

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.