

Notice of Meeting and Agenda Scotland Excel Executive Sub-Committee

Date	Time	Venue
Friday, 17 November 2017	10:45	Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley

KENNETH GRAHAM
Clerk

Members

Provost Bill Howatson (Aberdeenshire Council); Councillor Angus Macmillan Douglas (Angus Council); Councillor Graham Hutchison (City of Edinburgh Council); Provost Norman A Macdonald (Comhairle Nan Eilean Siar); Councillor Stephen Thompson (Dumfries and Galloway Council); Councillor Altany Craik (Fife Council); Bailie Norman MacLeod (Glasgow City Council); Councillor Alister Mackinnon (Highland Council); Councillor Todd Ferguson (North Ayrshire Council); Councillor Paul Di Mascio (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council); Councillor Amanda Westlake (Shetland Islands Council) and Councillor Collette Stevenson (South Lanarkshire Council)

Councillor John Shaw (Convener): Councillor Paul Di Mascio (Vice Convener)

Further Information

This is a meeting which is open to members of the public.

A copy of the agenda and reports for this meeting will be available for inspection prior to the meeting at the Customer Service Centre, Renfrewshire House, Cotton Street, Paisley and online at www.renfrewshire.cmis.uk.com/renfrewshire/CouncilandBoards.aspx

For further information, please either email democratic-services@renfrewshire.gov.uk or telephone 0141 618 7112.

Members of the Press and Public

Members of the press and public wishing to attend the meeting should report to the customer service centre where they will be met and directed to the meeting.

Video Conferencing

Should any member wish to participate using video conference, please contact Lesley Jones on 0141 618 7444.

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.

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| 1 | Minutes of Executive Sub Committee | 5 - 28 |
| | Submit minutes of the Executive Sub Committee meetings on 30 June, 25 August, 15 September and 13 October 2017 | |
| 2 | Revenue Budget Monitoring Report | 29 - 32 |
| | Report by the Treasurer and Director of Scotland Excel | |
| 3a | Contract for Approval - Supply and Delivery of Heavy and Municipal Vehicles | 33 - 48 |
| | Report by Director of Scotland Excel, Contract for Approval - Supply and Delivery of Heavy and Municipal Vehicles | |
| 3b | Contract for Approval - Pest Control Services and Associated Products | 49 - 56 |
| | Report by Director of Scotland Excel, Contract for Approval - Pest Control Services and Associated Products | |
| 3c | Contract for Approval - Provision of Steeplejacks and Associated Services | 57 - 64 |
| | Report by Director of Scotland Excel, Contract for Approval - Provision of Steeplejacks and Associated Services | |
| 4a | Request for Associate Membership of Scotland Excel by West of Scotland Housing Association Limited | 65 - 66 |
| | Report by Director of Scotland Excel, Request for Associate Membership of Scotland Excel by West of Scotland Housing Association Limited. | |
| 4b | Request for Associate Membership of Scotland Excel by Kingdom Housing Association | 67 - 68 |
| | Report by Director of Scotland Excel, Request for Associate Membership of Scotland Excel by Kingdom Housing Association | |

- 4c Request for Associate Membership of Scotland Excel by Oak Tree Housing Association Limited** **69 - 70**
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- 5 Risk Register Update** **71 - 92**
- Report by Director of Scotland Excel, Risk Register Update
- 6 Initial Options on the Future Governance Structure of Scotland Excel** **93 - 96**
- Report by Director of Scotland Excel, Initial Options on the Future Governance Structure of Scotland Excel
- 7 Audit Actions Progress Report** **97 - 102**
- Report by Director of Scotland Excel, Audit Actions Progress Report
- 8 Meetings of Scotland Excel Executive Sub Committee in 2018** **103 - 104**
- Report by the Clerk - Meetings of Scotland Excel Executive Sub Committee in 2018
- Date of next meeting**
- Note that the next meeting of the Executive Sub Committee will be held at 9.45am on 8 December 2017, in Glasgow City Chambers

Minute of Meeting Scotland Excel Executive Sub-Committee

Date	Time	Venue
Friday, 30 June 2017	12:00	City Chambers, Glasgow City Council, 80 George Square, Glasgow, G2 1DU

Present

Councillors Gillian Owen (substitute) (Aberdeenshire Council); Stephen Thompson (Dumfries & Galloway Council); Bailie Norman MacLeod (Glasgow City Council); Councillors Todd Ferguson (North Ayrshire Council); Paul Di Mascio (North Lanarkshire Council); John Shaw (Renfrewshire Council); and Colette Stevenson (South Lanarkshire Council).

Chair

Councillor John Shaw, Convener, presided.

Apologies

Councillors Alan Donnelly and John Reynolds (Aberdeenshire Council); Angus Macmillan Douglas and Bob Myles (Angus Council); Alasdair Rankin and Graham Hutchison (City of Edinburgh Council); Provost Macdonald (Comhairle Nan Eilean Siar)
Councillors Alister Mackinnon and Andrew Baxter (Highland Council) and Westlake (Shetland Islands Council).

In Attendance

J Welsh, Director, H Carr, Head of Strategic Procurement, S Brannagan, Head of Customer and Business Services, L Richard, Strategic Project Manager, L Gordon and E Martin, both Senior Procurement Specialists (all Scotland Excel); and M Conaghan, Legal & Democratic Services Manager, E Currie, Senior Committee Services Officer and K Brown, Committee Services Officer (all Renfrewshire Council).

Declarations of Interest

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

Order of Business

In terms of Standing Order 12, the Convener intimated that he proposed to alter the order of business to facilitate the conduct of the meeting by considering item 2 of the agenda prior to item 1 of the agenda.

1 **Contract for Approval: Supply and Delivery of Education Materials**

There was submitted a report by the Director of Scotland Excel relative to the award of a second generation framework agreement for education materials which would be effective from 1 August 2017 until 31 July 2019, with an option to extend for two one year periods until 31 July 2021.

The report intimated that the framework would provide councils with a mechanism to procure a range of educational materials.

The framework had been divided into nine lots as detailed in table 1 in the report. Appendix 1 to the report detailed the participation, spend and savings summary of the 32 councils participating in the framework.

The forecast annual spend for participating councils was circa £15m per annum, however, to allow for additional expenditure from grant or attainment funding and increased spend with specialist suppliers not currently captured by the framework, the framework had been advertised at £17.5m per annum. Tender responses had been received from 36 suppliers and a summary of offers received was detailed in Appendix 2 to the report. Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the compliant offers had been completed and Appendix 3 to the report detailed the scoring achieved by each bidder.

Based on the evaluation undertaken and in line with the criteria and weightings detailed in the report it was recommended that a multi-supplier framework agreement be awarded to 30 suppliers across the nine lots as detailed in Appendix 3 to the report.

DECIDED: That the award of the framework agreement, as detailed in Appendix 3 to the report, be approved.

2 **Contract for Approval: Treatment of Organic Waste**

There was submitted a report by the Director of Scotland Excel relative to the award of a second generation framework agreement for treatment of organic waste which would be effective from 1 August 2017 until 31 March 2020, with an option to extend for a further 12 month period until 31 March 2021.

The report intimated that the framework would assist councils in delivering their statutory obligation to provide an essential waste management service in line with the Waste (Scotland) Regulations 2012, Zero Waste Scotland's Zero Waste Plan 2010 and Circular Economy Strategy for Scotland 2016.

The framework had been divided into three lots as detailed in table 1 in the report. Appendix 1 to the report detailed the participation, spend and savings summary of the 21 councils participating in the framework.

The forecast annual spend for participating councils was £10m per annum equating to an estimated £40m over the term of the framework. Tender responses had been received from 11 suppliers and a summary of offers received was detailed in Appendix 2 to the report. Based on the criteria and scoring methodology set out in the tender document, a full evaluation of all compliant offers had been completed and Appendix 3 to the report detailed the scoring achieved by each bidder.

Based on the evaluation undertaken and in line with the criteria and weightings detailed in the report it was recommended that a multi-service provider framework arrangement be established with 11 service providers across the three lots as detailed in Appendix 3 to the report.

DECIDED: That the award of the framework agreement, as detailed in Appendix 3 to the report, be approved.

3 Contract for Approval: Supply Only and Supply and Distribution of Frozen Foods

There was submitted a report by the Director of Scotland Excel relative to the award of a renewal framework agreement for frozen foods which would be effective from 1 July 2017 until 30 June 2019, with an option to extend to 30 June 2021.

The report intimated that the framework would provide councils with a mechanism to procure a range of frozen foods.

The framework had been divided into three lots as detailed in table 1 in the report. Appendix 1 to the report detailed the participation, spend and savings summary of the 29 councils participating in the framework. It was noted that Tayside Contracts would also be participating in the framework.

It was noted that the percentage estimated forecast savings and estimated annual savings in pounds detailed for both Renfrewshire Council and Tayside Contracts was incorrect and that an amended Appendix 1 would be issued to members.

The forecast annual spend for participating councils was circa £17.5m per annum, however, the framework had been advertised with a potential value of £25m per annum to allow growth and increased council participation. Tender responses had been received from 12 suppliers and a summary of offers received was detailed in Appendix 2 to the report.

It was noted that reference to 'Hatley's Farm Foods Limited' in Appendix 2 to the report should be to 'Hartley's Farm Foods Limited'.

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

Based on the evaluation undertaken and in line with the criteria and weightings detailed in the report it was recommended that a multi-service provider framework agreement be awarded to 11 suppliers across the three lots as detailed in Appendix 3 to the report.

DECIDED:

(a) That it be noted that the percentage estimated forecast savings and estimated annual savings in pounds detailed for both Renfrewshire Council and Tayside Contracts was incorrect and that an amended Appendix 1 would be issued to members;

(b) That it be noted that reference to 'Hatley's Farm Foods Limited' in Appendix 2 to the report should be to 'Hartley's Farm Foods Limited'; and

(c) That the award of the framework agreement, as detailed in Appendix 3 to the report, be approved.

4(a) Request for Associate Membership of Scotland Excel: Abbeyfield Scotland Limited

There was submitted a report by the Director of Scotland Excel indicating that Abbeyfield Scotland Limited had submitted an application to become an associate member of Scotland Excel.

It was proposed that a report relative to Scotland Excel's associate member landscape be submitted to the next meeting of the Executive Sub-committee. This was agreed.

DECIDED:

(a) That the application by Abbeyfield Scotland Limited to become an associate member of Scotland Excel, at an annual membership fee of £500, subject to completion and signing of the agreement document, be approved; and

(b) That a report relative to Scotland Excel's associate member landscape be submitted to the next meeting of the Executive Sub-committee.

4(b) Request for Associate Membership of Scotland Excel: Cadder Housing Association

There was submitted a report by the Director of Scotland Excel indicating that Cadder Housing Association had submitted an application to become an associate member of Scotland Excel.

DECIDED: That the application by Cadder Housing Association to become an associate member of Scotland Excel, at an annual membership fee of £961, subject to completion and signing of the agreement document, be approved.

4(c) Request for Associate Membership of Scotland Excel: Clydebank Housing Association

There was submitted a report by the Director of Scotland Excel indicating that Clydebank Housing Association had submitted an application to become an associate member of Scotland Excel.

DECIDED: That the application by Clydebank Housing Association to become an associate member of Scotland Excel, at an annual membership fee of £1,612, subject to completion and signing of the agreement document, be approved.

4(d) Request for Associate Membership of Scotland Excel: Ferguslie Park Housing Association

There was submitted a report by the Director of Scotland Excel indicating that Ferguslie Park Housing Association had submitted an application to become an associate member of Scotland Excel.

DECIDED: That the application by Ferguslie Park Housing Association to become an associate member of Scotland Excel, at an annual membership fee of £1,204, subject to completion and signing of the agreement document, be approved.

4(e) Request for Associate Membership: South East of Scotland Transport Partnership

There was submitted a report by the Director of Scotland Excel indicating that South East of Scotland Transport Partnership had submitted an application to become an associate member of Scotland Excel.

DECIDED: That the application by South East of Scotland Transport Partnership to become an associate member of Scotland Excel, at an annual membership fee of £500, subject to completion and signing of the agreement document, be approved.

5 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 15 September 2017 in Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley.

Minute of Meeting Scotland Excel Executive Sub-Committee

Date	Time	Venue
Friday, 25 August 2017	10:00	Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley

Present

Councillor Paul Di Mascio (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council); Councillor Colette Stevenson (South Lanarkshire Council) and Councillor Amanda Westlake (Shetland Islands Council).

By Videolink

Councillor Stephen Thompson (Dumfries & Galloway Council) and Councillor Alister Mackinnon (Highland Council).

Chair

Councillor John Shaw, Convener, presided.

In Attendance

J Welsh, Director, H Carr, Head of Strategic Procurement, and S Brannagan, Head of Customer and Business Services, (all Scotland Excel); E Currie, Senior Committee Services Officer and K O'Neill, Assistant Democratic Services Officer (both Renfrewshire Council).

Apologies

Provost Bill Howatson (Aberdeenshire Council); Councillor Angus Douglas (Angus Council); Councillor Graham Hutchison (City of Edinburgh Council); Provost Norman Macdonald (Comhairle Nan Eilean Siar); Councillor Altany Craik (Fife Council); Bailie Norman MacLeod (Glasgow City Council) and Councillor Todd Ferguson (North Ayrshire Council).

Declarations of Interest

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

Sederunt

Councillor Colette Stevenson entered the meeting prior to consideration of the following item of business.

1(a) Request for Associate Membership of Scotland Excel: Dumfries and Galloway Housing Partnership

There was submitted a report by the Director of Scotland Excel indicating that Dumfries and Galloway Housing Partnership had submitted an application to become an associate member of Scotland Excel.

DECIDED: That the application by Dumfries and Galloway Housing Partnership to become an associate member of Scotland Excel, at an annual membership fee of £15,518, be approved subject to completion and signing of the agreement document.

1(b) Request for Associate Membership of Scotland Excel: North Glasgow Housing Association Limited (Trading as ng Homes)

There was submitted a report by the Director of Scotland Excel indicating that North Glasgow Housing Association Limited, trading as ng homes, had submitted an application, on an emergency basis, to become an associate member of Scotland Excel in order to instruct works as a result of issues arising from the Grenfell Tower fire.

The report intimated that paragraph (h) of Scotland Excel's Scheme of Delegations authorised the Director "to act in an emergency situation with the approval of the Clerk and where possible after consulting the Convener, or in his absence the Vice-Convener of the Joint Committee and the Chair of the Management Group, and thereafter report on the action taken to the first available meeting of the Joint Committee."

The Convener and the Legal and Democratic Services Manager, Renfrewshire Council, acting in the clerk's absence, had been consulted and agreed on the Director's course of action to approve immediate associate membership.

DECIDED:

(a) That the Director's decision to approve the application by ng homes to become an associate member of Scotland Excel, at an annual membership fee of £8,160, be noted; and

(b) That it be noted that in terms of the Scheme of Delegations the Director would submit a report on this matter to the next meeting of the Joint Committee to be held on 8 December 2017.

1(c) Request for Associate Membership of Scotland Excel: Westlo Housing Management Limited

There was submitted a report by the Director of Scotland Excel indicating that Westlo Housing Management Limited had submitted an application to become an associate member of Scotland Excel.

DECIDED: That the application by Westlo Housing Management Limited to become an associate member of Scotland Excel, at an annual membership fee of £3,660, be approved subject to completion and signing of the agreement document.

2 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 15 September 2017 in Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley.

Minute of Meeting Scotland Excel Executive Sub-Committee

Date	Time	Venue
Friday, 15 September 2017	10:45	Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley

Present

Provost Norman Macdonald (Comhairle Nan Eilean Siar); Councillor Altany Craik (Fife Council); Bailie Norman MacLeod (Glasgow City Council); Councillor Todd Ferguson (North Ayrshire Council); Councillor Paul Di Mascio (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council) and Councillor Amanda Westlake (Shetland Islands Council).

By Videolink

Provost Bill Howatson (Aberdeenshire Council) and Councillor Alister Mackinnon (Highland Council).

Chair

Councillor John Shaw, Convener, presided.

Apologies

Councillor Graham Hutchison (City of Edinburgh Council); Councillor Collette Stevenson (South Lanarkshire Council) and Councillor Stephen Thompson (Dumfries & Galloway Council).

In Attendance

J Welsh, Director; H Carr, Head of Strategic Procurement; S Brannagan, Head of Customer and Business Services and K Copland, Assistant Procurement Specialist (all Scotland Excel); and A MacArthur, Head of Finance; M Ball, Senior Accountant; R Devine, Senior Committee Services Officer and K O'Neill, Assistant Democratic Services Officer (all Renfrewshire Council); and M Ferris, Senior Audit Manager and S Afzal, Auditor (both Audit Scotland).

Declarations of Interest

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

Order of Business

In terms of Standing Order 12, the Convener intimated that he proposed to alter the order of business to facilitate the conduct of the meeting by considering item 2(a) of the agenda after item 2(b) of the agenda.

1 Revenue Budget Monitoring

There was submitted a joint revenue budget monitoring report by the Treasurer and the Director of Scotland Excel for the period 1 April to 18 August 2017.

The report intimated that gross expenditure was £43,000 under budget and income was currently £6,000 over recovered which resulted in a net underspend of £49,000.

DECIDED: That the report be noted.

2(a) Annual Audit Report 2016/17

Under reference to item 12 of the Minute of the meeting of the Joint Committee held on

30 June 2017 there was submitted a report by Audit Scotland relative to the 2016/17 annual audit outlining the findings of the audit team with regards to the annual accounts and the performance of Scotland Excel generally.

The report intimated that the audit certificate issued by Audit Scotland provided an unqualified opinion that the annual accounts presented a true and fair view of the financial position of the Joint Committee as at 31 March 2017, in accordance with the accounting policies detailed in the accounts.

Clarification was sought on the net expenditure of successfully defending the legal action in relation to the decision to exclude a tender from the further evaluation stage of the Demolition contract awarded at the meeting of this Sub-committee held on 20 October 2015. It was proposed that a report relative to this matter be submitted to the next meeting of the Executive Sub-committee to be held on 13 October 2017. This was agreed.

DECIDED:

(i) That the annual audit report 2016/17 be noted; and

(ii) That a report detailing the net cost of defending the legal action in relation to the decision to exclude a tender from the further evaluation stage of the Demolition contract awarded by the Executive Sub-committee at a meeting held on 20 October 2015 be submitted to the next meeting of the Executive Sub-committee to be held on 13 October 2017.

2(b) Audited Annual Accounts 2016/17

Under reference to item 12 of the Minute of the meeting of the Joint Committee held on 30 June 2017 there was submitted a joint report by the Treasurer and the Director of Scotland Excel relative to the annual accounts for the Joint Committee for 2016/17.

The report intimated that the Joint Committee at its meeting held on 12 June 2015 delegated authority to the Executive Sub-committee to approve the audited accounts by 30 September in order to meet local authority accounting regulations. The audited accounts would be provided to the Joint Committee in December for information.

Following approval arrangements would be made for the audited accounts to be signed by the Director, Convener and Treasurer.

DECIDED: That the audited annual accounts 2016/17 be approved for signature.

3 Contract for Approval: Tyres for Vehicles and Plant

There was submitted a report by the Director of Scotland Excel relative to the award of a renewal framework agreement for tyres for vehicles and plant which would be effective from 1 November 2017 until 31 October 2021.

The report intimated that the framework would provide councils with a mechanism to procure a full range of tyre types and sizes as well as associated tyre management services in order for councils to deliver the various fleet services they provided to end users.

The framework had been divided into six lots as detailed in table 1 of the report. Appendix 1 to the report detailed the participation, spend and savings summary of the 29 councils participating in the framework. It was noted that Tayside Contracts would also be participating in the framework.

The forecast annual spend for participating Councils was circa £6.5m per annum equating to an estimated value of £26m over the term of the contract. Tender responses had been received from 12 suppliers and a summary of offers received was provided in Appendix 2 to the report. Based on the criteria and scoring methodology set out within the tender document, a full evaluation of the compliant offers had been completed and Appendix 3 to the report detailed the scoring achieved by each bidder.

Based on the evaluation undertaken and in line with the criteria and weightings detailed within the report it was recommended that a multi-supplier framework agreement be awarded to 12 suppliers across the six lots as detailed in Appendix 3 to the report.

DECIDED: That the award of the framework agreement, as detailed in Appendix 3 to the report, be approved.

4 Associate Member Strategy Update

There was submitted a report by the Director of Scotland Excel relative to Scotland Excel's Associate Member Strategy which had been approved at the meeting of the Joint Committee held on 9 December 2016. A copy of the strategy formed the appendix to the report.

The report provided information in relation to the organisations associate member profile and fees. It was noted that Scotland Excel would continue implementing the approved associate member strategy. The primary focus for the short-term would remain housing associations and initial exploratory work was being undertaken with regard to growth potential in the third-sector.

DECIDED: That the progress made with regard to the Associate Member Strategy be noted.

5 Affordable Housing Project Update

There was submitted a report by the Director of Scotland Excel relative to the Affordable Housing Project operated by Scotland Excel on behalf of the Scottish Government.

The report intimated that the Scottish Government, as part of the Affordable Housing Supply Programme (AHSP), had committed to delivering at least 50,000 affordable homes by March 2021, backed by over £3 billion of investment. The sector would be required to undertake considerable procurement activity in relation to this programme.

The wider public sector had benefited from significant investment and focus in procurement reform since publication of the Review of Public Procurement in Scotland - Report and Recommendations in 2006. The affordable housing sector had not been part of this national transformation programme.

Scotland Excel submitted a proposal to the Scottish Government in 2016 on the role the organisation could play in delivering the Scottish Government's aspirations within the AHSP. The proposal sought funding of £412,000 for a two-year pilot programme to develop procurement capability, implement policy and identify financial savings. This proposal was accepted by the Scottish Government and approved by Scotland Excel Joint Committee.

The report provided details on the project deliverables and benefits and provided an update on the project since its launch in April 2017.

DECIDED: That the progress made on the affordable housing project be noted.

6 Request for Associate Membership of Scotland Excel: Bield Housing and Care

There was submitted a report by the Director of Scotland Excel advising that Bield Housing and Care had submitted an application to become an associate member of Scotland Excel.

DECIDED: That the application by Bield Housing and Care to become an associate member of Scotland Excel, at an annual membership fee of £7,020, be approved subject to completion and signing of the agreement document.

7 Update on the Contract Delivery Plan

There was submitted an update report by the Director of Scotland Excel relative to the progress of the 2017/18 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 3 to the report provided further details.

The report highlighted that contract delivery remained active with 51 current frameworks in the Scotland Excel portfolio, 11 of which would be retendered in 2017/18; a further 11 new frameworks would be added to the contract portfolio by the end of the financial year; and a further 9 frameworks on the current portfolio had extension options. The estimated forecast value of the framework portfolio would be just over £1 billion by 31 March 2018.

Scotland Excel was exploring the benefits of further collaborative procurement across high spend, critical service areas of adult social care and was progressing with two stakeholder sub-groups to look at focused work streams for both care at home and adult supported living. This development activity would continue over the remainder of 2017 with a decision being made with stakeholders regarding the appropriate procurement strategy. Scotland Excel had also begun development work on exploring the gas maintenance services market.

It was noted that overall, efficiencies delivered to date continued to be within the 2% to 4% forecast range.

DECIDED: That the progress made to date be noted.

8 Employee Absence Management Report

There was submitted a report by the Director of Scotland Excel relative to employee absence statistics for Scotland Excel. The report advised of the absence levels for the month of August 2017, the previous six and 12 months and provided information relating to the absence statistics and reasons.

DECIDED: That the report be noted.

9 Supporting Fife Council Transformation Project

The Head of Customer and Business Services, Scotland Excel provided a verbal update on the Supporting Fife Council Transformation Project. It was noted that the proposal had been submitted to Fife Council for consideration.

DECIDED: That the update be noted.

10 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 13 October 2017 in Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley.

Minute of Meeting Scotland Excel Executive Sub-Committee

Date	Time	Venue
Friday, 13 October 2017	10:45	Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley

Present

Councillor Angus Macmillan Douglas (Angus Council); Councillor Stephen Thompson (Dumfries and Galloway Council); Bailie Norman MacLeod (Glasgow City Council); Councillor Todd Ferguson (North Ayrshire Council); Councillor Paul Di Mascio (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council) and Councillor Collette Stevenson (South Lanarkshire Council).

By Videolink

Councillor Graham Hutchison (City of Edinburgh Council).

Chair

Councillor John Shaw, Convener, presided.

Apologies

Provost Bill Howatson (Aberdeenshire Council); Provost Norman A Macdonald (Comhairle Nan Eilean Siar); Councillor Altany Craik (Fife Council); Councillor Alister Mackinnon (Highland Council) and Councillor Amanda Westlake (Shetland Islands Council).

In Attendance

J Welsh, Director, H Carr, Head of Strategic Procurement, S Brannagan, Head of Customer and Business Services, G Mooney, Category Analyst, L Cairns, Procurement Co-ordinator, Z Brawn, Procurement Co-ordinator and D Benstead, Principal Procurement Specialist (all Scotland Excel); and A MacArthur, Head of Finance, E Currie, Senior Committee Services Officer and K O'Neill, Assistant Democratic Services Officer (all Renfrewshire 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 Bailie MacLeod referred to the amended reports issued in relation to items 3(a) and 3(c) of the agenda and requested that consideration be given as to the best way to deal with disseminating this information to members. He also raised the issue of Minutes of the Executive Sub-committee being submitted to the next meeting of the Executive Sub-committee for approval prior to submission to the Joint Committee.

DECIDED:

(a) That any amended reports issued to members detail the amendments made; and

(b) That Minutes of the Executive Sub-committee be submitted to the next meeting of the Executive Sub-committee for approval prior to submission to the Joint Committee.

1 Update on the cost incurred to defend the legal challenge on the framework agreed for Demolition Services

Under reference to item 2(a) of the Minute of the meeting of the Executive Sub-committee held on 15 September 2017 there was submitted a report by the Director of Scotland Excel providing an update on the final cost incurred defending the legal challenge against the award of the framework for demolition services.

The report intimated that this legal challenge had been successfully defended at the Court of Session in September 2016. The pursuer challenged the award of costs to Scotland Excel and when this failed both parties were unable to reach agreement in the value of costs to be recovered. This resulted in proceeding to a taxation hearing following which a net payment of £29,900 was received by Scotland Excel. Scotland Excel's insurance company agreed to underwrite the claim but the policy excess was £50,000 and as such the net cost incurred was £20,100.

In terms of clause 10.3 of Scotland Excel's terms and conditions of membership, additional costs incurred would be recovered from all member councils on a pro-rata basis. However, on the basis that there was less of a draw on reserves during 2016/17, primarily due to efficiencies made, the report proposed that the net cost be covered by current reserves.

DECIDED: That the concluded position of the successfully defended challenge be noted.

2 Revenue Budget Monitoring Report

There was submitted a joint revenue budget monitoring report by the Treasurer and the Director of Scotland Excel for the period 1 April to 15 September 2017.

The report intimated that gross expenditure was £52,000 under budget and income was currently £6,000 over-recovered which resulted in a net underspend of £58,000.

DECIDED: That the report be noted.

Sederunt

Councillor Graham Hutchison joined the meeting by video conference prior to consideration of the following item of business.

3(a) Contract for Approval: Supply and Delivery of Recycle and Refuse Containers

There was submitted an amended report by the Director of Scotland Excel relative to the award of a renewal framework agreement for recycle and refuse containers which would be effective from 3 November 2017 until 2 November 2020, with an option to extend until 2 November 2021.

The report intimated that the framework facilitated the purchase, supply and delivery of various container types to support councils in the delivery of waste and environmental services.

The framework had been divided into seven lots as detailed in table 1 of the report. Appendix 1 to the report detailed the participation, spend and savings summary of the 32 councils participating in the framework.

The forecast annual spend for participating councils was circa £9 million per annum equating to an estimated value of £50 million over the term of the contract. Tender responses had been received from 22 suppliers and a summary of offers received was provided in Appendix 2 to the report. It was noted that the last column of Appendix 2 should refer to 'Lots Tendered'. Based on the criteria and scoring methodology set out within the tender document, a full evaluation of the compliant offers had been completed and Appendix 3 to the report detailed the scoring achieved by each bidder.

Based on the evaluation undertaken and in line with the criteria and weightings detailed within the report it was recommended that a multi-supplier framework agreement be awarded to 22 suppliers across the seven lots as detailed in Appendix 3 to the report.

DECIDED:

(i) That it be noted that the last column of Appendix 2 should refer to 'Lots Tendered'; and

(ii) That the award of the framework agreement, as detailed in Appendix 3 to the report, be approved.

3(b) Contract for Approval: Vehicle and Plant Hire

There was submitted a report by the Director of Scotland Excel relative to the award of a renewal framework agreement for vehicle and plant hire which would be effective from 1 November 2017 until 31 October 2021.

The report intimated that the framework covered the hire of vehicles and plant equipment on a daily, weekly, monthly, six-monthly or annual basis to support the requirement of councils' fleet and roads departments.

The framework had been divided into 12 lots as detailed in table 1 of the report. Appendix 1 to the report detailed the participation, spend and savings summary of the 30 councils participating in the framework. It was noted that Tayside Contracts would also be participating in the framework.

The forecast annual spend for participating councils was circa £15 million per annum equating to an estimated value of £60 million over the term of the contract. Tender responses had been received from 79 suppliers and a summary of offers received was provided in Appendix 2 to the report. Based on the criteria and scoring methodology set out within the tender document, a full evaluation of the compliant offers had been completed and Appendix 3 to the report detailed the scoring achieved by each bidder.

Based on the evaluation undertaken and in line with the criteria and weightings detailed within the report it was recommended that a multi-supplier framework agreement be awarded to 69 suppliers across the 12 lots as detailed in Appendix 3 to the report.

It was noted that the Director of Scotland Excel would provide an update on progress related to the Living Wage as part of the community benefits report being submitted to the next meeting of the Joint Committee to be held on 8 December 2017.

DECIDED:

(i) That the award of the framework agreement, as detailed in Appendix 3 to the report, be approved; and

(ii) That it be noted that the Director of Scotland Excel would provide an update on progress related to the Living Wage as part of the community benefits report being submitted to the next meeting of the Joint Committee to be held on 8 December 2017.

3(c) Contract for Approval: Supply and Delivery of Bottled Gas

There was submitted an amended report by the Director of Scotland Excel relative to the award of a new framework agreement for the supply and delivery of bottled gas which would be effective from 6 November 2017 until 5 November 2019, with the option to extend for up to two one-year periods until 5 November 2021.

The report intimated that the framework would provide councils with a mechanism to purchase bottled gas and bulk gas requirements and the products covered within the framework would include industrial, food and beverage, medical and balloon gas.

The framework, advertised at £8 million over the four-year period, had been divided into six lots as detailed in table 1 of the report. Tender responses had been received from five suppliers, two of which were not evaluated as the offers were non-compliant. A summary of offers received and their SME status was provided in Appendix 1 to the report. Based on the criteria and scoring methodology set out

within the tender document, a full evaluation of the compliant offers had been completed and Appendix 2 to the report detailed the scoring achieved by each bidder.

Based on the evaluation undertaken and in line with the criteria and weightings detailed within the report it was recommended that a multi-supplier framework agreement be awarded to three suppliers across the six lots as detailed in Appendix 2 to the report.

DECIDED: That the award of the framework agreement, as detailed in Appendix 2 to the report, be approved.

3(d) Contract for Approval: Supply, Installation and Maintenance of Commercial Laundry Equipment

There was submitted a report by the Director of Scotland Excel relative to the award of a new framework agreement for the supply, installation and maintenance of commercial laundry equipment which would be effective from 6 November 2017 until 5 November 2019, with the option to extend for up to two one-year periods until 5 November 2021.

The report intimated that the framework would provide councils with a mechanism to purchase laundry equipment, including installation and services such as preventative maintenance and ad-hoc repairs.

The framework, advertised at £4.4 million over the four-year period, had been divided into two lots as detailed in table 1 of the report. Tender responses had been received from three suppliers and a summary of offers received and their SME status was provided in Appendix 1 to the report. Based on the criteria and scoring methodology set out within the tender document, a full evaluation of the compliant offers had been completed and Appendix 2 to the report detailed the scoring achieved by each bidder.

Based on the evaluation undertaken and in line with the criteria and weightings detailed within the report it was recommended that a multi-supplier framework agreement be awarded to three suppliers across the two lots as detailed in Appendix 2 to the report.

DECIDED: That the award of the framework agreement, as detailed in Appendix 2 to the report, be approved.

4 Request for Associate Membership of Scotland Excel by Viewpoint Housing Association Ltd

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

DECIDED: That the application by Viewpoint Housing Association Limited to become an associate member of Scotland Excel, at an annual membership fee of £2,170, be approved subject to completion and signing of the agreement document.

5 Operating Plan 2017/18 Update

There was submitted an update report by the Director of Scotland Excel relative to the projects and activities undertaken by the organisation in quarter 1 of the 2017/18 Operating Plan.

DECIDED: That the progress made be noted.

6 Adult Supported Living/Care at Home Update

There was submitted a report by the Director of Scotland Excel relative to the expansion of Scotland Excel's social care procurement shared service.

The report intimated that Scotland Excel had approached the Scottish Government for financial investment to expand its social care procurement shared service. This funding had allowed Scotland Excel to commence on an ambitious work programme that ensured procurement played its part in supporting the Scottish Government's flagship reform of health and social care. The project team was established in May 2017 with the aim of extending the benefits of collaborative procurement to two key areas of social care expenditure, Adult Supported Living and Care at Home, and the objectives of the project were detailed in the report.

Scotland Excel had now established two subgroups, one for Supported Living Services and one for Care at Home. These subgroups comprised both commissioner and provider representation. As well as co-producing requirements with providers via the subgroups, Scotland Excel planned to engage with providers via regional forums and drop-in sessions.

The report detailed the benefits that would be delivered as a result of this project.

DECIDED: That the progress made in the procurement of social care services project be noted.

7 Conference and Supplier Awards Project Update

There was submitted a report by the Director of Scotland Excel relative to Scotland Excel's Annual Conference and Supplier Awards which would be held as a single event on 20 and 21 February 2018 in the Radisson Blu, Glasgow.

The report intimated that the supplier awards would provide an opportunity to recognise suppliers supporting the delivery of effective public services in partnership with Scotland Excel and Scottish local authorities. The conference offered the opportunity to share and shape best practice in the community fostering further innovation and collaboration across stakeholder groups which would be reflected in the content over the two days.

The report detailed the project deliverables and the four key work streams, being communications; events management; supplier awards and conference; and working together to develop and deliver the conference. This ambitious project aimed to deliver an event that would meet the identified project deliverables, raise Scotland Excel's profile to new and existing suppliers and deliver a relevant, valuable experience to partners.

It was proposed that the Director of Scotland Excel submit a report to the next meeting of the Executive Sub-committee to be held on 17 November 2017 providing an update on the gross expenditure for this event and the funding received from sponsors. This was agreed.

DECIDED:

(a) That the report and the date of the Annual Conference and Supplier Awards be noted; and

(b) That the Director of Scotland Excel submit a report to the next meeting of the Executive Sub-committee to be held on 17 November 2017 providing an update on the gross expenditure for this event and the funding received from sponsors.

8 Date of Next Meeting

DECIDED:

(a) That it be noted that the next meeting of the Executive Sub-Committee would be held at 10.45 am on 17 November 2017 in Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley; and

(b) That it be noted that a training and information session for members would be held immediately following this meeting.

Scotland Excel

To: Executive Sub Committee

On: 17 November 2017

**Report
by
Joint Report by the Treasurer and the Director**

Revenue Budget Monitoring Report to 13 October 2017

1. Summary

- 1.1 Gross expenditure is £21,000 under budget and income is currently £37,000 over recovered which results in a net underspend of £58,000 for Scotland Excel. This is summarised in point 4:

2 Recommendations

- 2.1 It is recommended that members consider the report.

3 Budget Adjustments Since Last Report

- 3.1 There have been no budget adjustments since the last report.

4 Budget Performance

- | | | |
|-----|---|--|
| 4.1 | Current Position
<i>Previously Reported</i> | Net Underspend £58,000
<i>Net Underspend £58,000</i> |
|-----|---|--|

The variance is due to an underspend in Employee Costs, an overspend in Contractor and others and an over recovery of Other Income. Employee Costs are currently under spent due to:

- a number of staff currently on maternity leave,
- a Learning and Development post not currently filled,
- a Business Change Project Manager post not currently filled,
- IT Manager post not replaced,
- a number of staff exercising their right for flexible working.

Employee Costs will be underspent by the year end due to the delay in filling the Learning and Development post and Business Change Project Manager post.

Contractors and Others have an unbudgeted cost this year due to a requirement to complete and mobilise the Energy Efficiency Contractors contract.

The over recovery of Other Income relates to additional funding received from Invest in Renfrewshire for support of the graduate intern scheme and also from the income received for the costs that were awarded by the court when Scotland Excel were successful in defending a legal challenge.

All projects are currently projected to break even.

4.2 Projected Year End Position

The projected year end position shows a draw down from the general reserve of £116,000 which is £50,000 less than the approved draw down. This is due to the income received from the Legal case and the delay in filling vacancies.

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2017/18
1st April 2017 to 13th October 2017

JOINT COMMITTEE : SCOTLAND EXCEL

Description (1)	£000's	Agreed Annual Budget (2)	Year to Date Budget (3)	Year to Date Actual (4)	Adjustments (5)	Revised Actual (6) = (4 + 5)	Budget Variance £000's	%	(7)
Employee Costs		2,944	1,353	1,325	0	1,325	28	2.1%	underspend
Property Costs		226	89	89	0	89	0	0.0%	break-even
Supplies & Services		204	57	57	0	57	0	0.0%	break-even
Contractors and Others		0	0	7	0	7	(7)	-100.0%	overspend
Administration Costs		297	78	78	0	78	0	0.0%	break-even
Payments to Other Bodies		39	18	18	0	18	0	0.0%	break-even
GROSS EXPENDITURE		3,710	1,595	1,574	0	1,574	21	1.3%	underspend
Contributions from Local Authorities		(3,484)	(3,484)	(3,344)	(140)	(3,484)	0	0.0%	break-even
Other Income		(60)	(60)	(238)	141	(97)	37	61.7%	Over-recovery
INCOME		(3,544)	(3,544)	(3,582)	1	(3,581)	37	1.0%	over-recovery
TRANSFER (TO)/FROM RESERVES		166	(1,949)	(2,008)	1	(2,007)	58	3.0%	underspend

Opening Reserves	General Reserve	£000's	(368)
Budgeted Draw on Reserves per estimates		66	
IT Projects per Joint Committee 30th June		50	
Office Upgrade per Joint Committee 30th June		50	
Projected Year End Overspend / (Underspend)		(50)	
Anticipated Closing Reserves		<u>(252)</u>	
Reserve percentage against requisition income		7.22%	

Scotland Excel

To: Executive Sub Committee

On: 17 November 2017

**Report
by
Director Scotland Excel**

Tender: Supply and Delivery of Heavy and Municipal Vehicles

Schedule: 03/17

Period: 1 January 2018 until 31 December 2021

1. Introduction and Background

The current framework for Heavy and Municipal Vehicles will expire on 31 December 2017. This recommendation is for the award of a renewal framework which will operate from 1 January 2018 until 31 December 2021. This framework covers a range of heavy vehicle chassis and body types, including the full project management of building completed vehicles to support councils' delivery of various public services.

The report summarises the outcome of the procurement process for this national framework arrangement.

2. Scope, Participation and Spend

As part of the strategy development, the User Intelligence Group (UIG) confirmed a level of satisfaction with the current framework and endorsed the inclusion of thirteen lots as summarised in Table 1. Additional lots have been added for trailers, aerial platforms and lorry mounted cranes following councils' requests for a wider scope. Furthermore, bodies for road sweepers and complete road sweeper vehicles are now two individual lots to be more reflective of the supply base. This strategy is designed to align with council requirements, whilst also recognising the current structure of the market place, as well as maximising opportunities for SME participation.

Table 1: Lotting Structure

Lot Number	Description	Estimated % of Spend
1	Chassis	50%
2	Bodies for Tipplers	1%
3	Bodies for Skip Loaders	1%
4	Bodies for Gully Emptiers	1%
5	Bodies for Road Sweepers	3%
6	Complete Road Sweeper Vehicles	3%
7	Bodies for Gritters	4%
8	Bodies for Refuse Collection Vehicles	25%
9	Accessible Buses	5%
10	Library Buses	1%
11	Bin Lifts	4%
12	Trailers	1%
13	Aerial platforms and lorry mounted cranes	1%

As detailed in Appendix 1, 32 Councils plus Tayside Contracts will participate in this framework renewal. Note: Angus Council's heavy vehicles requirements will be procured via Tayside Contracts.

To ensure that all 32 councils have the option to use the framework, all councils have been listed in the EU notice as participants so that they have the opportunity to use the Scotland Excel framework where it provides them with best value.

The contract was advertised with an estimated value of £160m over the 4 year period. The forecast annual spend for participating councils is circa £37m per annum and the framework was advertised at a value of £40 million per annum to allow for growth within participating Councils, and increased participation from Councils or cross sector collaborations. The framework covers the supply and delivery of an extensive range of commonly purchased chassis, body types and specialist equipment such as bin lifts and street sweepers.

3. Procurement Process

A UIG consisting of representatives from participating councils endorsed the procurement strategy on 23 March 2017. There was also representation and consultation with Zero Waste Scotland at this meeting and throughout the procurement process to ensure the procurement aligned with best practice from an environmental and sustainability perspective. In addition, a working group of technical and procurement representatives was formed to review the lot structure, technical specifications and participate in the evaluation.

A Prior Information Notice (PIN) was published on 9 February 2017, which resulted in expressions of interest from 58 organisations. Thereafter, in order to ensure maximum competition, the UIG agreed that an open tender process should be followed to establish the framework.

The Contract Notice was published via the Official Journal of the European Union and the Public Contracts Scotland portal (PCS) on 8 August 2017 with the tender documentation being made available for immediate download from 10 August 2017, via the Public Contracts Scotland Tenders (PCS-T) system.

The procurement process followed a two stage tendering procedure. At the first stage, tender European Single Procurement Document (ESPD) responses were assessed against financial capability, technical/professional capability and business probity requirements. Bidders were required to pass this stage to be eligible for award. At the second stage, offers were evaluated against the following criteria and weightings.

Technical	30%
Commercial	70%

Within the technical section, bidders were required to evidence their knowledge and experience by responding to method statements which covered areas including; support services, spares, operational processes, sustainability and community benefits. In addition to these questions, bidders were asked their capability of providing a range of additional services that would add value to councils such as the provision of lease quotation facilities, vehicles buy back options, disposal of aged fleet options and second hand vehicle purchase options.

Bidders were also asked to confirm which council areas they had the ability to service.

Within the commercial section, bidders were invited to offer on a lot by lot basis and provide prices and discount structures for a range of the most commonly used chassis, body types and specialist equipment.

Fixed pricing for 12 months was requested for all lots, with further options for bidders to confirm if they are willing to offer longer periods of fixed pricing or early settlement discounts.

4. Report on Offers Received

The tender document was downloaded by 66 organisations, with 32 tender responses received. A summary of all offers received is 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 carried out. Appendix 3 sets out the scoring achieved by each bidder.

5. Recommendations

Based on the evaluation undertaken, and in line with the criteria and weightings set out above, it is recommended that a multi supplier framework arrangement is awarded to 29 suppliers across the thirteen lots as outlined in Appendix 3. The 29 recommended service providers can meet operational requirements across all geographical areas, a range of choice and capacity for council members, whilst also representing a mix of small, medium and large organisations, with 24 of the recommended suppliers classified as SMEs.

6. Benefits

Savings

Scotland Excel conducted a benchmarking exercise for each council and the results of this benchmarking are detailed in Appendix 1.

The benchmarking exercise was based on the main chassis manufacturer prices. This was exercised by comparing vehicle chassis prices available on the current framework compared to the framework renewal prices in relation to Council's specific requirements, taking into account which suppliers have agreed to service each council.

From this analysis, it is apparent that a significant proportion of chassis manufacturers' product offerings have been upgraded to new model designations in order to be compliant with the supplied technical specifications of the tender, thus making direct comparisons with the current framework product offerings problematic.

These new models, although in some cases marginally more expensive, have increased engine sizes with modernised engine technology, increased horsepower and are also more fuel efficient. There are also significantly enhanced safety features incorporated as standard including advanced emergency braking systems and lane departure warning systems.

In terms of demonstrating best value, market indexation tracking against the current framework indicates that framework savings of circa 5% are being achieved. Based on this analysis, this level of market competitiveness is anticipated to continue.

Therefore, due to these new and technically upgraded model types being introduced within the tender submission, the council cost impact will be recorded as being cost neutral and is shown in Appendix 1 as 0%. It is anticipated that increased savings could be realised through councils conducting mini competitions.

Although the council cost impact is being recorded as cost neutral, additional benefits have been offered by suppliers through the framework and are detailed below within Sustainable Procurement Benefits and Community Benefits. Whilst no monetary value can be immediately associated with these additional benefits, they provide added social, economic and environmental value for councils.

Price Stability

All service providers have agreed to the 12 month fixed price period at the start of the framework. Provision thereafter is for price reviews once per 12 month period, per vehicle chassis or body type to accommodate market fluctuations. All requests for price increases will be evaluated against prevailing market conditions and supporting documentary evidence.

In addition to the mandatory 12 month fixed pricing periods for all lots, 6 of the recommended suppliers have offered further additional fixed pricing periods of between 12 months and 24 months.

Sustainable Procurement Benefits

Within the technical section of the tender, the sustainability method statement assessed bidders in relation to their corporate approach to sustainability and how their organisation promotes recycle, reuse and reduce initiatives to minimise the impact of the supply chain on the environment. A range of sustainable measures were outlined by service providers including;

- Fleet/Vehicle Environmental Standards
- Reducing Carbon Footprint
- Waste Reduction
- Vehicle and Waste Prevention

Furthermore, under the Euro VI vehicles Commission Regulation (EU) 582/2011, all heavy vehicles registered, delivered or sold after 31 December 2013 must adhere to the Euro VI standard. In order to be considered as an approved chassis provider or a builder of complete vehicles that have undergone body fitting and modification prior to initial delivery and registration, all framework suppliers must comply with Euro VI standards.

Community Benefits

Bidders were also asked to detail and demonstrate their commitment to providing community benefits, and this will be further discussed during framework mobilisation and reported through ongoing contract management returns.

Results reported on community benefits will be disseminated to councils on a six-monthly basis. A range of community benefits dependent on spend levels were offered by bidders including:

- Sponsorship of local sports team
- Sponsorship of community event
- Recruitment of modern apprentices
- Work experience to school children and further education students
- Assist in community projects
- Offer training sessions to council apprentices
- Workshop/school/college event
- Employability workshop or event
- Donation of product vouchers
- Recruitment of persons

Fair Work Practices including the Living Wage

Bidders were asked a question on their approach to Fair Work Practices and the Scottish Living Wage status. Of the 29 recommended service providers, 22 currently pay the Scottish Living Wage with a further 4 making commitments to pay the Scottish Living Wage within the initial two years of the Framework Contract.

Scotland Excel includes monitoring Fair Work Practices including the Scottish Living Wage within its contract and supplier management programme and will work with the remaining 3 suppliers during the lifetime of the new framework to encourage their commitment to pay all staff the Scottish Living Wage.

7. Contract Mobilisation and Management

All service providers and participating members will be issued with a mobilisation pack containing all required details to launch the framework. Each service provider will be invited to a mobilisation meeting, if required, to outline the operation of the framework, roles and responsibilities, management information requirements and community benefits commitments.

In accordance with Scotland Excel's established contract and supplier management programme, this framework has been classified as a level 2 arrangement in terms of both risk and spend requiring annual supplier and user group reviews as appropriate.

8. Summary

This framework for the supply and delivery of Heavy and Municipal Vehicles aims to maximise collaboration, support councils to deliver the various services they provide, promote added value and deliver best value. A range of benefits can be reported in relation to best value, price stability, sustainability and community benefits.

The Executive Sub Committee is requested to approve the recommendation to award this framework agreement to the suppliers as detailed in Appendix 3.

Appendix 1 – Participation, Spend and Savings Summary – Supply and Delivery of Heavy and Municipal Vehicles 03-17

Member Name	Participate In Framework	Participation Entry Date	Est. Annual Spend	Source of Spend	% Estimated Forecast Savings	Estimated Annual Savings (£)	Basis of Savings Calculation
Aberdeen City	Yes	From start	£3,900,000	Council confirmed	0%	£0	No overall calculation
Aberdeenshire	Yes	From start	£4,400,000	Council confirmed	0%	£0	No overall calculation
Angus	Via Tayside Contracts						No overall calculation
Argyll & Bute	Yes	From start	£413,000	Council confirmed	0%	£0	No overall calculation
Clackmannanshire	Yes	From start	£148,000	Council confirmed	0%	£0	No overall calculation
Comhairle nan Eilean Siar	Yes	From start	£208,820	Council confirmed	0%	£0	No overall calculation
Dumfries & Galloway	Yes	From start	£160,204	Contract MI	0%	£0	No overall calculation
Dundee City	Yes	From start	£817,000	Council confirmed	0%	£0	No overall calculation
East Ayrshire	Yes	From start	£967,802	Council confirmed	0%	£0	No overall calculation
East Dunbartonshire	Yes	From start	£1,100,000	Council confirmed	0%	£0	No overall calculation
East Lothian	Yes	From start	£1,200,000	Council confirmed	0%	£0	No overall calculation
East Renfrewshire	Yes	From start	£915,000	Council confirmed	0%	£0	No overall calculation
Edinburgh City	Yes	From start	£1,400,000	Council confirmed	0%	£0	No overall calculation
Falkirk	Yes	From start	£500,000	Council confirmed	0%	£0	No overall calculation
Fife	Yes	From start	£1,100,000	Council confirmed	0%	£0	No overall calculation
Glasgow	Yes	From start	£2,500,000	Council confirmed	0%	£0	No overall calculation
Highland	Yes	From start	£1,300,000	Council confirmed	0%	£0	No overall calculation
Inverclyde	Yes	From start	£440,000	Council confirmed	0%	£0	No overall calculation
Midlothian	Yes	From start	£584,920	Council confirmed	0%	£0	No overall calculation
Moray	Yes	From start	£746,000	Council confirmed	0%	£0	No overall calculation
North Ayrshire	Yes	From start	£1,000,000	Council confirmed	0%	£0	No overall calculation
North Lanarkshire	Yes	From start	£717,000	Council confirmed	0%	£0	No overall calculation
Orkney Islands	Yes	From start	£750,000	Council confirmed	0%	£0	No overall calculation
Perth & Kinross	Yes	From start	£837,000	Council confirmed	0%	£0	No overall calculation
Renfrewshire	Yes	From start	£1,300,000	Council confirmed	0%	£0	No overall calculation
Scottish Borders	Yes	From start	£773,000	Council confirmed	0%	£0	No overall calculation
Shetland Islands	Yes	From start	£500,000	Council confirmed	0%	£0	No overall calculation
South Ayrshire	Yes	From start	£867,000	Council confirmed	0%	£0	No overall calculation
South Lanarkshire	Yes	From start	£2,200,000	Council confirmed	0%	£0	No overall calculation
Stirling	Yes	From start	£95,000	Council confirmed	0%	£0	No overall calculation
Tayside Contracts	Yes	From start	£2,000,000	Contract MI	0%	£0	No overall calculation
West Dunbartonshire	Yes	From start	£351,751	Council confirmed	0%	£0	No overall calculation
West Lothian	Yes	From start	£2,500,000	Council confirmed	0%	£0	No overall calculation
			£36,691,497				

Appendix 2 - Organisational Status

Tenderer	Organisational Status	Location	Lots Tendered
A M Phillip Trucktech Ltd	Medium	Forfar	1
Aebi Schmidt UK Ltd	Medium	Peterborough	5,6,7
Bunce (Ashbury) Ltd	Small	Swindon	6,7
C P Davidson & Sons Ltd	Medium	Chorley	7,8,11
Caledonian Truck & Van Limited	Medium	Airdrie	1
Specialist Cars (Aberdeen) Limited T/A Clark Commercials (Edinburgh)	Medium	Aberdeen	1
DAF Trucks NV	Large	Eindhoven	1
Dennis Eagle Limited	Large	Warwickshire	1,8,11
Econ Engineering Ltd	Medium	North Yorkshire	7
FAUN Zoeller UK Limited	Medium	Worcestershire	5,8,11
Geesink Norba Limited	Medium	Cardiff	8,11
Hako Machines Ltd	Small	Northamptonshire	6
Farid Hillend Engineering Limited	Medium	Fife	8,11
HYVA (UK) Ltd	Medium	Manchester	2,3,13
Imperial Commercials Ltd	Large	Buckinghamshire	1
Isuzu Truck (UK) Ltd	Medium	Herts	1
James A. Cuthbertson Limited	Small	Biggar	2,7
Johnston Sweepers Limited	Large	Surrey	5,6,7
Kerr And Smith (Glasgow) Limited	Medium	Ayrshire	1
Logan Inglis Ltd	Small	Glasgow	2,3,13
M6 Vehicle Hire Limited	Small	West Midlands	8
MAN Truck & Bus UK Ltd	Large	Wiltshire	1
NTM-GB Ltd	Medium	Shropshire	4,8
Nu-Track Ltd	Small	Antrim	9,10
Outreach Ltd	Medium	Falkirk	2,3,13
Romaquip Ltd	Medium	Offaly	7,8
Scarab Sweepers Limited	Medium	Kent	5,6
Stock Sweepers Limited	Small	Gloucestershire	5
Treka bus Ltd	Medium	Yorkshire	9
Volvo Group UK Ltd T/A Volvo Truck And Bus Centre North & Scotland	Medium	Warwick	1
Western Automobile Company Limited T/A Western Commercials	Medium	West Lothian	1
Whale Tankers Limited	Medium	West Midlands	4

Appendix 3 - Scoring and Recommendations (Asterisk (*) denotes recommended supplier, N/C denotes non-compliant supplier)

Lot 1 - Chassis		Total Score
Tenderer		
A M Phillip Trucktech Ltd*		83.94
Isuzu Truck (UK) Ltd*		80.30
Western Automobile Company Limited T/A Western Commercials*		78.51
Specialist Cars (Aberdeen) Limited T/A Clark Commercials (Edinburgh)*		78.32
Caledonian Truck & Van Limited*		78.06
Dennis Eagle Limited*		77.65
MAN Truck & Bus UK Ltd*		75.73
Volvo Group UK Ltd T/A Volvo Truck And Bus Centre North & Scotland*		75.38
Imperial Commercials Ltd*		75.28
Kerr And Smith (Glasgow) Limited*		75.06
DAF Trucks NV*		66.79

Lot 4 - Bodies for Gully Emptiers		Total Score
Tenderer		
Whale Tankers Limited*		86.50
NTM-GB Ltd*		64.33

Lot 5 - Bodies for Road Sweepers		Total Score
Tenderer		
FAUN Zoeller UK Limited*		88.62
Johnston Sweepers Limited*		88.11
Scarab Sweepers Limited*		83.98
Stock Sweepers Limited*		63.56
Aebi Schmidt UK Ltd*		61.01

Lot 2 - Bodies for Tipplers		Total Score
Tenderer		
Logan Inglis Ltd*		81.71
HYVA (UK) Ltd*		74.80
Outreach Ltd*		66.32
James A. Cuthbertson Limited*		62.21

Lot 6 - Complete Road Sweeper Vehicles		Total Score
Tenderer		
Bunce (Ashbury) Ltd*		94.50
Hako Machines Ltd*		89.83
Johnston Sweepers Limited*		87.71
Aebi Schmidt UK Ltd*		79.08
Scarab Sweepers Limited*		71.48

Lot 3 - Bodies for Skip Loaders		Total Score
Tenderer		
Outreach Ltd*		82.97
Logan Inglis Ltd*		75.94
HYVA (UK) Ltd*		75.30

Lot 7 - Bodies for Gritters		
Tenderer	Total Score	
James A. Cuthbertson Limited*	82.32	
Econ Engineering Ltd*	80.65	
Johnston Sweepers Limited*	80.18	
Aebi Schmidt UK Ltd*	72.62	
C P Davidson & Sons Ltd	60.87	
Bunce (Ashbury) Ltd	44.66	
Romaquip Ltd	40.84	

Lot 8 - Bodies for Refuse Collection Vehicles		
Tenderer	Total Score	
Geesink Norba Limited*	88.58	
C P Davidson & Sons Ltd*	83.47	
FAUN Zoeller UK Limited*	81.08	
Dennis Eagle Limited*	80.15	
Farid Hillend Engineering Limited*	79.24	
M6 Vehicle Hire Limited	73.43	
NTM-GB Ltd	62.96	
Romaquip Ltd	N/C	

Lot 9 - Accessible Buses		
Tenderer	Total Score	
Nu-Track Ltd*	91.00	
Treka bus Ltd	N/C	

Lot 10 - Library Buses		
Tenderer	Total Score	
Nu-Track Ltd*	91.00	

Lot 11 - Bin Lifts		
Tenderer	Total Score	
FAUN Zoeller UK Limited*	87.68	
Farid Hillend Engineering Limited*	83.63	
Geesink Norba Limited*	82.58	
C P Davidson & Sons Ltd*	82.51	
Dennis Eagle Limited*	76.17	

Lot 12 - Trailers		
Tenderer	Total Score	
NO OFFERS		

Lot 13 - Aerial platforms and lorry mounted cranes		
Tenderer	Total Score	
HYVA (UK) Ltd*	78.50	
Logan Inglis Ltd*	70.50	
Outreach Ltd*	59.00	

Scotland Excel

To: Executive Sub Committee

On: 17 November 2017

**Report
by
Director Scotland Excel**

Tender: Pest Control Services and Associated Products

Schedule: 12/17

Period: 8 December 2017 until 30 November 2019 with an option to extend annually until 30 November 2021

1. Introduction and Background

This framework has been developed by the Operational Supplies and Services Team with a “fast-tracked” approach with key stakeholders, which has resulted in shorter procurement cycles and a more flexible approach to stakeholder engagement. This delivers the aims of the team by reducing resource pressure on councils, consolidating demand and provides new collaborative procurement opportunities.

This recommendation is for the award of a new framework for the Pest Control Services and Associated Products, which will operate from 8 December 2017 to 30 November 2019, with the option to extend for up to two 1 year periods until 30 November 2021.

The framework will cover the removal of rats and mice, crawling insects, flying insects and the supply of pest control chemicals and accessories and will also include the use of hawks and falcons as a bird deterrent.

The framework was advertised at a total value of £8 million for the four year period. Due to Lot 2 being excluded from the evaluation process this total has now been revised to £6 million.

The report summarises the outcome of the procurement process for this national framework arrangement.

2. Scope, Participation and Spend

As part of the strategy development, the commercial user intelligence group steering group (CUIG-SG) endorsed the inclusion of four lots as summarised in Table 1. Estimated percentage of spend per lot is based on historical spend

data but actual purchasing patterns may differ depending on council requirements.

Lot Number	Lot Name	Estimated %age of Spend
Lot 1	Pest Control Services	25%
Lot 2	Bird Control Services	25%
Lot 3	Raptor Services	25%
Lot 4	Pest Control and Associated Products	25%

Table 1: Lotting Structure

The lotting structure recognises the importance of councils being able to purchase pest control services whilst allowing access for a range of suppliers to bid.

The Scotland Excel Operational Supplies and Services Team engaged with the councils to request requirements and anticipated timescales for tenders. Of all responses received, 84% of respondents confirmed they wanted the Operational Supplies and Services Team to tender this opportunity in the first two years of the team being in place.

3. Procurement Process

A Prior Information Notice (PIN) was published on 11 May 2017 which resulted in expressions of interest from 13 companies. A number of supplier engagement meetings were held with suppliers to understand the current marketplace, inform the supply base of Scotland Excel's intentions and to generate interest from SME's.

As the CUIG-SG endorsed a 'fast-tracked' approach to this opportunity, a more flexible approach to stakeholder engagement was taken.

As a matter of best practice and to ensure that the framework aligned with the councils' requirements, a programme of consultation was conducted to understand their current purchasing practices and future requirements that could be covered by this framework.

This information was used to generate the specifications and selection/award criteria.

To ensure maximum competition, an open tender process was followed to establish the framework. The tender was advertised on the Official Journal of the European Union and the Public Contracts Scotland portal on 26 August 2017. The tender process was conducted using the Public Contracts Scotland Tender system (PCS-T).

The procurement process followed a two stage tendering procedure. Stage one, Qualification was conducted using the European Single Procurement

Document (ESPD). Within the ESPD tenderers are required to answer questions relating to conduct and business probity along with questions on insurance, financial standing, quality management, health and safety and environmental management.

At the second stage of the process, the offers were evaluated against the following criteria and weightings for all lots:

Commercial	80%
Technical	20%

Within the technical section for both lots, bidders were required to complete scored questions and method statement to evidence their knowledge and general suitability as service providers. This included, servicing the framework requirements, supply chain sustainability issues, community benefits and fair work practices.

Within the commercial section, bidders were invited to offer on a lot-by-lot basis.

4. Report on Offers Received

The tender document was downloaded by 19 companies, with 8 tender responses received. One late bid was also submitted which was also rejected.

A summary of all offers received and their SME status is provided in Appendix 1.

Following a full evaluation, scoring was completed, and Appendix 2 confirms the scoring achieved by each bidder.

The quality and range of responses for lot 2 made full evaluation impossible due to a number of abnormally low and high bids. As a result, this lot was excluded from the evaluation process and will not proceed to award.

5. Recommendations

Scotland Excel recognised through feedback from the commercial UIG (CUIG-SG) steering group that the local authorities required a robust collaborative framework to support their requirements for Pest Control Services.

Based on the evaluation undertaken in line with the criteria and weightings set out above, it is recommended that placings on a multi supplier framework are awarded to 8 suppliers across the 4 lots as outlined in Appendix 2.

The 8 recommended suppliers are a range of small and large businesses which provide the choice, scope and broad range of services and products required by councils as well as representing best value and providing geographical coverage.

6. Benefits

Savings

The projected savings per council were based on an average basket of goods tendered against the most competitive basket of goods tendered.

The projected average saving across all councils is 5% which equates to an estimated total saving of approximately £75k per annum, based on current spend forecasts.

Savings that can be achieved will depend on a council's purchasing practices and the mix of products and services that each council requires.

Finally, this new framework supports councils by reducing workload and resource pressure, allowing council procurement teams to focus on other priorities whilst still providing best value for these requirements.

Price Stability

Within all lots proceeding to award, the 8 recommended bidders have agreed with the special conditions of framework which states that suppliers will hold their prices firm for the first 12 months of the contract.

After the initial 12 month period, suppliers may submit a price increase on an annual basis. Any price increase will not exceed the rate of the Consumer Price Index (CPI) increase in the preceding 12 months.

Sustainable Procurement Benefits

Community Benefits

The majority of contractors have made major commitments in terms of the type and volume of community benefits that will be delivered locally should they be successful in securing work under the framework.

A sample of the wide range of benefits offered directly relating to work awarded under the framework includes:

- employability events and training sessions to council apprentices
- employability workshop or events in schools, college or community groups
- sponsorship of local sports teams and community events
- donations of products and vouchers
- recruitment of apprentices
- recruitment of full time employees

Fair Work Practices

Bidders were also asked to confirm their approach to fair work practices and the Scottish Living Wage. Of the 8 recommended suppliers, 4 suppliers are accredited living wage employer, 3 suppliers pay the Scottish Living Wage or above to all employees (except volunteers, apprentices and interns). 1 supplier has committed to gaining the accreditation over the initial 2 year contract period.

Other Benefits

The framework will provide councils with a clear pricing and delivery/ mileage charge structure, simplifying the purchase process and ensuring Best Value is achieved.

In addition, the recommended suppliers include 2 small Scottish suppliers and 1 sole trader, supporting the Scottish economy.

An ability for the suppliers who are being awarded a place on the framework to subcontract to smaller local businesses has also been built in to the Terms and Conditions for this framework.

7. Contract Mobilisation and Management

Each supplier will be invited to a mobilisation meeting to outline the operation of the framework, roles and responsibilities, management information requirements and community benefits commitments. Both suppliers and participating members will be issued with a mobilisation pack containing all required details to launch the framework.

In accordance with Scotland Excel's established contract and supplier management programme, this framework has been classified as a level 3 arrangement in terms of both risk and spend requiring annual supplier and user group reviews as appropriate.

8. Summary

This framework for pest control services & associated products aims to maximise collaboration, promote added value and deliver best value. A range of benefits can be reported in relation to savings, price stability, sustainability and community benefits.

The Executive Sub Committee is requested to award placings on the framework to the recommended Tenderers listed and marked in Appendix 2 to this report.

Appendix 1 -Offers Received and SME Status

Tenderers	SME Status	Location	Lots Tendered
Anderson Pest Prevention	Sole Trader	Moray	1
Ecolab Limited	Large	Caerphilly	1, 2, 3
Graham Environmental Services Limited (t/a Graham Pest Control)	Small	Perth & Kinross	1, 2
Killgerm Chemicals Limited	Large	West Yorkshire	4
Mitie Pest Control Limited	Large	Gloucestershire	1, 2, 3
North East Falconry Limited	Small	Tyne and Wear	1, 2, 3
Orbis Protect Limited	Large	Middlesex	1, 2
Pestguard Services (Scotland) Limited	Small	Renfrewshire	1, 2

Late Offer

Tenderers	Location
Rentokil Initial UK Ltd	Surrey

Appendix 2 - Scoring and Recommendations

(Asterisk (*)) denotes recommended supplier)

Lot 1 - Pest Control Services	
Tenderer	Score
Ecolab Limited*	95.50
Graham Environmental Services Limited (t/a Graham Pest Control)*	75.00
Mitie Pest Control Limited*	75.00
Pestguard Services (Scotland) Limited*	61.25
Orbis Protect Limited*	58.50
Anderson Pest Prevention*	52.50
North East Falconry Limited	46.75

Lot 2 - Bird Control Services	
Tenderer	
Ecolab Limited	Not proceeding to award
Graham Environmental Services Limited (t/a Graham Pest Control)	
Mitie Pest Control Limited	
North East Falconry Limited	
Orbis Protect Limited	
Pestguard Services (Scotland) Limited	

Lot 3 - Raptor Services	
Tenderer	
North East Falconry Limited*	86.75
Mitie Pest Control Limited*	44.14
Ecolab Limited	27.20

Lot 4 - Pest Control and Associated Products	
Tenderer	
Killgerm Chemicals Limited*	84.25

Scotland Excel

To: Executive Sub Committee

On: 17 November 2017

**Report
by
Director Scotland Excel**

Tender: Provision of Steeplejacks and Associated Services

Schedule: 10/17

Period: 8 December 2017 until 30 November 2019 with an option to extend annually until 30 November 2021

1. Introduction and Background

This framework has been developed by the Operational Supplies and Services Team with a “fast-tracked” approach with key stakeholders, which has resulted in shorter procurement cycles and a more flexible approach to stakeholder engagement. This delivers the aims of the team by reducing resource pressure on councils, consolidating demand and provides new collaborative procurement opportunities.

This recommendation is for the award of a new framework for steeplejacks and associated services, which will operate from 8 December 2017 to 30 November 2019, with the option to extend for up to two 1 year periods until 30 November 2021.

This framework will provide councils with a mechanism to purchase a range of steeplejack services including statutory inspection work and high level building inspections (including reports) plus reactive repairs and maintenance. The framework was advertised at a value of £7 million for the four year period.

The report summarises the outcome of the procurement process for this national framework arrangement.

2. Scope, Participation and Spend

As part of the strategy development, the commercial user intelligence group steering group (CUIG-SG) endorsed the inclusion of a single lot as summarised in Table 1.

Description of sections	Estimated %age of Spend
Scenario analysis including High Level Survey, Gutter Clean, Replacement of Loose Slates and Minor Repairs	30%
Statutory Inspection of Lightning Protection Systems (to BS EN 62305) and Fall Arrest Systems (to BS EN 795)	30%
Request for hourly labour rates for Rope Access and Steeplejack operatives of various competencies including out of hours work	30%
<ul style="list-style-type: none"> • Provision of Scaffolding and Fall Protection Working Deck Platforms (to BS EN 12811) for rental • Provision of Mobile Elevated Working Platforms and Scissor Lifts (to BE EN 1570) for rental 	10%

Table 1: Lot Structure

The structure of this lot recognises the importance of councils being able to access steeplejacks services for preventative and reactive maintenance, statutory testing of fall prevention and lightning protection systems; and high level building inspections.

The Scotland Excel Operational Supplies and Services Team engaged with the councils to request requirements and anticipated timescales for tenders. Of all responses received, 70% of respondents confirmed they wanted the Operational Supplies and Services Team to tender this opportunity in the first two years of the team being in place.

3. Procurement Process

A Prior Information Notice (PIN) was published on 11 May 2017 which resulted in expressions of interest from 9 companies. A number of supplier engagement meetings were held to understand the current marketplace, inform the supply base of Scotland Excel's intentions and to generate interest from SME's.

As the CUIG-SG endorsed a 'faster-tracked' approach to this opportunity, a more flexible approach to stakeholder engagement was taken.

As a matter of best practice and to ensure that the framework aligned with councils requirements, a programme of consultation was conducted to understand their service requirements, the technical aspects of these services and their current purchasing practices.

This information was used to generate the specifications and selection/award criteria.

To ensure maximum competition, an open tender process was followed to establish the framework. The tender was advertised on the Official Journal of the European Union and the Public Contracts Scotland portal on 18 August

2017. The tender process was conducted using the Public Contracts Scotland Tender system (PCS-T).

The procurement process followed a two stage tendering procedure. Stage one, Qualification was conducted using the European Single Procurement Document (ESPD). Within the ESPD tenderers are required to answer a number of questions relating to conduct and business probity along with questions on insurance, financial standing, quality management, health and safety and environmental management.

At the second stage of the process, the offers were evaluated against the following criteria and weightings for all lots:

Commercial	60%
Technical	40%

Within the technical sections, bidders were required to complete scored questions and method statements to evidence their knowledge, experience and general suitability as service providers. This included, servicing the framework requirements, supply chain sustainability issues, community benefits and fair work practices.

Bidders were invited to submit a commercial offer for the single lot. Within this lot, bidders had to provide prices for various steeplejack services.

4. Report on Offers Received

The tender document was downloaded by 18 companies, with 3 tender responses received. After review, approximately half of the companies that downloaded the tender do not offer the full range of services required by the councils.

A summary of all offers received and their SME status is provided in Appendix 1.

Following a full evaluation, scoring was completed, and Appendix 2 confirms the scoring achieved by each bidder.

5. Recommendations

Based on the evaluation undertaken in line with the criteria and weightings set out above, it is recommended that a multi supplier framework agreement is awarded to 3 suppliers as outlined in Appendix 2.

The 3 recommended suppliers are all small businesses which provide the range of services required by councils as well as representing best value and meeting all technical specifications.

6. Benefits

Savings

The savings were based on the total hourly rate being paid by councils against the most competitive total hourly rate tendered for the commercial offer.

The projected average saving across all councils is 7% which equates to an estimated total saving of approximately £160k per annum, based on current spend forecasts.

Savings that can be achieved will depend on a council's purchasing habits and the mix of services that each council requires.

Price Stability

Bidders have accepted as part of the framework contract the requirement that suppliers will hold prices firm for the first 12 months of the contract.

After the initial 12 month period, suppliers may submit a price increase on an annual basis. Any price increase will not exceed the rate of CPI (Consumer Price Index) increase in the preceding 12 months.

Sustainable Procurement Benefits

Community Benefits

Bidders were asked to detail community benefit initiatives that they would commit to deliver during the life of the framework.

Community benefits received as part of the tender submissions included sponsorship of local sports teams and community events, donations of materials and labour to support local community projects and donation of product vouchers to support apprentices.

Fair Work Practices

For information, bidders were also asked to confirm their approach to fair work practices and the Scottish Living Wage. Of the 3 recommended suppliers, all pay the Scottish Living Wage or above to all employees (except volunteers, apprentices and interns).

Other Benefits

The framework will provide councils with a clear pricing and delivery charge structure, simplifying the purchase process and ensuring best value is achieved. In addition, 3 of the recommended suppliers are classified as small in terms of SME status and 2 are based in Scotland, supporting the Scottish economy.

The framework also provides councils with the opportunity to consolidate future requirements of this type rather than awarding contracts on a job by job basis as is current practice, further streamlining the procurement process.

Finally, this new framework supports councils by reducing workload and resource pressure, allowing council procurement teams to focus on other priorities whilst still providing best value for these requirements.

7. Contract Mobilisation and Management

Each supplier will be invited to a mobilisation meeting to outline the operation of the framework, roles and responsibilities, management information requirements and community benefits commitments. Both suppliers and participating members will be issued with a mobilisation pack containing all required details to launch the framework.

In accordance with Scotland Excel's established contract and supplier management programme, this framework has been classified as a level 3 arrangement in terms of both risk and spend requiring annual supplier and user group reviews as appropriate.

8. Summary

This framework for the provision of steeplejacks and associated services aims to maximise collaboration, consolidate demand and deliver best value. A range of benefits can be reported in relation to savings, price stability, sustainability and community benefits.

The Executive Sub Committee is requested to approve the recommendation to award this framework agreement.

Appendix 1 - SME Status

Tenderers	SME Status	Location
Horizon Specialist Contracting Limited	Small	Nottingham
Northern Steeplejacks (Edinburgh) Limited	Small	Edinburgh
Pendrich Height Services Ltd	Small	Dunfermline

Appendix 2 - Scoring and Recommendations

(Asterisk (*) denotes recommended supplier)

Commercial Offer – Steeplejacks and Associated Services	
Tenderer	Score
Northern Steeplejacks (Edinburgh) Limited*	78.00
Pendrich Height Services Ltd*	75.02
Horizon Specialist Contracting Limited*	52.20

Scotland Excel

To: Executive Sub Committee

On: 17 November 2017

**Report
by
Director Scotland Excel**

**Request for Associate Membership of Scotland Excel by West of Scotland
Housing Association Ltd**

1 Introduction

In addition to the 32 local authorities who are full members of Scotland Excel, applications can be made for Associate Membership by organisations such as council arms length organisations, community groups, charities, housing associations and voluntary organisations which are a public body or a body that engages in activities of a public nature.

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

2 Application

Following work carried out with them as part of a review of procurement capability within the organisation, West of Scotland Housing Association Ltd has applied to Scotland Excel for associate membership.

West of Scotland Housing Association Ltd are a not for profit organisation and Scottish Charity and they are also a Registered Social Landlord.

West of Scotland Housing Association Ltd has 3,413 self-contained units.

To ensure the efficient and cost effective delivery of these services they have approached Scotland Excel and requested approval to become an associate member with access to our contracts.

3 Legislative Position

Before any application is submitted to committee for consideration checks are made into the organisation including scrutiny of the Memorandum & Articles of Association, finances and the type of contracts that the organisation wishes to access. Membership commences once committee has approved the

application and a Membership Agreement between Scotland Excel and the organisation is signed.

Scotland Excel monitors all requests from arms length and other organisations to become associate members to ensure that any legal requirements are met. In this case West of Scotland Housing Association Ltd qualify for membership as they in accordance with the Local Authorities (Goods and Services) Act 1970, section 1(1B), namely that the organisation is not a public body, but it has functions of a public nature or engages in activities of that nature and the purpose of accessing Scotland Excel's services is to facilitate the discharge of those functions and activities.

4 Recommendation

It is recommended to committee that the West of Scotland Housing Association Ltd application to join Scotland Excel as an associate member be approved, at a £5,120 annual fee, subject to completion and signing of the agreement document.

Scotland Excel

To: Executive Sub Committee

On: 17 November 2017

**Report
by
Director Scotland Excel**

Request for Associate Membership of Scotland Excel by Kingdom Housing Association

1 Introduction

In addition to the 32 local authorities who are full members of Scotland Excel, applications can be made for Associate Membership by organisations such as council arms length organisations, community groups, charities, housing associations and voluntary organisations which are a public body or a body that engages in activities of a public nature.

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

2 Application

Following work carried out with them as part of a review of procurement capability within the organisation, Kingdom Housing Association has applied to Scotland Excel for associate membership.

Kingdom Housing Association (KHA) is a Registered Social Landlord with charitable status. KHA are based in Fife and work across East Central Scotland, providing housing for social rent, Mid-Market Rent, affordable housing for sale and factoring services. Kingdom employs around 380 staff and has a turnover of circa £20m per annum.

In addition, KHA are involved in a number of initiatives which go beyond the mainstream housing provision, in support of our mission 'More than a Home'.

These include:

- Managing the Fife Care and Repair and Small Repairs Service.

- Private Sector Adaptations Service in Fife.
- Fife Works, which provides employment and training initiatives.

To ensure the efficient and cost effective delivery of these services they have approached Scotland Excel and requested approval to become an associate member with access to our contracts.

3 Legislative Position

Before any application is submitted to committee for consideration checks are made into the organisation including scrutiny of the Memorandum & Articles of Association, finances and the type of contracts that the organisation wishes to access. Membership commences once committee has approved the application and a Membership Agreement between Scotland Excel and the organisation is signed.

Scotland Excel monitors all requests from arms length and other organisations to become associate members to ensure that any legal requirements are met. In this case Kingdom Housing Association qualify for membership as they in accordance with the Local Authorities (Goods and Services) Act 1970, section 1(1B), namely that the organisation is not a public body, but it has functions of a public nature or engages in activities of that nature and the purpose of accessing Scotland Excel's services is to facilitate the discharge of those functions and activities.

4 Recommendation

It is recommended to committee that the Kingdom Housing Association application to join Scotland Excel as an associate member be approved, at a £5652 annual fee, subject to completion and signing of the agreement document.

Scotland Excel

To: Executive Sub Committee

On: 17 November 2017

**Report
by
Director Scotland Excel**

**Request for Associate Membership of Scotland Excel by Oak Tree Housing
Association Ltd**

1 Introduction

In addition to the 32 local authorities who are full members of Scotland Excel, applications can be made for Associate Membership by organisations such as council arms length organisations, community groups, charities, housing associations and voluntary organisations which are a public body or a body that engages in activities of a public nature.

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

2 Application

Following work carried out with them as part of a review of procurement capability within the organisation, Oak Tree Housing Association Ltd has applied to Scotland Excel for associate membership.

Oak Tree Housing Association Ltd are a not for profit organisation and Scottish Charity and they are also a Registered Social Landlord.

Oak Tree Housing Association Ltd has 1750 self-contained units.

To ensure the efficient and cost effective delivery of these services they have approached Scotland Excel and requested approval to become an associate member with access to our contracts.

3 Legislative Position

Before any application is submitted to committee for consideration checks are made into the organisation including scrutiny of the Memorandum & Articles of Association, finances and the type of contracts that the organisation wishes to access. Membership commences once committee has approved the

application and a Membership Agreement between Scotland Excel and the organisation is signed.

Scotland Excel monitors all requests from arms length and other organisations to become associate members to ensure that any legal requirements are met. In this case Oak Tree Housing Association Ltd qualify for membership as they in accordance with the Local Authorities (Goods and Services) Act 1970, section 1(1B), namely that the organisation is not a public body, but it has functions of a public nature or engages in activities of that nature and the purpose of accessing Scotland Excel's services is to facilitate the discharge of those functions and activities.

4 Recommendation

It is recommended to committee that the Oak Tree Housing Association Ltd application to join Scotland Excel as an associate member be approved, at a £2,630 annual fee, subject to completion and signing of the agreement document.

Scotland Excel

To: Executive Sub Committee

On: 17 November 2017

**Report
by
Director Scotland Excel**

Risk Register Update

1. Introduction

This report provides an update on the risk register that is maintained to assess threats/risks that could impact on the delivery of Scotland Excel's organisational objectives and to identify actions that have been taken to mitigate such risks.

2. Background

In 2015 Scotland Excel carried out a full review of the organisation's risk register to reflect the new 3 year operating plan. As a result of the review, a new risk management approach and plan was created and presented to the Joint Committee in November 2015.

It was agreed that the risk management plan would be reported to the Executive Sub Committee twice a year and the Joint Committee on an annual basis to give elected members both visibility and the opportunity to discuss with officers the actions taken by the organisation to manage the identified risks.

3. Risk Management update

To ensure that the risk register is maintained and continues to be a focus for the organisation, a process for regular review was put in place; the Senior Management Team reviews 3 risks every second team meeting which ensures a full review of the whole risk register each quarter.

Members of the Senior Management Team also ensure that their staff have visibility of the register to highlight any new risks or actions to mitigate risks which emerge.

The risk management process implemented has successfully allowed the organisation to ensure the risk management is a key focus for the wider organisation and the risk management plan is a "living document".

Risk control measures implemented as a result of the review process have resulted in 13 risks with a reduced residual risk level. Further work is underway through the risk management process to understand the potential for reducing the remaining organisational risks.

The current risk register is attached as an appendix to this report for review by members.

4. Recommendation

Members are invited to provide any feedback on the risk register, the actions identified to manage risks and note the report.



Risk Management Plan

November 2017

CONTENT

1. Risk management arrangements within the organisation	2
2. Report on corporate risk management objectives	3
3. Summary report on previous year's risk position	Error! Bookmark not defined.
4. Current internal and external business context for the organisation	3
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Appendix 1: Risk Register	9

1. Risk management arrangements within Scotland Excel

- 1.1 The organisation has implemented a range of standard procedures aligned with the organisation's risk management strategy. These include adoption of a risk management process, using a standardised risk matrix for analysis and evaluation.

- 1.2 The review of the Risk Register will be carried out by the Senior Management Team on a monthly basis, with the top 5 risks reported to the appropriate governance committee of Scotland Excel on a quarterly basis
- 1.3 Out with the planned review sessions, emerging risks, or any significant change in an existing risk, will be circulated to the Senior Management Team with immediate effect.

2. Report on corporate risk management objectives

- 2.1. To ensure that risks are identified and effectively managed, a range of control measures and processes have been implemented. These include:
 - (1) The Senior Management team owns and regularly reviews the risk register, reporting on it to the governance committee of elected members.
 - (2) Regular review of the register, and the review process, ensures that the risk management approach remains fit for purpose.
 - (3) Ensuring that staff are encouraged and supported to identify and manage risk in their area.
 - (4) The organisation ensures that effective arrangements are in place to manage risks in partnerships.
 - (5) Ensuring that the management of risk contributes to achieving positive outcomes for the organisation, including encouraging innovation and identifying new opportunities.

3. Current internal and external business context for the organisation

- 3.1. The Scotland Excel Senior Management Team (SMT) participated in dedicated sessions, facilitated by Renfrewshire Council's Risk Manager, to explore the current risk landscape and agree priorities for the organisational strategic risk register.
- 3.2. As a basis for establishing the strategic risk register, the SMT considered the organisation's key business priorities and anticipated challenges in delivering them:
 - Supporting the delivery of better and more effective public services
 - Being sustainable in everything we do.
 - Placing customers at the heart of our business.
 - Becoming the partner of choice for delivering shared services.
- 3.3. Focus was then given to the organisation's current external business environment, both those of immediate importance, as well as those that may be on the horizon. In particular, the SMT considered the following:
 - POLITICAL CONTEXT
 - Health and social care integration – joint bodies as new legal entities who may source services out with Scotland Excel contracts
 - The potential impact of future local and national elections may have.
 - ECONOMIC CONTEXT
 - The increasing focus on public sector procurement as a driver of economic benefits, and the relationship between procurement and the local economic agenda
 - Financial pressures and budget cuts in member councils

- Financial (and other) factors impacting on resilience of suppliers, including the potential for supplier failure/ business continuity risk
- SOCIAL CONTEXT
 - The increasing focus on public sector procurement as a driver of social benefit
- TECHNICAL CONTEXT
 - Complexities of certain new markets and matching in-house capacity/ capability
 - Scotland's Digital Future/ delivery of Public Services strategy and the Local Government Information and Communication Technology (ICT) strategy
- LEGISLATIVE CONTEXT:
 - Changes to EU and UK procurement legislation
 - Personalisation and self-directed support legislation (individual choice) – risk in terms of the contract status and potential additional governance, and member council support, required
- ENVIRONMENTAL CONTEXT
 - The increasing focus on public sector procurement as a driver of environmental benefits

3.4. Further to consideration of the current external business environment, the SMT also considered the current internal business environment. Matters of importance identified in relation to internal priorities or challenges, or feedback/ performance, included

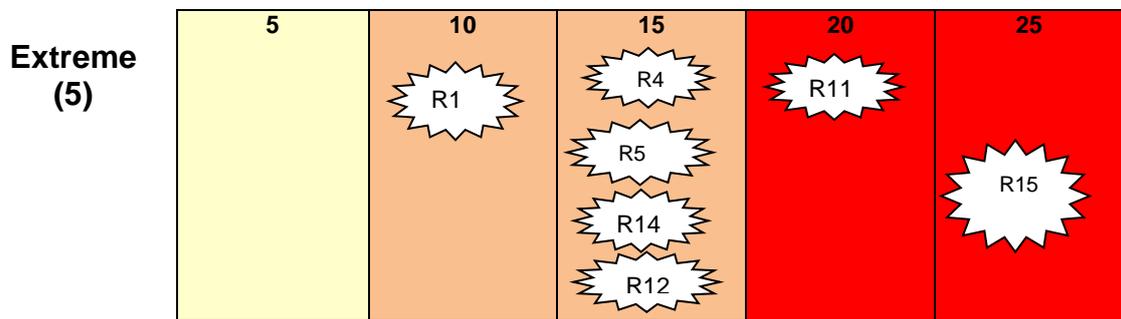
- Data integrity – systems and management information requirements to support future activities, future decisions and transformation programmes
- Financial integrity and stability – funding/ rebates
- Exploring new markets/ developing new contracts with related reputational impact associated with how these are handled by the organisation
- Feedback from the Scotland Excel customer surveys
- Outputs from the Audit Scotland review of procurement in Local Government
- Opportunities for growing the current shared services model to include the delivery of additional services
- Workforce planning needs – turnover and the availability of skilled and experienced resources
- Trends in relation to complaints, incidents/ near misses, claims and insurance information
- Internal business continuity arrangements in respect of loss of staff, power/ systems, facilities

4. The risk register

4.1. The risk register is shown in detail in Appendix 1. The risks are categorised under the themes noted below reflecting the strategic aims of the organisation and one additional category to enable capture of significant risks that are inherent in business as usual for the organisation:

- Supporting the delivery of better and more effective public services
- Being sustainable in everything we do.
- Placing customers at the heart of our business.
- Becoming the partner of choice for delivering shared services.

Original Risk Position



IMDACT

Major (4)	4	8	12	16	20
	R10	R6 R7 R8	R13 R16	R2	
	3	6	9	12	15
	2	4	6	8	10
Moderate (3)	1	2	3	4	5
			R9	R3	
Minor (2)					
Insignificant (1)					
	Remote (1)	Unlikely (2)	Possible (3)	Likely (4)	Almost Certain (5)

LIKELIHOOD

Low (1-3), Moderate (4-9), High (10-16), or Very High (17-25)

Residual Risk after Mitigation

Extreme (5)	5	10	15	20	25
		R1	R4 R5 R12 R11 R14		

IMPACT

Major (4)	4	8 R8	12 R13 R2	16	20 R15
	3	6 R6 R7 R10	9 R9 R16	12 R3	15
	2	4	6	8	10
	1	2	3	4	5
	Remote (1)	Unlikely (2)	Possible (3)	Likely (4)	Almost Certain (5)
LIKELIHOOD					
Low (1-3), Moderate (4-9), High (10-16), or Very High (17-25)					

4.2. The organisation's top five risks (in terms of potential significance) are:

- (1) Political change impacting on the governance of the organisation
- (2) Failure to exploit new markets/opportunities leads to a failure to provide savings.
- (3) Business Continuity if a failure occurs, and impact upon stakeholders.
- (4) The financial stability of the organisation going forward based on annual requisitions
- (5) Recruiting and retaining suitably qualified staff.

4.3. The planned risk control measures are included within the register in Appendix 1.

4.4. Strategic risks will be reported on a 6-monthly basis to the Executive Sub Committee.

4.5. As a minimum, the Senior Management Team will review the entire strategic risk register on a quarterly basis.

- 4.6. Individual SMT members will bring to the SMT for collective consideration any local (contract specific or operational) risks that may require elevation to the strategic risk register.

Appendix 1:

Risk Register

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation	Residual Risk	Movement
<p>REF: Risk 1</p> <p>Title</p> <p>Context:</p> <p>(1) There is less opportunity to show significant savings from second, third and later generation contracts and leave the organisation participating in the National Care Home project.</p>	<p>Membership of Scotland Excel is optional for Councils. The risk is not to renew membership of Scotland Excel. Scotland Excel must be alert to this and the impact of any council leaving membership.</p>	JW	<ul style="list-style-type: none"> The Director will continue a programme of meetings with Directors of Finance from Councils to ensure awareness of Scotland Excel, and the financial benefits to councils from working with Scotland Excel. Engagement with CIPFA to ensure that there is awareness and understanding of Scotland Excel, and the benefits of fully engaging are clearly communicated to executives in member councils. Competitor analysis is providing a clear understanding of our unique selling proposals which are promoted and shared with stakeholders Scotland Excel has developed a model to plan and support effective engagement between the Executive Team and senior stakeholders. In conjunction with SOLACE, new CEOs recruited to the Officer Group with regular meetings to raise awareness on current and future work being delivered, and identifying partnership opportunities for Scotland Excel and member councils. Use of a range of reporting tools at regular meetings with key stakeholders to demonstrate the value and benefits of Scotland Excel membership. 	3	5	15	10	↑
Action Ref	Linked Actions	Latest Notes		Assigned to	Due Date	Status		
		The control measures of the organisation have reduced the likelihood of this risk. (3 to 2)						

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation	Residual Risk	Movement
<p>REF: Risk 2 Title:</p> <p>Context: (1) Failure to horizon scan to identify new markets/commodity shifts/opportunities (2) Failure to deliver on priorities identified by member councils at commercial UIGs (3) Failure to explore viability of new markets (4) Need to match in-house capability and capacity to respond to new markets</p>	<p>Scotland Excel fails to exploit potential new markets and opportunities to expand the contract portfolio securing savings and benefits for stakeholders.</p>	<p>HC</p>	<p>Regular horizon scanning undertaken to help to identify market development opportunities earlier, and give the organisation longer to plan for capacity/capacity</p> <ul style="list-style-type: none"> ▪ Commercial UIG/Steering Group provides a platform for prioritising new market development opportunities, (e.g. discussion and agreement on balance between council requirements and our capacity/capability) ▪ Workforce planning – anticipate requirements over the long term and investigate how we can fund recruitment of new staff or up-skill existing staff ▪ Secondments from expert partners, as per Zero Waste Scotland for the development of contracts. ▪ Contract governance arrangements mitigate some risk on capability (i.e. opportunity to identify issues before a tender goes to market) ▪ Partnering with Crown Commercial Services has also added capacity and has been successful for both organisations and our member councils ▪ Greater development of category strategies, with 2-3 year plans to enable the opportunity to consolidate contracts and create additional capacity. ▪ Introduction of Small Value Team, SEEMiS project, and supporting the Digital Agenda work to meet stakeholder requirements for new areas of work. ▪ Funding from Scottish Government for the Affordable Housing Team demonstrates the successful identification and development of new services to support the delivery of a wide range of stakeholder benefits. 	4	5	20	12	↑
Action Ref	Linked Actions	Latest Notes						
		The control measures of the organisation have reduced the likelihood of this risk (4 to3) and the impact of this risk (5 to 4)	Assigned to	Due Date	Status			

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation	Residual Risk	Movement
<p>REF: Risk 3 Title:</p> <p>Context: (1) Failure to horizon scan to identify new markets, requirements or opportunities (2) The need to explore viability of new markets (3) Matching in-house capability and capacity to respond to new markets</p>	<p>Scotland Excel fails to develop to meet demands and diversification as the requirement for new shared services develops.</p>	SB	<ul style="list-style-type: none"> ▪ Identification of, and ongoing work to support, robust market testing of all new shared service propositions with all stakeholders. ▪ A robust business model is in place for all new services (cost to serve, funding / uptake forecasts) ▪ There is proper planning to ensure that sufficient and capable resources exist within the organisation, now and for future developments. ▪ Scotland Excel continues to engage effectively and appropriately to ensure that there is a full understanding of the policy drivers and impacts / opportunities for our stakeholders. ▪ Account managers work closely with stakeholders to identify how additional benefits can be delivered from current or future work of Scotland Excel. ▪ The organisation's project plan demonstrates the link between resource input and benefits delivered, including non-financial benefits from contracts ▪ New projects / teams established as a result of stakeholder requests for delivery of new services. These include SEEMIS, Care funding, Affordable Housing and partnership with Crown Commercial Services. ▪ Chief Executive Officer Management Group now considers shared service opportunities and proposals for Scotland Excel to deliver for partner organisations to ensure that these meet stakeholder demands. 	4	4	16	12	↑
Action Ref	Linked Actions	Latest Notes						
		The control measures of the organisation have reduced the impact of this risk. (4 to 3)	Assigned to	Due Date	Status			

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation	Residual Risk	Movement	
REF: Risk 4 Title: Context: (1) Failure to horizon scan to identify new opportunities or threats. (2) Failure to identify and prepare for political or legal change (3) Matching in-house capability and capacity to respond to new markets	Stakeholders expect that as a CoE, Scotland Excel must be aware of and ready for political or other external changes and the impact of these. Failure to do so will compromise the relationship with our stakeholders.	JW	<ul style="list-style-type: none"> ▪ Participation in a wide range of conferences, meetings and collaborative working opportunities have raised awareness of the organisation amongst a wide range of decision makers, leading to greater awareness and influence in policy decisions ▪ An effective public affairs strategy is in place and is ensuring effective engagement with all levels of elected representatives. ▪ Scotland Excel ensures that the organisation is aware of, and plans to respond to, all changes in its external environment that may affect the organisation and / or the sector through effective horizon scanning. ▪ Procurement teams identify market shifts and advise and act accordingly. ▪ SMT have a quarterly review of general issues impacting upon the environment the organisation operates in and deal with specific issues such as future political or legislative changes. ▪ The CEOMG provides the opportunity to develop and gain support for new areas of work ensuring that these are appropriate for our stakeholder needs. 	3	5	15	15	↔	
Action Ref	Linked Actions	Latest Notes	Assigned to						Status
		There has been no movement in this risk							

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation	Residual Risk	Movement
REF: Risk 5 Title: Context: (1) Financial (and other) factors impacting on resilience of suppliers (2) Negative reputational results across the portfolio from potential breach of contract and / or supplier failure	The failure of a service provider could have significant implications for service provision within member council areas.	HC	<ul style="list-style-type: none"> ▪ Effective risk management is in place at development and management stages of all contracts. ▪ Process for monitoring the financial stability of suppliers is carried out prior to award, and throughout the life of a contract. ▪ Strategic Procurement teams, as part of contract management, identify areas where the nature of the commodity or service requires specific management to ensure continuity of service is maintained. ▪ Specific measures to meet the management of Social Care contracts and associated areas of risk are in place. ▪ Scotland Excel has a range of measures to monitor supplier resilience in addition to the external financial monitoring tools used. ▪ To ensure robust financial evaluation and support, options to engage appropriate external services to review and monitor suppliers is regularly reviewed and evaluated. 	3	5	15	15	↔
Action Ref	Linked Actions	Latest Notes	Assigned to	Due Date	Status			
		There has been no movement in this risk.						

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation	Residual Risk	Movement
REF: Risk 6 Title: Context: (1) Lack of awareness of or input to development of frameworks by stakeholders.	Scotland Excel fails to engage effectively with stakeholders on collaborative activities and / or does not make information available to support the use of contracts or services.	HC	<ul style="list-style-type: none"> Specific information materials including guides for buyers and suppliers produced to help ensure informed purchasing decisions across the entire portfolio of goods and services. Feedback is given at quarterly stakeholder meetings on spend data, including identification where possible of "off contract spend". Use of agreed standard form of framework for goods/services/social-care, and shared to ensure consistency in the methodology and to assist our stakeholders in fully utilising these throughout. Appropriate stakeholders with technical knowledge identified and used through the procurement journey, with actions from this used to project manage the process for best results. Collaboration with stakeholders to ensure that changes such as GDPR are effectively managed and supported for suppliers and end users. Partnership working such as work with the Digital Office to ensure information, opportunities and innovation supports future development and participation across the portfolio, and that it is shared with stakeholders. 	2	4	8	6	➔
Action Ref	Linked Actions	Latest Notes		Assigned to	Due Date	Status		
		The control measures of the organisation have reduced the impact of this risk. (4 to 3)						

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation	Residual Risk	Movement
<p>REF: Risk 7 Title:</p> <p>Context: (1) Ensure that where possible community benefits can be delivered as part of the contract portfolio. (2) Ethical sourcing of products and supplies in the whole supply chain.</p>	<p>Scotland Excel fails to be an industry leader in how it addresses key aspects of corporate social responsibility with an associated negative impact upon our stakeholders.</p>	<p>HC</p>	<p>The management and reporting of Community Benefits is in place and being further developed with stakeholders input.</p> <ul style="list-style-type: none"> ▪ Elected members and stakeholders receive regular updates as part of the governance process on the range of community benefits across the portfolio. ▪ Scotland Excel has secured accreditation as a Living Wage Employer and this will be used to raise awareness with suppliers and stakeholders. ▪ Engagement with appropriate bodies, such as the British Association of Supported Employment, to encourage wider participation by organisations in frameworks. ▪ Ethical sourcing strategies are provided by suppliers as part of the tender process as a control measure. ▪ Every opportunity to actively promote community benefits in our contracts is fully utilised. ▪ Anti Slavery legislation has been included and is reviewed as part of the procurement strategy and process. ▪ The Sustainable procurement strategy is a key area in the procurement strategy and is communicated to our stakeholders. ▪ Community benefit requirements are issued to suppliers at tender stage, and a register of the community benefits subsequently delivered is used to assist future tender scoring. 	<p>2</p>	<p>4</p>	<p>8</p>	<p>6</p>	<p style="text-align: center;">➔</p>
Action Ref	Linked Actions	Latest Notes	Assigned to	Due Date	Status			
		The control measures of the organisation have reduced the impact of this risk. (4 to 3)						

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation	Residual Risk	Movement
<p>REF: Risk 8 Title:</p> <p>Context: (1) Website is a first point of contact for many so must be accurate and up to date (2) More proactive use of media to promote good news stories (3) Elected member engagement, providing them with information on success / good news stories to promote the value of the organisation.</p>	<p>Failure to make Scotland Excel the procurement provider of choice for stakeholders through proper awareness has a financial impact for the organisation and for members in terms of best value</p>	SB	<ul style="list-style-type: none"> ▪ Scotland Excel works with PR professionals to raise greater awareness of the organisation, and the benefits from the contracts that are in place. ▪ Information materials, including guides for buyers, suppliers and stakeholders, produced and distributed. ▪ Regular updates to all stakeholders via the quarterly newsletter / magazine, governance meetings and meetings with key stakeholders. ▪ The website, as a key first point of contact, has a range of content to ensure stakeholders are informed and can fully engage with the organisation ▪ The use of social media to engage effectively with stakeholders is now a key area of the communication strategy. ▪ A full stakeholder engagement exercise was carried out with ranking of these stakeholders to ensure appropriate and effective ongoing engagement. ▪ Regular PR updates and opportunities are discussed and reviewed by the SMT as a regular agenda item. ▪ With input from SOLACE, a number of new CEOs have joined the Chief Executive Officer Management Group helping to support broader engagement with stakeholders. ▪ Wider elected member engagement is taking place, through COSLA, events and other political meetings. 	3	4	12	8	➔
Action Ref	Linked Actions	Latest Notes		Assigned to	Due Date	Status		
		The control measures of the organisation have reduced the likelihood of this risk. (3 to 2)						

Context	Risk Statement	Owned	Current Risk Control Measures	Likelihood	Impact	Evaluation	Residual Risk	Movement
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REF: Risk 9 Title: Context: (1) Website news and information kept completely up to date reflecting any issues (2) Arrangements for dealing with adverse publicity / crisis management (3) More proactive use of media to manage news stories (4) Elected members must be kept informed if issues arise.	Scotland Excel is faced with negative publicity or a media crisis which compromises the organisation's stakeholders	by SB	<ul style="list-style-type: none"> Procurement teams advise communications colleagues of any issues which have the potential for negative media interest, and plans are put in place to deal with these proactively Scotland Excel makes use of external specialists as required to supplement in-house resources in engaging across wider areas of the media as appropriate to deal with any potential issue impacting on stakeholders. Executive team have undertaken professional media training to ensure effective handling of any issues that may arise. New PR support has been secured and this will be used to promote and manage media contacts in a proactive manner. 	3	4	12	9		
	Action Ref	Linked Actions	Latest Notes	Assigned to	Due Date	Status			
			The control measures of the organisation have reduced the impact of this risk. (4 to 3)						

REF: Risk 10 Title: Context: (1) Implementation of stakeholder policy in contracts (2) Ethical sourcing of products and supplies in the whole supply chain. (3) Securing community benefits across the portfolio.	Scotland Excel has to meet the obligation to deliver on policy objectives of Joint Committee members. There is a risk to credibility and reputation if this is not met.	Owned by HC	<ul style="list-style-type: none"> Contract governance process ensures that appropriate steps are taken to drive ethical sourcing within framework agreements. Sound supplier management is in place and regular meetings to ensure contractual commitments such as delivering community benefits are met. Information is made available to end users to support purchasing decisions; for example "fair-trade" products that are available in contracts. Every opportunity to promote community benefits or support broader CSR goals delivered from contracts are proactively pursued to raise awareness with stakeholders and the wider community through all media sources. 	2	5	8	4		
	Action Ref	Linked Actions	Latest Notes	Assigned to	Due Date	Status			
			The control measures of the organisation have reduced the likelihood (2 to 1) and impact of this risk (5 to 4)						

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation	Residual Risk	Movement
REF: Risk 11 Title: Context: (1) Financial sustainability ▪ Need to attract resources ▪ Council budget cuts ▪ Potential for national organisations / local government withdrawing support	There are a range of factors in the organisation's business context that if not addressed effectively could impact on the longer term sustainability of Scotland Excel	JW	<ul style="list-style-type: none"> There is ongoing work with all stakeholders to identify and deliver new opportunities to provide additional chargeable services, based on customer demand. New initiatives such as the Small Value Project team, funded from supplier rebates, which return greater benefits to stakeholders introduced. Securing Government funding to support the Affordable Housing Team demonstrates wider stakeholder recognition of the benefits Scotland Excel can bring to service delivery. A robust business model is in place for all new services (cost to serve, funding/uptake forecasts) to enable effective engagement with potential partners for service delivery. Scotland Excel continues to develop new partnership projects with councils and the Scottish Government to secure funding to develop and deliver services within social care. 	4	5	20	15	
Action Ref	Linked Actions	Latest Notes		Assigned to	Due Date	Status		
		The control measures of the organisation have reduced the likelihood of this risk. (4 to 3)						

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation	Residual Risk	Movement
REF: Risk 12 Title: Context: (1) Demand in the market for Procurement staff makes recruiting and retaining staff problematic. (2) Lack of flexibility in pay structures due to tie in with Renfrewshire Council makes retaining staff problematic.	Scotland Excel encounters problems in recruiting and retaining staff of suitable skill, quality and experience to meet the agreed contract delivery schedule.	JW	<ul style="list-style-type: none"> Through the performance review/development process, and resource planner, staff have a clear view of their future with the organisation and of opportunities to grow and develop. This is key to the retention and development of staff across the organisation. Social media based recruitment advertising has been used to engage with a wider audience of potential staff, particularly younger staff who use this medium most. There is an ongoing review of the organisation's recruitment strategy to ensure that any changes in the market are addressed proactively. Scotland Excel has introduced a number of new initiatives, such as organisation information packs for candidates, awareness events, partnerships with recruitment agencies which have successfully addressed the challenges of recruiting staff. The organisation continues to explore further benefits available to support staff retention. 	4	5	20	15	
Action Ref	Linked Actions	Latest Notes		Assigned to	Due Date	Status		
		The control measures of the organisation have reduced the likelihood of this risk. (4 to 3)						

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation	Residual Risk	Movement
REF: Risk 13 Title: Context: (1) Changes to EU and UK procurement legislation (2) Community Empowerment (Scotland) Bill (3) Personalisation and self directed support legislation (individual choice) (4) Future political or legislative changes	Legislative changes can impact on the organisation and its stakeholders creating challenges for the organisation to respond to and address.	HC	<ul style="list-style-type: none"> Regular attendance by key staff at appropriate, meetings, groups and policy seminars has raised awareness and influence with decision makers. Building on the successful delivery of work to date, Scotland Excel has gained the opportunity to be consulted on, and to help influence of, policy making decisions. Due to awareness of and development of strategies to address changes in legislation Scotland Excel is recognised as a partner who can assist stakeholders to meet their responsibilities as they arise. Scotland Excel works in partnership with key industry / service / professional groups to manage service development and delivery in line with legislative changes to the benefit of all stakeholders. 	3	4	12	12	
Action Ref	Linked Actions	Latest Notes		Assigned to	Due Date	Status		
		There has been no movement in this risk.						

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation	Residual Risk	Movement
REF: Risk 14 Title: Context: (1) Loss of staff (many staff or key individuals) (2) Loss of facilities (3) Loss of systems (4) Loss of data	Scotland Excel does not adequately prepare for a range of scenarios to ensure business continuity then there is a risk of service disruption with associated impact to stakeholders	SB	<ul style="list-style-type: none"> Staff are fully equipped to work remotely should the need arise. Business critical IT systems are now "cloud based" giving greater assurance with regard to business continuity. The Senior Management Team has scenario planning meetings as part of business continuity planning. IT services come with a 99.9% availability assurance from the provider. 	4	5	20	15	
Action Ref	Linked Actions	Latest Notes		Assigned to	Due Date	Status		
		The control measures of the organisation have reduced the likelihood of this risk. (4 to 3)						

Context	Risk Statement	Owned	Current Risk Control Measures	Likelihood	Impact	Evaluation	Residual Risk	Movement

Action Ref	Linked Actions	Latest Notes	Assigned to	Due Date	Status	Movement	
REF: Risk 15 Title: Context: 1. Changes arising from national or local government elections impact upon the organisation. 2. Brexit is an unknown quantity and implications for procurement may create uncertainty	Political change impacts upon the governance of Scotland Excel and may change the emphasis of its future delivery.	by	5	5	25	20	→
		Latest Notes					
		The control measures of the organisation have reduced the impact of this risk. (5 to 4)					

Context	Risk Statement	Owned by	Current Risk Control Measures	Likelihood	Impact	Evaluation	Residual Risk	Movement
REF: Risk 16 Title: Context: (1) Competition from other bodies entering the market where Excel has to remain the provider of choice	Scotland Excel faces a risk to its stated position as the provider of choice for Local Government	JW	<ul style="list-style-type: none"> Competitor analysis is undertaken and is used to develop and communicate unique selling points (USPs) to our current, and future, partners and stakeholders Opportunity to reprioritise services based on competitive landscape (e.g. avoid duplication and free up resources) A regular review takes place to allocate appropriate resources to stakeholder engagement as required. Scotland Excel ensures that the member benefits including award winning work, achievements, savings, innovation and community benefits are communicated effectively to stakeholders. Partnership work with SEEMIS, Zero Waste Scotland and the Digital Office demonstrates that Scotland Excel is the "partner of choice". 	3	4	12	9	→
	Linked Actions	Latest Notes						
		The control measures of the organisation have reduced the impact of this risk. (4 to 3)						

Scotland Excel

To: Executive Sub Committee

On: 17 November 2017

Report by Director Scotland Excel

Initial options on the future governance structure of Scotland Excel

1 Introduction

In July 2017, the Senior Management Team of Scotland Excel began to consider initial options for the future constitutional / governance structure of Scotland Excel, with a view to generating sustainable future revenue streams to support new service development, and allow member requisitions to be protected from inflationary increases. In addition to Scotland Excel's current core functions, such sustainability may be created by enabling: 1. Scotland Excel's full commercialisation of its consultancy services to other bodies (presumably public but perhaps also private)¹; and, 2. Scotland Excel to access other funding streams to fund more short or longer term projects (in the model of the recent Seemis and current Housing Association projects).

Initial research identified four possible options: 1. maintaining the current model; 2. widening the powers available under the current model; 3. adding a trading company to the current or amended model; and 4. converting the current model into an arm's length external organisation ("ALEO") of SXL's local authority members with a trading subsidiary. Whilst Scotland Excel is minded to concentrate further investigation on the third model, it must be emphasized that these options are at the early stages of consideration, and as such no conclusions have been made.

2 Perceived limitations in the current model (Option 1)

Scotland Excel is a joint committee constituted under sections 56 and 57 of the Local Government (Scotland) Act 1973 by Minutes of Agreement between Renfrewshire Council and the other 31 Scottish local authorities ("**Minutes**"). These Minutes regulate the joint discharge of certain functions by all the Scottish local authorities by delegation to Scotland Excel.

On a strict interpretation of the Minutes, the main limitations in the current delegation of functions are:

¹ SXL consultancy services might include the charging for: the provision of advice etc by SXL staff to other public bodies¹; and, the placing in a public body of a consultant from an "approved SXL external consultants" list.

1. Scotland Excel can neither provide to its associate members, other public bodies or private companies, nor charge for, the full gamut of its consultancy services without first seeking the prior approval of the joint committee. The Scotland Excel consultancy services to these bodies which are subject to prior approval include non-Scotland Excel framework related procurement consultancy, leadership and management consultancy and project management consultancy (“**consultancy services requiring prior approval**”). Requiring such prior approval arguably renders Scotland Excel undynamic to market demands. This is especially so given that at least half of Scotland Excel’s consultancy services requiring prior approval has been to associate members and other bodies, and that a large part of future opportunities is likely to come from such bodies;
2. Not having a separate legal identity from the 32 local authorities / Renfrewshire Council, it is unclear if Scotland Excel is able to apply independently for grant funding from other public sector bodies; and,
3. Due to its lack of a legal personality and the lack of delegated powers in the Minutes, Scotland Excel does not appear to have the power to set up another entity to carry out its consultancy services (with the joint committee structure concentrating on the core procurement function).

3 Options 2 to 4

Options 2 to 4 seek to address these limitations and provide Scotland Excel with more freedom of action (within limits set by the 32 local authorities) to respond flexibly, dynamically and quickly to the consultancy services market and access grant funding.

Option 2 involves the local authorities amending the Minutes to extend the delegated functions / powers of Scotland Excel, thus providing it with: wider, permanent powers to provide all types of consultancy services to public and private bodies; the ability to access grant funding from other public and private sources; and, a separate legal personality, with full freedom of action within the delegated powers (which might include the power to set up a trading company).

Option 3 involves splitting the operations of Scotland Excel between:

- the joint committee, which would be responsible for Scotland Excel’s current core procurement activity (as well as ancillary consultancy services relating thereto). Depending upon the specifics of the model, the joint committee could be granted a separate legal personality from its founding local authorities; and
- a trading company with separate legal personality and full power to provide all other consultancy services to the 32 Scottish local authorities, Scotland Excel associate members, other public bodies and private bodies. This trading company is likely to be a form of subsidiary entity and

may be a “shell” limited liability partnership to which Scotland Excel assets and staff are seconded when required.

Option 4 involves the 32 Scottish local authorities converting the joint committee into a full-function joint venture ALEO with a separate legal personality. The ALEO would (re)charge public bodies (or certain categories thereof) for access to its core framework-related activity and (some or all of) its consultancy services. The ALEO would likely be set up as a limited liability partnership. The ALEO would set up a trading subsidiary to provide services to the remainder of the public sector and private bodies. This subsidiary would likely be a “shell” company to which ALEO assets and staff would be seconded as necessary.

4 Next steps

In either December 2017 or June 2018, the Joint Committee will be asked to consider a paper on this matter and approve further investigation of possible future governance structures.

5 Recommendation

Committee members are requested to note the content of this report.

Scotland Excel

To: Executive Sub Committee

On: 17 November 2017

**Report
by
Director Scotland Excel**

Audit Actions Progress Report

1. Purpose of Report

Audit Scotland's 2016/17 Annual Audit Report identified that Scotland Excel's internal audit reports are not provided to members. This report recommended that internal audit reports would be taken to Joint Committee/ Executive Sub-Committee meetings.

2. Background

In June 2017 Renfrewshire Council's internal audit team carried out a review of Scotland Excel's governance arrangements. This report is attached at Appendix 1. The report identified one recommendation in relation to joint committee attendance. Scotland Excel has an audit tracker (Appendix 2), where audit actions are tracked and completed.

3. Recommendation

Members are invited to note the area for improvement identified and the action taken. Future internal audit reports and tracked recommendations will be brought to members on a regular basis.



Internal Audit Report

SCOTLAND EXCEL

Governance Arrangements (B0014/2016/001)

Recipients

Issued to:	Julie Welsh, Director of Scotland Excel
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Key Dates

Draft Report Issued	19/06/2017
Management Response Due	10/07/2017
Management Response Received	27/07/2017
Final Report Issued	31/07/2017

Index and Report Distribution List

- Section 1 - Executive Summary
- Section 2 - Detailed Report including planned Management Actions

Overall Assurance Rating	Recommendation Risk Ratings			
	Critical	Important	Good Practice	Service Improvement
Substantial	0	0	1	0

Internal Audit Report

Scotland Excel

Governance Arrangements (B0014/2016/001)

B0014/2016/001

Date: July 2017

EXECUTIVE SUMMARY

Audit Objectives

The objectives of the audit were to ensure that:

- Arrangements are in place to engage with partner authorities and key stakeholders;
- Partner authorities actively participate in the operation of the organisation;
- The board receives regular performance information;
- Improvement action plans are progressing in line with target dates to ensure the achievement of expected outcomes;
- There is adequate board oversight of improvement action plans.

Audit Scope

1. Interviewed the appropriate officers to ascertain the governance arrangements in place for Scotland Excel and identify any areas for improvement.
2. Tested to ensure that governance procedures are followed and records are appropriately maintained.

Internal Audit Report

Scotland Excel

Governance Arrangements (B0014/2016/001)

B0014/2016/001

Date: July 2017

Key Audit Assurances

1. There are adequate arrangements in place for Scotland Excel to engage with partner authorities and key stakeholders.
2. The Joint Committee and Executive Sub Committee receive regular performance information as to how performance indicators are progressing against targets and improvement action plans.
3. Improvement action plans are progressing in line with revised target dates.

Key Risks

If some members do not regularly attend Joint Committee meetings, their local authority may not be adequately represented in the operation of Scotland Excel.

Overall Audit Opinion

The audit has provided a substantial level of assurance in relation to Scotland Excel's governance arrangements. It is recommended that Scotland Excel management consider ways to further engagement with Joint Committee members from some partner local authorities so that they are adequately represented in the operation of the organisation.

Internal Audit Report

Scotland Excel



Governance Arrangements (B0014/2016/001)

B0014/2016/001

Date: July 2017

Detailed Report

Rec No.	Detailed Finding	Recommendation
<p>Recommendation 1 (Good Practice)</p>	<p>Joint Committee attendance Examination of committee minutes showed that 21 out of 40 Joint Committee members (52%) attended the Joint Committee meeting in June 2016 and 15 out of 40 (37%) attended the December 2016 meeting. There is a risk that if some partner authorities do not regularly attend Joint Committee meetings that their local authority may not be adequately represented in the operation of Scotland Excel.</p>	<p>Scotland Excel management should identify Joint Committee members who are not regularly attending meetings and consider if there are ways to further engage with them so that their local authorities are adequately represented in the operation of Scotland Excel.</p>
<p>Management Action to be taken</p>		<p>Completion Date</p>
<p>Scotland Excel continues to provide member engagement support to encourage attendance and participation. The recent changes to committee membership have been followed by a number of pre-planned engagement steps. We welcome the advice from the internal audit report and will investigate further mechanisms to highlight regular non-attendance and seek to address the issue.</p>		<p>Action Owner Julie Welsh, Director of Scotland Excel 31 March 2018</p>

In arriving at our opinion we comply with the Public Sector Internal Audit Standards. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance.

For the area under review we consider the overall adequacy and effectiveness of risk management, control, and governance processes. Collectively we refer to these activities as "the system of internal control".

The audit was based on sampling and therefore errors and/or omissions may exist which have not been identified.

Audit Tracker

Responsible Officer	Target Completion date	Actions	Priority	% Complete	Date Completed	Alternative Actions Agreed	Date Completed
Julie Welsh	01/12/2017	<p>Scotland Excel anticipated and prepared for changes to the composition of its Joint Committee as a result of the 2017 Local Government Elections. In April, local authority Chief Executives were engaged to distribute a briefing note on the work of Scotland Excel and the role of the Joint Committee to newly elected councillors. Election results and committee appointments were closely monitored during May and induction packs, including a briefing note produced in partnership with the Improvement Service, were distributed to Joint Committee members on their appointment. Scotland Excel's Executive Team has been undertaking a programme of meetings with Joint Committee members since June, and the first of a series of training sessions for committee members will take place in November. Further plans are being developed to ensure ongoing engagement with Joint Committee members throughout their tenure.</p>	C	100%	Jun-17	Scotland Excel will continue to roll out ongoing engagement plans to ensure that Joint Committee and Executive Sub-Committee members remain fully engaged and supportive of the organisation's activities.	Dec-18

Scotland Excel

To: Executive Sub Committee

On: 17 November 2017

Report by the Clerk

Meetings of Scotland Excel Executive Sub Committee in 2018

1. Summary

1.1 The purpose of this report is to seek approval for the proposed dates for meetings of the Scotland Excel Executive Sub-committee in 2018.

2. Recommendation

2.1 That, if required, meetings of Scotland Excel Executive Sub-committee be held on:-

Date	Time	Venue
26 January 2018	10.45 am	Scotland Excel Meeting Room 1, Renfrewshire House
23 February 2018	10.45 am	Scotland Excel Meeting Room 1, Renfrewshire House
23 March 2018	10.45 am	Scotland Excel Meeting Room 1, Renfrewshire House
27 April 2018	10.45 am	Scotland Excel Meeting Room 1, Renfrewshire House
1 June 2018	10.45 am	Scotland Excel Meeting Room 1, Renfrewshire House
29 June 2018	9.45 am	City Chambers, Glasgow City Council (prior to meeting of Scotland Excel Joint Committee)
24 August 2018	10.45 am	Scotland Excel Meeting Room 1, Renfrewshire House
28 September 2018	10.45 am	Scotland Excel Meeting Room 1, Renfrewshire House
26 October 2018	10.45 am	Scotland Excel Meeting Room 1, Renfrewshire House
23 November 2018	10.45 am	Scotland Excel Meeting Room 1, Renfrewshire House
7 December 2018	9.45 am	City Chambers, Glasgow City Council (prior to meeting of Scotland Excel Joint Committee)

3. Background

3.1 In terms of Scotland Excel's Procedural Standing Orders:-

42(a). The Executive Sub-committee shall meet not less than four times in every calendar year. The time, dates and venues for all subsequent meetings will be approved by the Executive Sub-committee.

3.2 One of the main functions of the Executive Sub-committee is to consider reports on the award of contracts being let on behalf of Scotland Excel, therefore, the dates for the Executive Sub-committee meetings require to be fixed by referral to the planned award dates for these contracts. It is expected that all contract awards planned for 2018 can be accommodated within the timetable of meetings detailed in this report.