

## Minute of Meeting Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 18 September 2020	10:45	Remotely by MS Teams ,

### Present

Provost Bill Howatson (Aberdeenshire Council); Provost Norman A Macdonald (Comhairle Nan Eilean Siar); Councillor Stephen Thompson (Dumfries and Galloway Council); Councillor Altany Craik (Fife Council); Councillor Ruairie Kelly (Glasgow City Council); Councillor Joe Cullinane (South Ayrshire Council); Councillor John Shaw (Renfrewshire Council) and Councillor Collette Stevenson (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, L Campbell, Corporate Services Manager, S Kilgour, Senior Procurement Specialist, L Richard, Strategic Procurement Manager and S Nicolson, Customer Account Manager (all Scotland Excel); M Conaghan, Legal and Democratic Services Manager, C McCourt, Finance Business Partner and E Currie, Senior Committee Services Officer (both Renfrewshire Council) and M Ferris, Senior Manager (Audit Scotland).

### Apologies

Councillor Angus Macmillan Douglas (Angus Council); Councillor Graham Hutchison (City of Edinburgh Council); Councillor Paul Di Mascio (North Lanarkshire Council); and Councillor Amanda Hawick (Shetland Islands Council).

## Declarations of Interest

Councillor Stevenson declared a financial interest in relation to item 5 of the agenda and indicated that she would remain in the meeting and take no part in the discussion or voting thereon.

Prior to the start of the meeting the Convener welcomed Councillor Ruairie Kelly and Councillor Joe Cullinane to their first Scotland Excel Executive Sub-committee meeting. The Convener also thanked Bailie Norman MacLeod for his contribution to the work of and support given to Scotland Excel as a member of both the Executive Sub-committee and Joint Committee.

### 1 Minute

There was submitted the Minute of the meeting of the Executive Sub-committee held on 19 June 2020.

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

### 2 Revenue Budget Monitoring

There was submitted a report by the Treasurer and the Chief Executive of Scotland Excel for the period 1 April to 21 August 2020.

The report intimated that Scotland Excel was projecting a £76,000 overspend by year-end in its core activities and a £114,000 overspend by year-end within projects, both of which would result in a drawdown from reserves. Further detail was provided in section 3 of the report.

Appendix 1 to the report provided an analysis of the actual spend to date along with projected net expenditure for 2020/21 and included a summary of movement in the revenue reserve. Appendix 2 to the report provided an analysis of the actual spend to date along with projected next expenditure for 2020/21 and included a summary of movement in the project reserves.

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

### 3 Audit Scotland Accounts Submission

There was submitted a report by the Chief Executive of Scotland Excel relative to the revised timetable for submission of the Scotland Excel annual report and accounts.

The report intimated that the annual accounts and reports schedule would have seen Audit Scotland present its audit opinions at this meeting. COVID-19 had had an impact on this schedule and a new proposed timetable had been agreed with Audit Scotland. It was now anticipated that a report would be submitted to the meeting of this sub-committee scheduled to be held on 27 November 2020. A copy of the proposed revised timetable was appended to the report.

**DECIDED:** That the proposed revised timetable by Audit Scotland be noted.

## **4 Update on the Contract Portfolio Review (during Covid)**

There was submitted a report by the Chief Executive of Scotland Excel providing an update on the actions taken by Scotland Excel to ensure contractual continuity during the current COVID-19 outbreak.

In response to the current coronavirus (COVID-19) outbreak, the Scottish Government had issued specific procurement guidance by way of a number of Scottish Procurement Policy Notes (SPPNs) and these were detailed in the report.

Scotland Excel had taken steps to review the contract portfolio taking into account strategic and reprioritisation needs. As a result of this review and the impact on normal business practices, Scotland Excel had deferred some projects and extended, or was in the process of extending, the current frameworks for Fostering; Vehicle Parts; Domestic Furniture; Education Furniture; and Personal Protective Equipment.

Scotland Excel proposed to extend an additional three frameworks, being Outdoor Play Equipment; Energy Efficiency; and Organic Waste, for a maximum of six months.

The report intimated that these actions sought to ensure continuity of supply and reduce supplier burdens under those frameworks. This was essential to ensure Scotland Excel members continued to have access to the goods and services they needed to operate effectively.

### **DECIDED:**

(a) That the actions taken to date, subject to further consultation with relevant bodies and legal colleagues to ensure the modifications proposed were applied appropriately and in accordance with Scotland Excel's governance and applicable Regulations, be noted; and

(b) That the recommendations for contract extensions, detailed in section 4 of the report, be approved.

### **Declaration of Interest**

Councillor Stevenson, having declared a financial interest in the following item of business, remained in the meeting and took no part in the discussion.

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

There was submitted a report by the Chief Executive of Scotland Excel providing a progress update on the 2020/21 contract delivery plan.

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

The report highlighted that there were 73 current frameworks in the Scotland Excel portfolio. Appendix 1 to the report detailed those frameworks to be renewed before 31 March 2021; Appendix 2 to the report detailed the new frameworks that would be added to the portfolio before 31 March 2021; Appendix 3 to the report detailed flexible contracts in 2020/21; and Appendix 4 to the report detailed those frameworks that had

extension options likely to be exercised in 2020/21, with seven of these already approved.

The estimated forecast value of the Scotland Excel framework portfolio by 31 March 2021 would be approximately £2 billion.

It was noted that overall, efficiencies delivered to date in 2020/21 were 1.3%, which was slightly below the forecast range but that this figure only took into account the two frameworks delivered in 2020/21, one of which was demolition services. This was reported as 0% due to the challenges of benchmarking against the bespoke nature of the projects likely to be undertaken.

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 and social care teams and further detail was provided in the report.

A summary of spend and forecast savings per council for 2019 was detailed in Appendix 5 to the report, with an average forecast efficiency of circa 2.5%. The running average efficiency since 2018 remained in line with the forecast at circa 3.1%.

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

## **6 Operating Plan - 2020 and Beyond**

There was submitted a report by the Chief Executive of Scotland Excel relative to the proposed interim Operating Plan covering the period 1 April to 31 December 2020 and providing an update on the progress of future operating planning.

The report intimated that Scotland Excel's five-year corporate strategy had been approved at the meeting of the Joint Committee held in June 2018. To support the strategy, annual operating plans were developed to set priorities and develop detailed action plans which were cascaded as annual performance objectives for employees. Reports were produced quarterly and submitted to meetings of this sub-committee with half-yearly and annual reports being submitted to meetings of the Joint Committee.

This process had been impacted by the global pandemic and subsequent resourcing issues. An interim document had been produced which would record the commitments Scotland Excel would deliver between April and December 2020, a copy of which was appended to the report. An additional plan covering January 2021 to March 2022 was being prepared.

It was noted that members had previously indicated a desire to change the quarterly reporting methodology. Scotland Excel intended to explore this further at a dedicated event prior to the Joint Committee meeting in June 2020 but as this event had been cancelled, no input from members had been obtained.

**DECIDED:**

(a) That the interim Operating Plan covering the period 1 April to 31 December 2020 be approved;

(b) That the strategy and progress on future operating planning be noted; and

(c) That members consider subsequent reporting methods and advise the Chief Executive accordingly.

#### **7(a) Request for Associate Membership: Crown Office and Procurator Fiscal Service**

There was submitted a report by the Chief Executive of Scotland Excel advising that the Crown Office and Procurator Fiscal Service had submitted an application to become an associate member of Scotland Excel.

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

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

#### **7(b) Request for Associate Membership: National Library of Scotland**

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

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

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

#### **7(c) Request for Associate Membership: Queens Cross Housing Association Limited**

There was submitted a report by the Chief Executive of Scotland Excel advising that Queens Cross 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 the Crown Office and Procurator Fiscal Service to become an associate member of Scotland Excel, at an annual membership fee of £6,503, be approved subject to completion and signing of the agreement documentation.

### **8 Date of Next Meeting**

**DECIDED:** That it be noted that the next meeting of the Executive Sub-committee would be held at 10.45 am on 23 October 2020.