliver the Scottish Government's procurement and commercial training framework, the Academy launched a programme of short courses for procurement practitioners. The programme has been welcomed by members as a cost-effective skills development route for existing practitioners and new entrants to the profession.

We also received funding from the Scottish Government to develop a new course to help procurement professionals identify and manage risks arising from the involvement of serious and organised crime groups in public sector tendering. This course was launched at a free seminar in October 2022 attended by more than 200 delegates.

### **Our strategic approach**

Over the next five years, we will continue to provide a core range of procurement capability services for our members including benchmarking performance through Procurement & Commercial Improvement Programme (PCIP) assessments, sector-wide change projects, account management support, online seminars, and our long-established annual conference.

We will continue to develop and deliver a range of additional cost-effective service options including transformation programmes, consultancy and flexible procurement for our members, reinvesting surpluses into core services to minimise the financial impact of inflationary costs on member requisitions.

We implement plans to grow our membership and explore new markets in ways that provide benefits to all of our members. For example, increased framework usage by new members can achieve better pricing, and associate membership can help third sector organisations providing services to our members reduce their costs. To support this growth, we will carefully examine the benefits and risks of implementing alternative business models.

The Scotland Excel Academy will continue to evolve based on the training needs of our sector. We will consider all options to support the development of public sector



procurement talent, from new entrants to seasoned professionals, including accredited learning, short courses, graduate programmes, and apprenticeships.

We will review our accredited learning and development portfolio, and explore options for developing new approaches which reduce costs for learners and/or provide additional scope to tailor content for the Scottish public sector. In developing these programmes, we will consider the knowledge and skills required by our members to ensure that procurement activities support the delivery of Scotland's National Outcomes.

The Academy will continue to deliver short courses in essential procurement skills through the Scottish Government's procurement and commercial training framework. We will seek to expand our own programmes of free and low-cost training options across a range of key business disciplines that are required by procurement practitioners and other public sector professionals.

### **Our commitments**

With local government and other public sector bodies facing unprecedented challenges, Scotland Excel remains committed to developing solutions that help our members secure affordable frontline services.

While it is too early to say what our future services may look like, it is clear that there may need to be some bold thinking and radical change in how we deliver procurement at a national and local level. As the centre of expertise, we will lead the sector in evaluating options, and will be guided by our members as to what is appropriate for them at a local level.

We will implement our new Academy strategy developed in close consultation with stakeholders to ensure that they are fully designed around their skills needs. We will continue to work with the Scottish Government to develop new co-branded procurement programmes aligned to the national procurement development framework, and which respond to identified skills gaps across the procurement community.

We will also develop and implement procurement training programmes for key sectors, such as construction and care, to improve the knowledge and skills of buyers involved in the specification, purchase and delivery of these high value projects and services.

In response to member requests for alternative accredited learning programmes, we will continue our work with the Scottish Qualifications Authority (SQA) to develop

programmes which offer high quality, tailored learning opportunities at significantly lower price points than other professional qualifications.

We will explore opportunities to build a pipeline of public procurement talent. As well as considering our own Graduate Programme as a pathway for developing new entrants to the sector, we will work with Skills Development Scotland on the potential for a new Graduate Apprenticeship(GA) programme in Procurement and Supply Chain Management. If implemented, this initiative would offer a free degree development programme to members funded through the Apprenticeship Levy.

## Value delivery: partnerships

Partnerships have played a significant role in the work of Scotland Excel since it was established in 2008. As the centre of procurement expertise for local government, Scotland Excel works closely with the Scottish Government Property and Procurement Directorate (SPPD), NHS National Services Scotland (NSS), and Advanced Procurement for Universities and Colleges (APUC) to lead best practice in public procurement.

Over the past five years, Scotland Excel has also worked across other Scottish Government directorates on a range of policy areas including housing, social care, economic development and school meals. In each case, our work has supported the implementation of policies that are delivered at a local level. Examples include:

- A new build residential housing framework which provides an effective route to market for councils and housing associations developing homes through the Scottish Government's Affordable Housing Supply Programme.
- Guidance and templates to help local authorities and providers prepare for the Scottish Government's expansion of early learning and childcare provision.
- The development and delivery of a pathfinder project to help councils harness the power of 'progressive procurement' as a pillar of community wealth-building initiatives.

We have delivered significant value to members through working with fellow local government organisations. Our partnership with the Improvement Service has led to the development of an award-winning qualification in project management, as well as a procurement solution for the 'No one left behind' employability services which transferred fully to local government in 2022.

As the procurement partner for the Digital Office for Local Government, we have been a key player in the Scotland's Asset Management Platform (STAMP) programme, a repository of all the ICT systems used within local government. The intelligence provided by the programme will identify opportunities for harmonising platforms which can be sourced through collaborative procurement.

In 2021, we established a working group with Scottish Enterprise to explore opportunities for joining up public sector demand with investment in Scotland's businesses. A number of projects are in development including low carbon building, heating and materials innovations, and clean energy vehicles. The remit of the group has expanded to areas such as food production, and discussion are currently

underway with manufacturers and distributors on opportunities to increase the production of Scottish chicken.

We have also looked beyond Scotland to UK partnerships to secure best value for our members. For example, through working with Crown Commercial Services (CCS), we have been able to access better pricing for vehicles while continuing to provide support to our members using this framework. This approach has also released procurement resources to focus on the development of new frameworks.

## **Our strategic approach**

We will continue grow and develop our work with SPPD and the other sectoral centres of procurement expertise, NSS and APUC, to develop public procurement strategies, policies and tools. We will take an active role in the implementation of 'A plan for the future', a cross-sector programme to strengthen the role of procurement as an enabler to economic recovery.

We will build on our relationships with other directorates across the Scottish Government where there is a direct link with policy areas that impact our members, for example local government and housing, economic development, care, education and climate change. We will continue to share our expertise with government colleagues to ensure the role of procurement in delivering policy, and the views of our members, are understood.

We will seek to strengthen our existing relationships with the Convention of Scottish Local Authorities (COSLA) and the local government directors of finance group of the Chartered Institute of Public Finance and Accountancy (CIPFA) in Scotland to integrate the link between procurement, finance and policy. We will continue to engage regularly with Solace Scotland to ensure that our activities remain aligned to strategic priorities within local government.

We will continue work in partnership with other local government shared service organisations, such as the Improvement Service, Supplier Development Programme, and the Digital Office for Scottish Local Government, using our joint expertise to deliver frameworks and services for our council members.

We will advance our work with Scottish Enterprise, and other partners involved in economic development on a regional or industry basis, to identify and develop opportunities to join up public sector demand with business innovation and investment. We will continue to work closely with existing partners such as Zero Waste Scotland and Built Environment -Smarter Transformation (BE-ST) on initiatives to minimise

the carbon impact of our frameworks and explore opportunities to support a circular economy.

To drive the implementation of Scotland Excel's new Academy strategy, and support the development of additional learning programmes, we will strengthen our relationship with Skills Development Scotland and other education partners.

We will consider opportunities arising from working in partnership with organisations in other UK nations. While our work will continue to be designed around the needs of the Scottish public sector landscape, there are often benefits to working with UK colleagues to access contract arrangements and share best practice.

**Our commitments**

The role of partnerships is becoming ever more integrated with the delivery of frameworks and services, which in turn delivers additional value for our members. To support this, we will develop and implement a partnership strategy to plan and prioritise engagement activity which maximises the value of our relationships for members.

Using our established tools for stakeholder mapping, we have refreshed our view of our stakeholder landscape to form the basis of the new strategy. Within this, we will set out objectives and plans for key partner relationships, assign ownership, and prioritise activities that support the delivery of our five-year strategy. Our stakeholder map and engagement plans will be reviewed annually and updated as required to reflect any changes in our environment.

The table below provides an overview of the key external organisations that will appear within our strategy. Others may be included as the strategy is developed.

<b>Scotland Excel &amp; cross-category</b>	Scottish Government Convention of Scottish Local Authorities (COSLA) CIPFA Scotland Local Government Directors of Finance Group Solace Scotland Improvement Service Supplier Development Programme Digital Office for Local Government NHS National Services Scotland (NSS) Advanced Procurement for Universities and Colleges (APUC) Zero Waste Scotland Scottish Enterprise (and regional enterprise organisations) Association for Public Service Excellence (APSE) Scotland
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	BASE Scotland Crown Commercial Services (CCS)
<b>Construction, Transport &amp; Environment</b>	Built Environment - Smarter Transformation (BE-ST) Transport Scotland
<b>Social care</b>	The Promise Coalition of Care Providers Scotland (CCPS) Scottish Care
<b>Corporate, Education &amp; ICT</b>	Assist FM Soil Association SEEMiS
<b>Scotland Excel Academy</b>	Skills Development Scotland Scottish Qualifications Authority (SQA) Chartered Institute of Procurement & Supply (CIPS) Chartered Management Institute (CMI)

This is not an exhaustive list and, as well as the key partners listed above, we will continue to maintain an appropriate level of relationship with a myriad of other organisations, for example service-specific local government interest groups, chambers of commerce, and universities.

We are committed to strengthening relationships with charities, social enterprises and supported businesses through the implementation of our third sector engagement strategy. We have a proven track record of working with the third sector to encourage participation in our frameworks and supply chains, and we believe we can support a holistic approach to community wealth-building by helping third-sector organisations reduce their costs through associate membership.

## Strategic enablers

Scotland Excel has embedded a culture of continuous improvement since we were established in 2008. Over the years, we have ensured that our business operations continually evolve to reflect changing priorities and provide an efficient and effective platform for delivering our services to members.

As part of this strategy, we have considered what we need to develop, implement or improve within our business over the next five years to ensure that we can deliver the commitments we have made across procurement and commissioning, services and partnerships for our members.

### Corporate, finance & ICT

Over the past five years, we have implemented a financial model which reduces our reliance on membership fees through income generation from projects, associate membership, the Academy, and rebates.

To support future income and growth, we will explore the benefits and risks of introducing alternative business models which enable us to offer new services and approach new markets where there is demand for our expertise. We will undertake this work alongside a new approach to risk management which supports the implementation of this strategy and enables us to identify and respond quickly to changes in our environment.

We will continue to develop and deliver robust monitoring and management of finances including income forecasting. This will encompass enhanced processes and systems for monitoring framework rebates due to Scotland Excel and its members, to ensure that the financial return on all spend is maximised.

We will complete ongoing improvements to our data capture and management capabilities to support the delivery of new approaches to savings and efficiency. This will form the basis of a new business intelligence strategy and plan which will ensure all of our staff are equipped with robust data analysis skills, and provide enhanced reporting for members.

We will respond to the changes in working life initiated by the pandemic. We will develop office and facilities plans which support hybrid working by providing cost-effective and flexible working space and resources for our staff which fully support onsite and remote business operations. In line with our net zero commitments, we seek opportunities to reduce our organisation's carbon footprint.

We will develop a new five-year ICT strategy and plan to support these new ways of working, with cyber security remaining a priority for everything we do. In particular, we will explore new platforms and systems to support the digital delivery of our services to members, such as online learning and member engagement.

## **Organisational development**

In 2022, we achieved Gold Standard Investors in People (IiP) accreditation and launched a new People Strategy to ensure that all of our staff are effectively skilled and able to fulfil their potential. We will continue to implement this strategy alongside the recommendations of our IiP report to provide clear direction and motivation for staff.

We will develop and deliver succession planning to support career development and ensure the organisation has a steady pipeline of talent at all levels. We will champion a culture of performance management to underpin the delivery of effective and efficient service, ensuring that staff across the organisation are equipped with the skills required to provide value to our customers, now and in the future.

The wellbeing of our people will continue to be at the heart of all of our organisational development plans. We will continue to develop and deliver an employee journey that supports the recruitment and retention of talented staff, always ensuring they have a voice through our staff engagement forum and other platforms. We will grow and develop our Mental Health Promise to offer care and advice to staff who need support.

## **Engagement & communication**

As a membership organisation, stakeholder engagement and communication has always formed a core part of what we do to ensure that our services are providing value.

To support the delivery of our strategy, we will embed the consistent use of stakeholder engagement tools across the organisation, and deliver targeted plans to increase engagement with elected members and other senior stakeholders. We will also review how we engage with procurement and service stakeholders during contract development to support contract usage and increase satisfaction.

We will continue to provide representation and advocacy for members on key policy areas linked to procurement. We will take an active role in conversations with partners and stakeholders on net zero and other national themes, ensuring that our expertise is recognised and the voice of our members is heard.



We will continue to develop and deliver marketing and communications activities which enhance member engagement and support income generation from new and existing services. Market and competitor insight will inform our business plans, income forecasts and marketing campaigns. We will refresh our and public affairs plans to reflect a changing political and economic environment to increase the influence of our organisation within an evolving landscape.



## Scotland Excel

**To: Joint Committee**

**On: 9 December 2022**

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

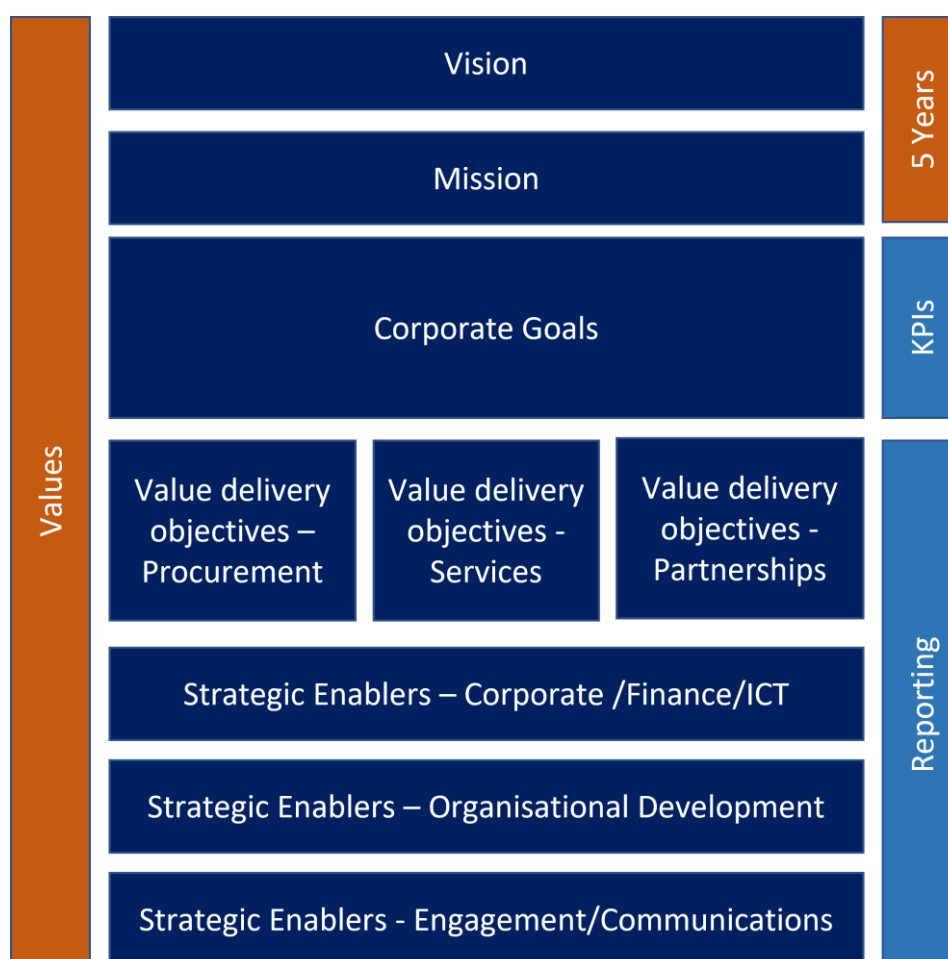
### **Draft Operating Plan for April 2023 – March 2024**

#### **1. Purpose of the report**

Scotland Excel's five-year corporate strategy is supported by annual operating plans which provides more detailed information on the actions and activities that the organisation will undertake each year to deliver the strategy. This report presents the draft operating plan for 2023-24.

#### **2. Strategic Planning Process**

Scotland Excel follows a robust process to develop its corporate strategy and operating plans as illustrated below.








The annual operating plan contains the actions and activities that Scotland Excel will undertake each year. These are linked directly to the strategic commitments for procurement and commissioning, services and partnerships, as well as the strategic enablers which relate to key business activities that support the strategy. The actions and activities within the operating plan are cascaded to all staff through an annual Personal Development Plan (PDP).

### 3. Reporting methodology

Progress reports are produced quarterly to track Scotland Excel's performance against operating plan commitments. Reports are produced at the end of each quarter and submitted to Executive Sub-Committee meetings. Half yearly and annual reports are also submitted to Joint Committee meetings.

The reports summarise the progress made against operating plan commitments and use a 'traffic light' symbol to provide a guide to the status of each activity.

	Project or activity not yet started
	Project or activity is currently stalled or significantly behind schedule
	Project or activity is progressing at a slower pace than anticipated and/or results have been weaker than expected
	Project or activity is progressing in line with expected/agreed timelines and results
	Project or activity completed

A set of Key Performance Indicators (KPIs) which measure our performance against the five corporate goals within the strategy will be developed, and we will report against these indicators on annual basis.

### 4. Recommendation

Members of the Joint Committee are invited to review and approve the proposed operating plan which covers the period from 01 April 2023 to 31 March 2024.



# Operating Plan

01 April 2023 – 31 March 2024

## Introduction

Scotland Excel was established as the centre of procurement expertise for the local government sector in 2008. We are a leading non-profit organisation serving Scotland's 32 local authorities and almost 150 associate members from across the public and third sector.

Scotland Excel has an established portfolio of over 70 frameworks with an annual value of £2bn. Adopting a sustainable procurement approach, we consider the social, economic and environmental impact of all of our frameworks. In recent years, we strengthened our portfolio with complex, high spend frameworks within construction and care. Scotland's net zero ambitions have had a significant influence on our portfolio.

In addition, we provide a range of services to help members strengthen their procurement teams. Sector wide procurement improvement projects have enhanced key areas of practice, while learning and development programmes have enriched the skills and knowledge of practitioners. We also offer bespoke consultancy projects for members.

Partnerships are becoming more and more important to the delivery of value for our members. We work with a broad range of stakeholders across national and local government, enterprise and industry, and education to develop frameworks, services and solutions for our members.

In 2023, we published a new five-year corporate strategy which builds on our past achievements and sets out our future ambitions within the context of the current political and economic environment. Developed in consultation with key stakeholders, the strategy seeks to increase the value delivered by Scotland Excel and support our members with the challenges and opportunities they will face over the next five years.

The strategy map on page 3 provides an overview of the strategic commitments we have made for the delivery of procurement and commissioning activities, services and partnerships. Delivery is supported by strategic enablers – key business activities that ensure the successful implementation of the strategy.

To support the strategy, we develop annual operating plans which record the actions we will undertake to achieve our strategic commitments for procurement and commissioning, services, partnerships and strategic enablers to meet the requirements and expectations of our members. This approach allows the flexibility to evolve our plans to meet our corporate goals within a changing public sector landscape

We recommend that you read the operating plan in conjunction with the full strategy document which is available to download from our website.

This document records the actions we will take from April 2023 - March 2024 to deliver the first year of our strategy and lay solid foundations for its achievement. Reports are issued quarterly to record our progress against these actions.

# Strategy Map

## Vision

To provide collaborative, innovative and transformative solutions that support social, economic and environmental wellbeing.

## Mission

We will make the most of our expertise and experience by leading and collaborating on solutions that support local and national aims for fairer, wealthier and greener communities.

## Corporate Goals

Through our experience, expertise, innovation and collaboration, we will create and deliver solutions which provide value to our members across key strategic areas:

- Journey towards a net zero Scotland
- Drive for efficiency to support the financial sustainability of local public service.
- Community wellbeing with equal access to services, economic development and fair work jobs.
- Resilient supply chains that maximise opportunities for Scottish businesses and the third sector.
- Advancement of skills to deliver Scotland's economic transformation.

### Procurement & Commissioning

We will continue to develop and manage procurement solutions which provide an effective route to market for our members. Our frameworks will continue to deliver additional social, economic and environmental value for communities.

We will:

- Support our members with their drive for financial sustainability by helping them to maximise savings, efficiencies and benefits from our frameworks.
- Implement our new sustainable procurement and net zero strategies to support our members' net zero journey.
- Develop and deliver new and next generation contracts for key strategic areas including construction, digital and care.
- Respond to new policy and legislation that may impact the value delivered by our frameworks.

### Services

We will continue to provide services for our members to help them strengthen their procurement capability, including through the Scotland Excel Academy.

We will:

- Develop proposals for growing our membership and expanding the market for our services.
- Identify and evaluate new service opportunities that provide value to our members.
- Explore alternative business models to support growth and reduce reliance on membership fees.
- Develop and implement new qualification and procurement training programmes based on member requirements.
- Champion public procurement talent through employment and training initiatives.

### Partnerships

We will continue to work with the Scottish Government and other national public sector organisations to influence and support policies and programmes that deliver benefits for our members.

We will:

- Develop a partnership strategy to plan and prioritise engagement activity which maximises the value of our relationships.
- We will strengthen our relationships with other local government bodies to provide a unified connection between policy, finance and procurement.
- Develop mutually beneficial relationships with care and other third sector organisations.
- Explore opportunities to provide additional value for members through working in partnership with UK organisations.

### Strategic Enablers: Corporate, Finance & ICT

We will continue to develop robust and cost-effective corporate, finance and ICT services which support all business operations and underpin the delivery of our five-year strategy.

We will:

- Explore the opportunities, benefits and risks of alternative business models.
- Enhance our income forecasting and rebate monitoring tools.
- Explore office and facilities solutions appropriate for hybrid and remote working.
- Develop and implement a new business intelligence strategy and plan.
- Develop and deliver a new five-year ICT strategy and plan to enhance business efficiency.
- Explore methods to reduce the carbon footprint of our business operations.

### Strategic Enablers: Organisational Development

We will continue to implement our People Strategy and the recommendations of our Gold Standard Investors in People report to ensure that our staff fulfill their potential. A culture of performance management will support career development and underpin the delivery of effective and efficient services.

We will:

- Implement an employee journey that supports the recruitment and retention of talented staff.
- Undertake succession planning to support career development and create a steady pipeline of talent at all levels.
- Equip staff with the skills required to provide value to our customers, now and in the future.
- Support the wellbeing of our staff through flexible working, physical and mental health resources, and staff engagement platforms.

### Strategic Enablers: Engagement & Communication

We will continue to develop and deliver engagement and communications plans which increase Scotland Excel's influence and ensure our members obtain maximum value from our services.

We will:

- Increase engagement with elected members and other senior stakeholders.
- Improve customer experience and increase satisfaction.
- Engage with partners and stakeholders on net zero strategies and other key policy areas.
- Provide advocacy and representation for our members within key national policy groups and programmes.

## Value delivery: procurement & commissioning

Scotland Excel will continue to develop, deliver and manage procurement solutions which provide an effective and efficient route for our members to procure goods and services to support public services. We will help members with their drive towards financial efficiency through a range of commercially focused initiatives to increase their framework savings.

We will continue to support our members with their net zero journey and identify opportunities to reduce the carbon footprint of our existing contract portfolio. Our frameworks will deliver additional value for communities through local supplier opportunities, community benefits, and skills development, and we will continue to monitor and respond to national policy and legislation.

### Actions

- Implement refreshed category strategies to inform the development of contract delivery plans and market shaping activities.
- Review and refresh Scotland Excel's approach to contract delivery planning, extending the visibility of the decision-making and delivery process over a longer timeframe to support contract utilisation.
- Review and refresh Scotland Excel's approach to key supplier management (KSM) and contract and supplier management (CSM) to identify further savings and efficiency opportunities for members.
- Continue to develop and deliver savings projects to maximise the commercial value returned to members through optimal use of our frameworks.
- Develop and deliver a methodology for assessing and presenting the total value of membership including framework savings, rebates, community benefits, service delivery, skills development, and other benefits.
- Continue to support local economic development through identifying and promoting supply chain opportunities for Scottish businesses.
- Develop and deliver an action plan to monitor payment of the Real Living Wage by suppliers, providing reports to members which enable them to evaluate and select suppliers on this basis.
- Implement actions from Scotland Excel's net zero strategy, via a whole organisation approach, to support our members' net zero journey.
- Continue to work with cross-sector partners to develop positive carbon impact initiatives linked to procurement activities.
- Monitor, respond to, and report on national policy changes that affect Scotland Excel's procurement portfolio, including the National Care Service, contributing to policy discussions where appropriate.



## Value delivery: services

Over the next five years, we will continue to provide core range of procurement capability services for our members, as well as additional cost-effective service options including transformation programmes, consultancy and flexible procurement. We will remain open to developing any new services, or approaching new markets, where there is demand for our expertise.

The Scotland Excel Academy will continue to evolve based on the training needs of our sector. We will consider all options to support the development of public sector procurement talent, from new entrants to seasoned professionals, including accredited learning, short courses, graduate programmes, and apprenticeships.

Action
<ul style="list-style-type: none"><li>• Explore alternative business models to support sustainable growth and reduce reliance on membership fees.</li></ul>
<ul style="list-style-type: none"><li>• Continue to grow and develop procurement capability projects, initiative and services for members including support for the next tranche of Procurement &amp; Commercial Capability Services (PCIPs).</li></ul>
<ul style="list-style-type: none"><li>• Implement Scotland Excel's business development strategy to increase demand for services and grow associate membership.</li></ul>
<ul style="list-style-type: none"><li>• Develop and implement plans to deliver Scotland Excel's new Academy strategy, based on a sector training needs analysis and recognising member requirements for affordable training options.</li></ul>
<ul style="list-style-type: none"><li>• Continue to explore the development of progressive, sustainable learning pathways, working with educational and/or cross-sector partners to address skills gaps, support career development, and attract new entrants to procurement</li></ul>

## Value delivery: partnerships

The role of partnerships is becoming ever more integrated with the delivery of frameworks and services, which in turn delivers additional value for our members. The actions we will take in the first-year operating plan will create the foundations for many of the commitments we have made within our strategy.

Action
<ul style="list-style-type: none"><li>• Develop and implement a Scotland Excel partnership strategy which sets out objectives and plans for key partner relationships, assigns ownership, and prioritises activities that support the delivery of our five-year strategy.</li></ul>
<ul style="list-style-type: none"><li>• Continue to build and develop relationships with the Scottish Government and Centres of Expertise to support the delivery of cross-sector procurement projects and programmes.</li></ul>
<ul style="list-style-type: none"><li>• Continue to develop and deliver projects and activities with local government partners including COSLA, CIPFA Local Government Finance Directors, Solace, the Improvement Service, and the Digital Office for Scottish Local Government that benefit our mutual stakeholders.</li></ul>
<ul style="list-style-type: none"><li>• Implement Scotland Excel's third sector engagement strategy in support of local community wealth-building, helping them to reduce costs through associate membership where appropriate.</li></ul>
<ul style="list-style-type: none"><li>• Continue to build relationships with education and academic partners to support the delivery of Scotland Excel's new Academy strategy.</li></ul>

## Strategic enablers

As part of this strategy, we have considered what we need to develop, implement or improve within our business over the next five years to ensure that we can deliver the commitments we have made across procurement and commissioning, services and partnerships for our members.

Business Area	Action
Corporate, Finance & ICT	<ul style="list-style-type: none"> <li>• Provide legal and financial support for exploring new business model options.</li> </ul>
	<ul style="list-style-type: none"> <li>• Develop a methodology and tool for monitoring and managing all rebates due from Scotland Excel frameworks.</li> </ul>
	<ul style="list-style-type: none"> <li>• Monitor the effectiveness of Scotland Excel's hybrid working policy, proposing improvements which will benefit customers and staff.</li> </ul>
	<ul style="list-style-type: none"> <li>• Implement a new five-year ICT strategy to support staff efficiency and increase digital delivery for customers.</li> </ul>
	<ul style="list-style-type: none"> <li>• Continue to strengthen Scotland Excel's data management and reporting capability across a range of value measurements.</li> </ul>
	<ul style="list-style-type: none"> <li>• Consider options for a future business intelligence strategy.</li> </ul>
	<ul style="list-style-type: none"> <li>• Consider options for reducing Scotland Excel's carbon footprint</li> </ul>
Organisational Development	<ul style="list-style-type: none"> <li>• Implement Scotland Excel's people strategy and Investors in People plan by embedding personal development plans that supports organisational performance and individual career goals.</li> </ul>
	<ul style="list-style-type: none"> <li>• Develop an approach to succession planning which to support career development and create a steady pipeline of talent at all levels.</li> </ul>
	<ul style="list-style-type: none"> <li>• Build on Scotland Excel's commitment to training, ensuring all staff have the opportunity to acquire the skills required for the delivery of the new five-year strategy such as commercial acumen and climate change literacy.</li> </ul>
	<ul style="list-style-type: none"> <li>• Continue to develop and improve resources which support recruitment, induction and retention through a seamless and supportive employee journey.</li> </ul>

	<ul style="list-style-type: none"> <li>• Research and explore options for developing an employment and training strategy that supports new entrants to public procurement.</li> </ul>
Engagement & Communication	<ul style="list-style-type: none"> <li>• Support the development and implementation of Scotland Excel's partnership strategy, including the use of stakeholder mapping and competitor modelling tools across the organisation.</li> </ul>
	<ul style="list-style-type: none"> <li>• Implement the recommendations of Scotland Excel's value project to articulate and demonstrate the value of membership to customers</li> </ul>
	<ul style="list-style-type: none"> <li>• Re-establish a customer satisfaction survey programme, and baseline satisfaction rates for future improvements.</li> </ul>

## **Scotland Excel**

**To: Joint Committee**

**On: 9 December 2022**

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

### **Strategic Risk Strategy**

#### **1. Introduction**

The Strategic Risk Strategy sets out the revised methodology that Scotland Excel will operate for managing identified strategic risk that may impact on operations, and delivery of the organisation's 5-year-strategy.

#### **2. Background**

Scotland Excel has a history of robust and active risk management. With the introduction of a new 5-Year-Strategy, the opportunity has been taken to review the methodology of monitoring, managing and reporting strategic risk to the Joint Committee and Executive Sub Committee.

Scotland Excel currently reviews its strategic risk through a regularly scheduled Senior Management Team meeting. This process will be updated to be more focussed and will be undertaken by a wider group of relevant colleagues drawn from across the organisation providing expertise on specific risk areas.

#### **3. Risk Management**

Scotland Excel management use the existing risk management methodology to systematically identify, record, monitor and report risks to committee, enabling the organisation to meet its objectives and to plan actions to mitigate risks.

Whilst the organisation feels that it has previously operated a robust risk management methodology, it has taken this opportunity to stop, reflect, consult partners and identify any opportunities to improve. The detail within this strategy sets out the legacy position, current work and proposed future operation.

#### **4. Strategic Risk Register**

On completion and approval of the new 5 year strategy, Scotland Excel will finalise its strategic risk review process. A workshop has been organised for late 2022 and will be undertaken by the Senior Management Team and wider staff members of Scotland Excel.

Whilst the eleven legacy risks have been updated, it is felt that there are several gaps that need to be addressed e.g., Supply Chain Resilience.

The workshop will explore any gaps identified by the PESTEL (political, economic, social, technological, environmental, legal) and Goals analysis. The output from this workshop will form the basis of the first review by members.

The review will also consider wider potential sectoral risks based on the knowledge and insight of Scotland Excel's operational activities. This element of risk management will seek to support members in their own risk management activities. To support this activity, Scotland Excel will work with members risk management colleagues to share our output and gain wider sectoral insight.

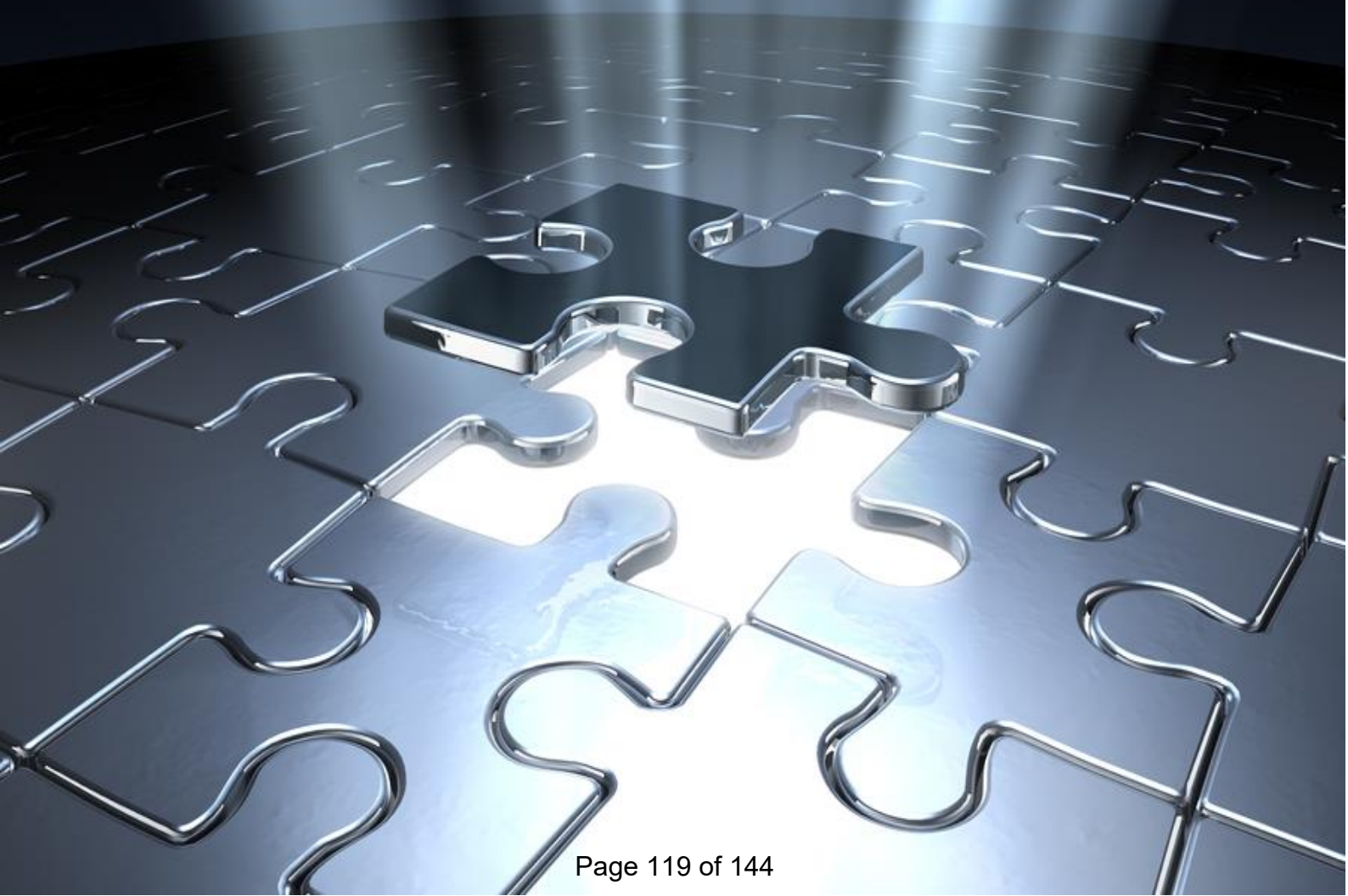
Scotland Excel will continue to report its Strategic Risk Register to the Executive Sub Committee on a quarterly basis. A report will also be brought to each Joint Committee in June and December. Committee members will be presented with a contextualised update, an updated risk profile and the latest Strategic Risk Register.

## **5. Recommendation**

Members are asked to approve the Scotland Excel Strategic Risk Strategy.



# Strategic Risk Strategy



## **1 Background**

This strategy sets out the revised methodology that Scotland Excel will operate for managing strategic risks that may impact upon operations and the delivery of the 5-year strategy. The organisation has a history of robust and active risk management. It has taken this opportunity, whilst creating its new 5-year strategy, to review the methodology of monitoring, managing, and reporting strategic risks. Specific and separate operational risk management will continue to be undertaken as part of activities such as framework management and project management.

### **1.1 Risk Management**

Risk may be viewed as a quantifiable level of exposure to the threat of an event or action that could adversely affect our ability to achieve our strategic goals successfully. The task of management is to respond to these risks effectively in order to maximise the likelihood of Scotland Excel achieving its objectives and ensuring the best use of resources. We use our risk management methodology to systematically identify, record, monitor and report risks to committee to enable the organisation to meet its objectives and to plan actions to mitigate risks.

Whilst the organisation feels that it has previously operated a robust risk management methodology, it has taken this opportunity to stop, reflect, consult partners and identify opportunities to improve. The details within this strategy set out the legacy position, current work and proposed future operation.



## 2 Risk Journey

This section provides an overview of the legacy risk profile of Scotland Excel prior to its latest review. At the point of publication of this strategy document, there were eleven strategic risks identified. Each risk is detailed within Appendix 1.

A subsequent workshop, as a result of the recent review, has been organised for late 2022 and will be undertaken by the Senior Management Team at Scotland Excel. Whilst the eleven legacy risks have been updated, it was felt that there are several gaps that need to be addressed e.g., Supply Chain Resilience. The workshop will explore any gaps identified by the PESTEL and Goals analysis. The output from this workshop will form the basis of the first review by members.

### 2.1 Risk profile

The legacy risk profile covers a range of areas and potential impact on the organisation. Appendix 2 provides an overview of the nomenclature and scoring methodology used by Scotland Excel.

Table 1 summarises risks identified and orders them according to their Residual Risk Score. The Residual Risk Score represents the assessed risk score taking into consideration all risk controls and mitigations in place in relation to that specific risk on that date.

**Table 1: Risk – Highest to Lowest Risk Score**

<b>Risk Ref.</b>	<b>Risk Title</b>	<b>Residual Risk Score</b>
SXL005-22/23	Supplier Failure	20
SXL011-22/23	National Care Service	20
SXL003-22/23	Political Change	16
SXL006-22/23	Staff Recruitment and Retention	16
SXL010-22/23	National Emergency including Pandemic	15
SXL001-22/23	Organisational Sustainability	15
SXL009-22/23	Environmental Impact and Climate Change	12
SXL002-22/23	Managing Growth and Diversity	12
SXL004-22/23	Reputational Risk	12
SXL008-22/23	Risk of Not Performing/Delivering	8
SXL007-22/23	Corporate Social Responsibility	6

Whilst all risks represent potential issues to Scotland Excel, risks with a higher residual score, after mitigating actions, are of particular interest and emphasis. These risks therefore demand continued monitoring and management by the organisation.

Table 2 charts risk score movement and trend over the past year in relation to each risk identified within the Scotland Excel Risk Register.

**Table 2: Residual Risk Movement During Past Year**

Period	June 21	Oct 21	April 22	July 22	4 quarter Trend
Risk					
Supplier Failure	20	20	20	20	↔
National Care Service	n/a	20	20	20	↔
Political Change	16	16	16	16	↔
Staff Recruitment and Retention	9	16	16	16	↑
National Emergency including Pandemic	15	15	15	15	↔
Organisational Sustainability	15	15	15	15	↔
Environmental Impact and Climate	6	12	12	12	↑
Managing Growth and Diversity	12	12	12	12	↔
Reputational Risk	12	12	12	12	↔
Risk of Not Performing/Delivering	8	8	8	8	↓
Corporate Social Responsibility	6	6	6	6	↔

The goal of effective risk management is to identify and evaluate organisational risks whilst also identifying mitigating actions to reduce the residual risk score, hence the potential impact on the organisation. This can be best demonstrated through the risk matrix shown in figure 1. Areas of high risk reside in the top right section of the matrix and actions identified seek to move the risk to the lower left section.

**Figure 1: Consolidated Risk Matrix (July 2022)**

Impact	5			SXL001		
	4		SXL008	SXL004 SXL002 SXL009	SXL003 SXL006	SXL005 SXL011
	3		SXL007			SXL010
	2					
	1					
		1	2	3	4	5
		Likelihood				

## 2.2 Risk management and reporting

Prior to the current review, all risks were reviewed on a quarterly basis by the Senior Management Team (SMT) at Scotland Excel. The ongoing relevance of each risk was considered, impact and likelihood reviewed and assignment of any new mitigating actions.

A quarterly update was provided to the Exec Sub Committee, and an update provided to each Joint Committee on the Strategic Risk Register.

## 3 Risk Analysis

### 3.1 Risk review

On completion and approval of the new organisational strategy, Scotland Excel will finalise its strategic risk review process. A final workshop will be conducted with the Senior Management Team to consider any risks, beyond the current legacy risks, that may impact the organisation.

### 3.2 Risk Analysis – Strategic Goals

Legacy risks have been plotted against the draft strategic goals and are shown in table 3.

**Table 3: Strategic risks and goals**

Strategic Goals and Risks		
Reference	Risk	Risk Score
<b>Goal 1 - Journey towards a net zero Scotland by 2045</b>		
SXL009-22/23	Environmental Impact and Climate Change	12
<b>Goal 2 - Drive for efficiency to support the financial sustainability of public services</b>		
SXL003-22/23	Political Change	16
SXL001-22/23	Organisational Sustainability	15
SXL002-22/23	Managing Growth and Diversity	12
SXL004-22/23	Reputational Risk	12
SXL008-22/23	Risk of Not Performing/Delivering	8
<b>Goal 3 - Community wellbeing with equal access to services, economic development and fair work jobs across Scotland</b>		
SXL011-22/23	National Care Service	20
SXL007-22/23	Corporate Social Responsibility	6
<b>Goal 4 - Development of resilient supply chains that maximise opportunities for Scottish businesses and the third sector</b>		
SXL005-22/23	Supplier Failure	20
<b>Goal 5 - Advancement of skills to deliver Scotland's economic transformation</b>		
SXL006-22/23	Staff Recruitment and Retention	16
<b>Non Goal related Risks</b>		
SXL010-22/23	National Emergency including Pandemic	15

### 3.3 Risk Analysis - PESTEL

A PESTEL analysis was conducted against the legacy risks and are shown in table 4.

**Table 4: Pestle analysis of risks**

PESTEL Analysis		
<b>POLITICAL</b>		
Reference	Risk	Risk Score
SXL011-22/23	National Care Service	20
SXL003-22/23	Political Change	16
<b>ECONOMIC</b>		
SXL005-22/23	Supplier Failure	20
SXL001-22/23	Organisational Sustainability	15
SXL002-22/23	Managing Growth and Diversity	12
<b>SOCIAL</b>		
SXL006-22/23	Staff Recruitment and Retention	16
SXL010-22/23	National Emergency including Pandemic	15
SXL004-22/23	Reputational Risk	12
SXL008-22/23	Risk of Not Performing/Delivering	8
SXL007-22/23	Corporate Social Responsibility	6
<b>TECHNOLOGICAL</b>		
<b>ENVIRONMENTAL</b>		
SXL009-22/23	Environmental Impact & Climate Change	12
<b>LEGAL/LEGISLATIVE</b>		

## 4 Risk reporting

### 4.1 Internal review and reporting

Scotland Excel recently reviewed its legacy risks through a regularly scheduled Senior Management Team meeting. This process will be changed to be more focussed and to be undertaken by a wider group of relevant colleagues.

The ongoing review will also consider wider potential sectoral risks based on the knowledge and insight of Scotland Excel's operational activities. This element of risk management will seek to support members in their own risk management activities. To support this activity, Scotland Excel will work with members risk management colleagues to share our output and gain wider sectoral insight. Additional support activities may be derived from this and shared wider with members. The supply chain resilience communications shared by Scotland Excel is an example of this type of activity.


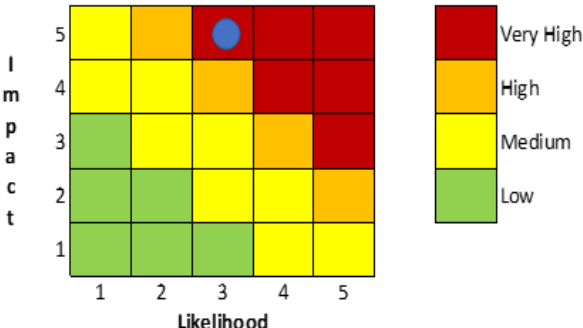
The periodic review and discussion will likely focus on a smaller number of risks, where all are reviewed on an annual basis at a minimum. The output of this will be shared internally.


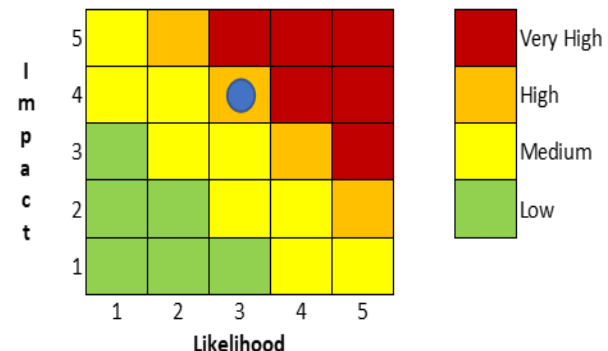
## **4.2 External reporting**


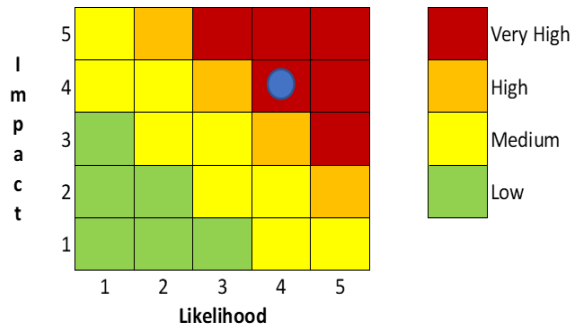
Scotland Excel reports its risk register to the Exec Sub Committee on a quarterly basis and will continue to do so. A report will also be brought to each Joint Committee.

Committee members will be presented with a contextualised update, an updated risk profile as shown in Figure 1. and the latest risk register as shown in Appendix 1.


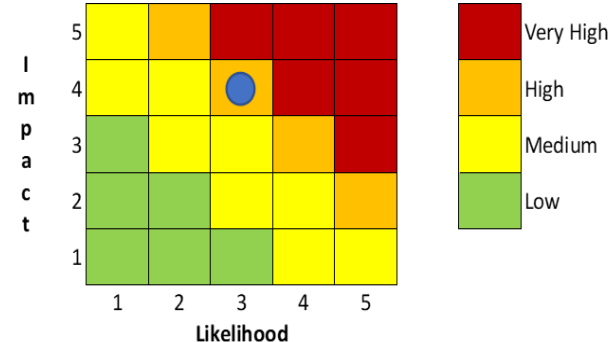
## Appendix 1

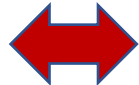
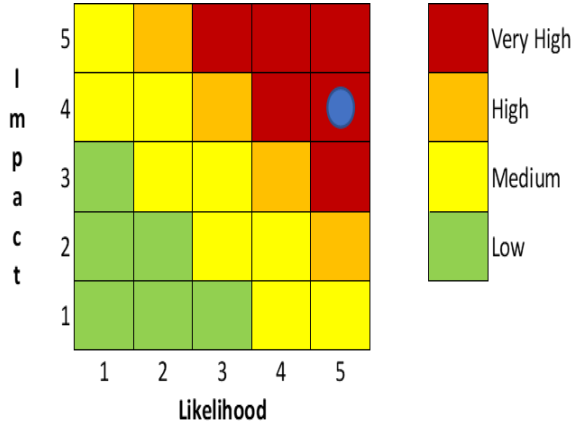
Reference:	SXL001-22/23	Organisational Sustainability				
Owner	JW					
Risk Statement	Context	Current Risk Controls	Original Evaluated Risk Score			
Membership of Scotland Excel is optional for all stakeholders and Scotland Excel must be alert to this and the impact of Councils or Associate Members resigning their membership.	Potential for local government organisations withdrawing support.  Requirement to diversify and generate financial income from alternate sources.  Council budget cuts impacting upon use of services provided. Scotland Excel has been set a savings challenge by its CEOMG – cost savings becoming increasingly important for the sector  Scottish Government policy changes impacting on Scotland Excel operations.	Continuing focus on added Core Value delivered for all member councils.  On-going development of projects offering new services and increasing benefits to stakeholders.  Identification of new opportunities to provide additional chargeable services based on customer demand.  Ongoing robust market testing of all new shared service propositions.  Ongoing robust business model is in place for all new services (cost to serve, funding/uptake forecasts).  Regular engagement with Chief Execs, Finance Directors, Corporate Procurement Leads and Elected Members demonstrating the value added by Scotland Excel  Sectoral Savings Plan in development	Likelihood	Impact	Evaluation	
			4	4	16	
			Residual Risk Score			
			Likelihood	Impact	Residual	Trend
			3	5	15	
						


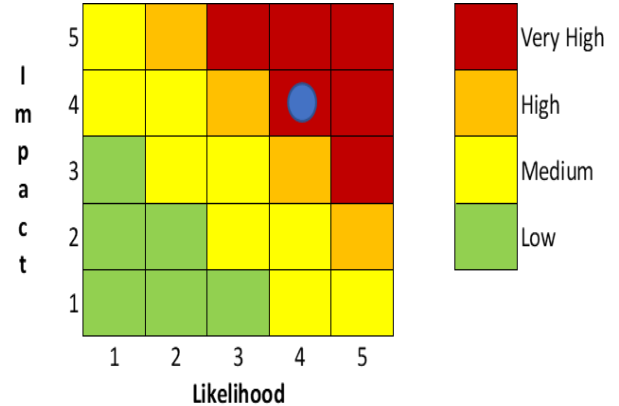
Reference:	SXL002-22/23	Managing Growth and Diversity				
Owner	SB					
Risk Statement	Context	Current Risk Controls	Original Evaluated Risk Score			
There is a risk to the long-term future of the organisation if it fails to adapt the portfolio of services to meet member needs.	Failure to identify and manage emerging opportunities and threats to Scotland Excel.  Inability to evolve service offering in a diverse and changing landscape.  Inability to attract and retain high caliber staff to Scotland Excel	Horizon Scanning and stakeholder engagement will continue to be used to identify market development opportunities.  People Strategy and workforce planning tools used to ensure that Scotland Excel has the right caliber of staff to deliver and grow a quality service offering.  New project opportunities have been won across a number of councils and	Likelihood	Impact	Evaluation	
			3	4	12	
			Residual Risk Score			
			Likelihood	Impact	Residual	Trend
			3	4	12	
						


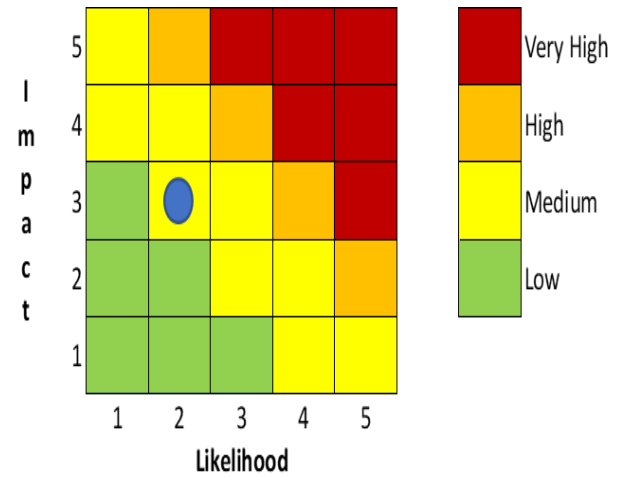
Reference:	SXL003-22/23	Political Change				
Owner	JW					
Risk Statement	Context	Current Risk Controls	Original Evaluated Risk Score			
			Likelihood	Impact		Evaluation
Legislative and Policy changes impact upon the organisation and how it must operate.  Political uncertainty created by, for example, Brexit create unknown challenges for the organisation  Green Party joining Scottish Government.  Scottish Local Government Elections May 2022  Potential Independence Referendum in 2023	Political, Legislative and Policy changes at local, national, UK and international levels may impact Scotland Excel operations and practice.	An effective and properly resourced public affairs strategy is in place.  Effective research, engagement, partnership working and briefings ensuring the organisation is aware of and able to respond to challenges and opportunities in the external environment.  Active participation by the organisation in various groups and boards influencing policy and “direction of travel”.  Active engagement with SG colleagues to influence and support policy development  The Green Party manifesto was reviewed pre-election.	4	4		16
			Residual Risk Score			
			Likelihood	Impact	Residual	Trend
			4	4	16	
						




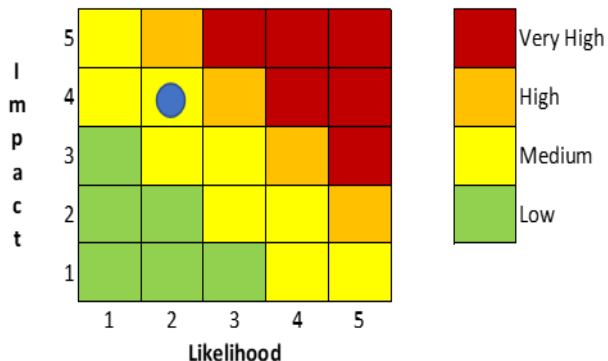
Reference:	SXL004-22/23	Reputational Risk				
Owner	JW					
Risk Statement	Context	Current Risk Controls	Original Evaluated Risk Score			
			Likelihood	Impact		Evaluation
			2	4		8
			Residual Risk Score			
			Likelihood	Impact	Residual	Trend
3	4	12				
						

Reference:	SXL005-22/23	Supplier Failure				
Owner	HC					
Risk Statement	Context	Current Risk Controls	Original Evaluated Risk Score			
			Likelihood	Impact		Evaluation
			3	4		12
			Residual Risk Score			
			Likelihood	Impact	Residual	Trend
The failure of a service provider within a Scotland Excel framework could have significant implications for service provision within member council areas. Negative reputational impact for SXL across the portfolio from breach of contract and / or supplier failure.	Financial and other socio-economic factors impacting the resilience of Scotland Excel framework suppliers. Focus required in areas which have a direct impact on delivery as a result of business failure. Covid pandemic, energy costs, climate, conflict in Europe, recruitment challenges and Brexit are expected to have a long-term impact in relation to supplier sustainability. Increasing number Social Care providers are also being impacted by the economic conditions with recruitment challenges impacting financial sustainability.	Effective risk management is in place during development and management of contracts. Robust processes for monitoring financial stability of suppliers carried out prior to award and throughout the life of a contract, utilising external advice as required.	5	4	20	
						
		Specific measures are in place to meet the management of Social Care contracts and these key areas of risk.				
		Scotland Excel has a range of measures for monitoring supplier resilience in addition to the external financial monitoring tools used.				
		A new tailored approach to financial risk for high-risk contracts has been implemented “Step-in Right” within relevant and appropriate social care contracts maintained. Scotland Excel are involved in various groups developed during the pandemic to support provider sustainability and supply chain development.				
		Robust Market Analysis Strategy practiced across procurement categories.				
		Frameworks are established with lotting structures developed to provide variety and capacity for each local authority area, providing resilience in local supply chains.				

Reference:	SXL006-22/23	Staff Recruitment and Retention				
Owner	SB					
Risk Statement	Context	Current Risk Controls	Original Evaluated Risk Score			
Scotland Excel encounters problems in recruiting and retaining staff of suitable skill, quality, and experience to deliver the operating plan and for projects.	Demand in the market for staff makes recruiting and retaining staff problematic.  Inability to attract and retain high caliber staff to Scotland Excel.  Home and hybrid working practices have altered the recruitment and working environment for all public sector organisations.	People Strategy and workforce planning tools (recruitment, PRD etc.) used to ensure that Scotland Excel has the right caliber of staff to deliver and grow a quality service offering.  Recruitment processes reviewed and updated.  PRD process reviewed and updated in consultation with Scotland Excel staff.  Successful recruitment campaigns including events to be replicated.  Retention measures improved including secondment opportunities and projects to enrich roles.  Enhanced organisational reputation through events, partnerships and marketing.  Investors in People Gold accreditation achieved and maintained.  Staff turnover figures collated and presented to SMT on a regular basis.  Approach and investment in staff development and expansion of Graduate Programme.	Likelihood	Impact	Evaluation	
			3	3	9	
			Residual Risk Score			
			Likelihood	Impact	Residual	Trend
			4	4	16	
						

Reference:	SXL007-22/23	Corporate Social Responsibility				
Owner	HC					
Risk Statement	Context	Current Risk Controls	Original Evaluated Risk Score			
			Likelihood	Impact		Evaluation
			2	3		6
			Residual Risk Score			
			Likelihood	Impact	Residual	Trend
Scotland Excel may not be seen as an industry leader in terms of how it addresses key aspects of corporate social responsibility with an associated negative impact upon our reputation and stakeholder perceptions.	Ensure that, where possible, community benefits are delivered as part of the contract portfolio.  Ethical sourcing of products and supplies in the whole supply chain.  Ensure that Scotland Excel as an organisation delivers Community Benefits in its day-to-day operations	Management and Reporting of Community Benefits developed and embedded.  Community benefit requirements issued to suppliers at tender stage. Active promotion of community benefits is delivered through our contracts.  Living Wage Employer accreditation secured, used to raise awareness with stakeholders.  Workforce matters and living wage considerations are built in at strategy stage.  Ethical sourcing strategies provided by suppliers as part of the tender process.  Co-ordination of Community Benefits Forum for partner local authorities.  Staff have become mentors for children in schools under MCR Pathways.  Partnership with Founders 4 Schools supporting CV writing, mock interviews etc.  Incorporation of “Fair Work First” into SXL frameworks  New approach to community benefits being developed to increase participation and community benefits for councils	2	3	6	
						

Reference:	SXL008-22/23	Risk of Not Performing/Delivering				
Owner	SB					
Risk Statement	Context	Current Risk Controls	Original Evaluated Risk Score			
			Likelihood	Impact		Evaluation
Scotland Excel fails to perform in line with customer expectations. Scotland Excel fails to meet delivery targets agreed with stakeholders.	Failure to deliver in line with member council expectation.	Approved 5 years strategy and one-year operating plan in place.	2	4		8
Scotland Excel fails to ensure appropriate mechanisms are in place to support operational effectiveness.	System or infrastructure failures impact on the ability of the organisation to deliver services or impacts on performance.	A range of KPIs currently exist at contract and organisational level. These are regularly reviewed.	Residual Risk Score			
			Likelihood	Impact	Residual	Trend
			2	4	8	
Scotland Excel fails to ensure appropriate mechanisms are in place to support operational effectiveness.	Increasing member expectations as financial challenges increase. Recruitment and Retention challenges affecting delivery plans and performance due to extended vacancies and/or staff leaving.	Regular operating plan updates to Executive Sub Committee to ensure robust governance.				
Scotland Excel fails to ensure appropriate mechanisms are in place to support operational effectiveness.	Increasing member expectations as financial challenges increase. Recruitment and Retention challenges affecting delivery plans and performance due to extended vacancies and/or staff leaving.	Regular financial period review and reporting across core and projects.				
Scotland Excel fails to ensure appropriate mechanisms are in place to support operational effectiveness.	Increasing member expectations as financial challenges increase. Recruitment and Retention challenges affecting delivery plans and performance due to extended vacancies and/or staff leaving.	Regular infrastructure reviews undertaken with appropriate investment into ensuring a robust infrastructure is in place to support operations.				
Scotland Excel fails to ensure appropriate mechanisms are in place to support operational effectiveness.	Increasing member expectations as financial challenges increase. Recruitment and Retention challenges affecting delivery plans and performance due to extended vacancies and/or staff leaving.	Business continuity approach ensures that the organisation and its systems can operate effectively remotely				
Scotland Excel fails to ensure appropriate mechanisms are in place to support operational effectiveness.	Increasing member expectations as financial challenges increase. Recruitment and Retention challenges affecting delivery plans and performance due to extended vacancies and/or staff leaving.	Scotland Excel is providing new and improved services to member councils on an ongoing basis.				
Scotland Excel fails to ensure appropriate mechanisms are in place to support operational effectiveness.	Increasing member expectations as financial challenges increase. Recruitment and Retention challenges affecting delivery plans and performance due to extended vacancies and/or staff leaving.	New 5 year strategy and operating plan in development in consultation with a range of council stakeholders				


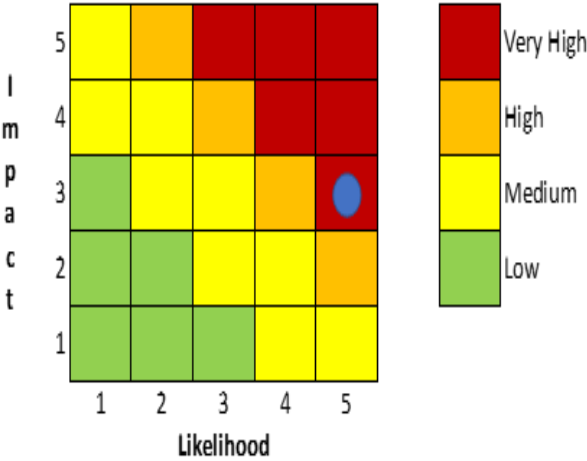


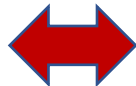
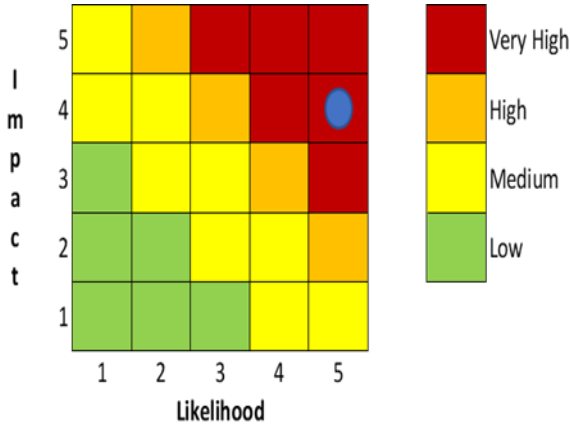
**Likelihood**

**Impact**

Very High  
High  
Medium  
Low

Reference:	SXL009-22/23	Environmental Impact and Climate Change				
Owner	JW					
Risk Statement	Context	Current Risk Controls	Original Evaluated Risk Score			
Scotland Excel’s daily operations and frameworks have an adverse impact on the Environment and Climate Change and contribute to environmental challenges being faced.	In light of the growing awareness of environmental issues and the potential impact of certain working practices on the environment Scotland Excel must -  <ul style="list-style-type: none"><li>Reduce the adverse impact of organisational activity on the Environment</li><li>Reduce the adverse impact of Scotland Excel frameworks on the Environment</li><li>Maximise the influence of Scotland Excel on environmentally friendly public service delivery</li></ul>	Adoption of environmentally aware office practices within Scotland Excel i.e., recycling, agile working, double sided printing etc.  Requirement for Environmental Policy, ISO certificate or equivalent for access to certain frameworks.  Actions in relation to reducing carbon footprint scored in assessment for certain frameworks  Information in relation to environmental practices and plans requested across all frameworks  Sustainability testing carried out on all framework suppliers Net Zero Strategy in development and Strategic workshop set up to explore and agree actions	Likelihood	Impact	Evaluation	
			2	3	6	
			Residual Risk Score			
			Likelihood	Impact	Residual	Trend
			3	4	12	

Reference:	SXL0010-22/23	National Emergency Including Pandemic				
Owner	JW					
Risk Statement	Context	Current Risk Controls	Original Evaluated Risk Score			
			Likelihood	Impact		Evaluation
			5	5		25
			Residual Risk Score			
			Likelihood	Impact	Residual	Trend
Scotland Excel must ensure that, during a National Emergency or Pandemic, it can continue to deliver all its services to local authorities, associate members and to suppliers attached to its contract frameworks	A National Emergency or Pandemic is declared by the Scottish Government and/or the UK Government which impacts the day-to-day operations of Scotland Excel.	<p>Existing ICT arrangements within Scotland Excel perform well within a Home Working scenario. ICT Back up Strategy in development</p> <p>Employee support mechanisms (Occupational Health, Time to Talk etc.) remain in place during Home Working scenarios.</p> <p>Access to a range of video communication software allows business meetings to take place and ensures employees living alone or experiencing difficulties can be supported.</p> <p>Governance of the organisation can be maintained in line with governing documents.</p> <p>Framework nature of managed contracts ensure minimum dependence on single suppliers.</p> <p>The organisation can adapt to changing priorities and allocate resources accordingly, for example PPE and Food during Covid pandemic.</p> <p>Review of contract terms and conditions every 2 years</p>	5	3	15	
						

Reference:	SXL0011-22/23	National Care Service				
Owner	HC					
Risk Statement	Context	Current Risk Controls	Original Evaluated Risk Score			
			Likelihood	Impact		Evaluation
			5	4		20
			Residual Risk Score			
			Likelihood	Impact	Residual	Trend
Centralisation of Contracting and Commissioning for Care will impact not only the Social Care teams within Scotland Excel but will also impact framework spend across a broad range of SXL teams potentially impacting financial viability of SXL.  Centralisation will also remove Care as an area of Strategic Development for SXL.	The Scottish Government has stated its intention to form a National Care Service (NCS) for Scotland.  Within a consultation document the Scottish Government has indicated that the NCS will include responsibility for Contracting and Commissioning of care services across Scotland.  Currently, Scotland Excel provides the National Care Homes Contract and a range of Social Care frameworks for Scottish Local Authorities.	On-going liaising with key organisational stakeholders in relation to NCS proposal. Participation in key Scottish Government working groups relating to NCS  Social Care Contracting and Commissioning expertise already in place.  Consultation with key stakeholders in relation to consultation response.  Existing customer and supplier base using Scotland Excel Social Care frameworks  Existing supplier and customer trust in existing Scotland Excel Social Care frameworks.  Consultation with key stakeholders in relation to Parliamentary Process and responding to the Call for Views and co-design.	5	4	20	
						



## Appendix 2 - Risk Scoring Nomenclature and Methodology

Scotland Excel utilises a robust methodology to manage its strategic risks. It is derived from prior risk management experience and after consulting risk management experts within the public sector.

The risk template utilised in Appendix 1 aims to provide a one-page summary of the risk and its associated information. Each risk is defined in a statement, context provided and an owner assigned. This information (in gray) will rarely change.

Any controls implemented to mitigate the risk will be updated on a quarterly basis if required.

When a risk is identified, the team will consider the likelihood and impact of the risk. Each will be assigned a score of 1-5 with 5 as the maximum. Both numbers are multiplied to get the original evaluated risk score. This number will not change throughout the life of the risk.

On a periodic basis, the risk will be reviewed and any adjustments made to the likelihood, impact and **residual** risk score. This is the key metric of risk based on the control measures undertaken to reduce any impact from the risk. The original score will remain static from the point it is first identified.

The residual risk score will be monitored each quarter and the direction of travel provided between the current and previous quarters.

Strategic Risk Register – Risk Template	
Element	Description
<b>Reference</b>	Unique risk identifier and Risk Title
<b>Risk Statement</b>	Description of risk
<b>Context</b>	Context of identified risk
<b>Owner</b>	Executive Team Risk Owner
<b>Current Risk Controls</b>	Specific risk controls currently in place
<b>Risk Score</b>	Risk assessment detail
<b>Likelihood</b>	How likely is it that the Risk actually occurs (1-5)
<b>Impact</b>	What impact on SXL if the Risk occurs (1-5)
<b>Evaluation</b>	Likelihood x Impact = Evaluation Score
<b>Residual</b>	Current Residual Risk Evaluation after Controls
<b>Trend</b>	Evaluation movement over past 4 periods

## Appendix 2

### Sample of Risk log

Ref	Date	Description	Assigned To	Due Date	Status	Notes
SXL001-22/23		Review of Scotland excel Public Affairs strategy promoting closer engagement with partners	ET	31/05/2021	Complete	
SXL001-22/23	16/06/2021	Linked actions reviewed - No change to Residual Risk Score (3 Likelihood, 5 Impact).			Complete	
SXL001-22/23		Detailed review of Project and Contract opportunities.	SB	30/09/2021	Complete	Review of contract opportunities post COVID-19
SXL001-22/23	26/10/2021	Linked actions reviewed - No change to Residual Risk Score (3 Likelihood, 5 Impact).			Complete	
SXL001-22/23		Customer Engagement exercise with key Scottish Local Authority partners	ET	31/12/2021	Complete	Engagement plan to start in November 2021
SXL001-22/23	20/04/2022	Linked actions reviewed - no change to Residual Risk Score	SMT		Complete	
SXL001-22/23		Review Scotland Excel Business Continuity planning in light of lessons learned during pandemic to ensure the plan remains fit for purpose	SMT	30/09/2022	On-going	Continued monitoring of impact of pandemic on operations
SXL001-22/23		Develop a plan and proposal in relation to how Scotland Excel gathers, records, processes and reports operational and wider data both internally and externally to our partners.	ET	31/12/2022	On-going	Follow up from workshop and subsequent meetings with SMT and partners
SXL001-22/23		Monitor potential impact of post pandemic and BREXIT challenges to Scotland Excel frameworks. Challenges include logistics, supply of raw materials, rising energy costs and a shortage of trained labour all of which may impact framework performance.	SMT	31/03/2022	Complete	While all frameworks potentially affected particular attention to Building Supplies, Construction, Food

## **Scotland Excel**

**To: Joint Committee**

**On: 9 December 2022**

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

### **Review of Job Titles for the Heads of Service of Scotland Excel**

#### **1. Summary**

- 1.1 The purpose of this report is to seek the Joint Committee's approval to the post titles of Head of Strategic Procurement and Head of Customer & Business Services being changed to Director of Strategic Procurement and Director of Customer & Business Services respectively.

#### **2. Recommendations**

- 2.1 It is recommended that the Joint Committee:
  - 2.1.1 agrees to the Head of Service posts being retitled as Directors for the reasons set out in this report: and
  - 2.1.2 notes that the Clerk has authority under the Scheme of Delegations to amend Scotland Excel's governance documents to reflect any agreed changes in job titles.

#### **3. Background**

- 3.1 The posts of Heads of Service of Scotland Excel were created when the organisation was established in 2008. At that time, the job titles reflected the titles of the posts in the predecessor organisation, the Authorities Buying Consortium on which Scotland Excel's governance was initially based.
- 3.2 The Heads of Service posts are referenced in Scotland Excel's governance documents. For example, under the Scheme of Delegations, the Heads of Service are authorised to exercise the operational responsibilities delegated to the Chief Executive where the Chief Executive is not available.

- 3.3 Whilst the operational responsibilities of the posts have not changed, and remain a priority for the Heads of Service, there have been significant changes to the landscape in which Scotland Excel operates since its inception in 2008, and this has demanded that the Heads of Service operate at a much more strategic level, engaging national and local stakeholders in the development of Scotland Excel, the promotion of excellence in strategic procurement in local government and a much more proactive relationship with industry and suppliers.
- 3.4 Scotland Excel was originally set up to provide collaborative contracts and framework agreements, but the portfolio of services has developed to include the Scotland Excel Academy, as well as consultancy services. It is also the case that the value of the contract portfolio has grown from £100 million in 2008 to £2 billion today. This reflects the increased involvement in service areas such as care and construction. Scotland Excel originally concentrated its efforts on goods contracts for the efficiencies available. The move to services contracts – particularly in care and construction – has increased the complexity of the roles and the need for much more senior stakeholder engagement.
- 3.5 The original focus of the Heads of Service roles was primarily to get the organisation set up and running effectively. The roles are now key in supporting and leading emerging policy agendas for both local and national government. The proposed revision to the job titles more accurately reflects the strategic nature of the roles and the level of stakeholder engagement and influencing required.
- 3.6 In these circumstances, it would be considered important to support the profile of the posts in that environment as it continues to change, that the Heads of Service for Scotland Excel are also given the title of Director.
- 3.7 The change in title of the posts will not involve a regrading of the posts.

## Scotland Excel

**To: Joint Committee**

**On: 9 December 2022**

**Report by:  
The Clerk**

### **Membership of Scotland Excel Chief Executive Officers Management Group**

#### **1. Summary**

- 1.1 The purpose of this report is to seek approval for the membership of Scotland Excel's Chief Executive Officers Management Group (CEOMG), a key governance body for the organisation and which has been part of Scotland Excel's governance since its inception in 2008.
- 1.2 The CEOMG comprises six Chief Executives from the member authorities of Scotland Excel. The Chief Executive of Renfrewshire Council is a standing member of the group due to Renfrewshire Council being the lead authority for Scotland Excel. The other five members of the Group are appointed annually by the Scotland Excel Joint Committee although membership can be renewed.
- 1.3 At the meeting of the Joint Committee held on 10 December 2021 it was agreed that the membership of Scotland Excel Chief Officers Management Group (CEOMG) remain as detailed below until December 2022:
 

Angela Scott	Aberdeen City Council
Eddie Fraser	East Ayrshire Council
Cleland Sneddon	South Lanarkshire Council
Greg Colgan	Dundee City Council
Annemarie O'Donnell	Glasgow City Council
Alan Russell	Renfrewshire Council
- 1.4 Alan Russell chaired meetings of the CEOMG in line with the CEOMG procedures.
- 1.5 Current members of the CEOMG have confirmed their membership of the group for a further year and this was agreed at the SOLACE meeting on 28 October 2022. It is proposed that the CEOMG membership remain as detailed in paragraph 1.3 above below until December 2023 to allow for continuity in the strategic direction for Scotland Excel.

## **2. Recommendations**

- 2.1 That the membership of the CEOMG remain as detailed in paragraph 1.3 until December 2023; and
- 2.2 That it be noted that Alan Russell will chair meetings of the CEOMG.

## **Scotland Excel**

**To: Joint Committee**

**On: 9 December 2022**

**Report by:  
The Clerk**

### **Meetings of Scotland Excel Joint Committee in 2023**

#### **1. Summary**

- 1.1 The purpose of this report is to seek approval for the proposed dates for meetings of the Scotland Excel Joint Committee in 2023.
- 1.2 In terms of Scotland Excel's Procedural Standing Orders:-
  5. The Joint Committee shall meet not less than two times in each calendar year. The dates, times and places for ordinary meetings of the Joint Committee shall be decided by the Joint Committee.
  6. A special meeting of the Joint Committee may be called at any time:
    - (a) by the Convener or Vice-Convener; or
    - (b) if at least one quarter of the total number of members require a meeting in writing specifying the business to be transacted.

Any special meeting shall be held within 14 days from the date when the Clerk receives a written request and at the time and place specified by the Clerk in consultation with the Convener.
- 1.3 The Joint Committee normally meets in June of each year to approve the draft accounts for Scotland Excel and also in November or December of each year to approve the budget. It is considered at this time that all of the business that requires to be transacted by the Joint Committee in 2023 can be dealt with at the two meetings.
- 1.4 The Executive Sub-committee, at its meeting held on 18 November 2022, decided meeting dates for 2023 and agreed that it would meet on 16 June and 8 December 2023, prior to meetings of the Joint Committee.
- 1.5 Currently, all Scotland Excel meetings are being held remotely using the Microsoft Teams platform and the arrangements for these meetings has been working well. In light of this it is proposed that the Joint Committee continue to meet remotely using the Microsoft Teams platform.

## **2. Recommendations**

- 2.1 That meetings of Scotland Excel Joint Committee be held at 10.45 am on 16 June and 8 December 2023; and
- 2.2 That it be agreed that the Joint Committee continue to meet remotely using the Microsoft Teams platform.