

## Minute of Meeting Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 27 April 2018	10:45	Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley

### Present

Councillor Charles Buchan (Aberdeenshire Council); Bailie Norman MacLeod (Glasgow City Council); Provost Norman A Macdonald (Comhairle Nan Eilean Siar); 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).

### By Videolink

Councillor Stephen Thompson (Dumfries and Galloway Council).

### Chair

Councillor John Shaw, Convener, presided.

### In Attendance

J Welsh, Director, H Carr, Head of Strategic Procurement, S Brannagan, Head of Customer & Business Services, B Murray, Procurement Development Manager, L Richards and A Richmond, both Strategic Procurement Managers, Z Brawn, Procurement Coordinator and E McKay, Category Manager (all Scotland Excel); C MacDonald, 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 Altany Craik (Fife Council); Councillor Graham Hutchison (City of Edinburgh Council); Councillor Alister Mackinnon (Highland 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.

### 1 Minute

There was submitted the Minute of the meeting of the Executive Sub-committee held on 23 March 2018.

With reference to item 4 of the Minute the Head of Strategic Procurement advised that a Mobilisation Pack would be issued to participating Councils.

With reference to the last paragraph of the Minute, Bailie MacLeod advised that the name of the conference that the Director of Scotland Excel would attend should read the Scottish National Party Association of Nationalist Councillors Conference in Inverness.

**DECIDED:** That the Minute, as amended, be approved.

### 2 Contract for Approval: Supply and Delivery of Power Tools

There was submitted a report by the Director of Scotland Excel relative to the award of a standalone framework agreement for the supply and delivery of power tools which would be effective from 17 June 2018 until 16 February 2021, with the option to extend for up to 12 months until 16 February 2022.

The report intimated that the framework would facilitate the supply and delivery of power tools to council depots, schools and other locations as well as collection from supplier trade counters.

The framework had been advertised at a value of £2.5 million over the total potential framework period and all 32 Councils had confirmed their intention to participate in the framework. In addition, the Scottish Prison Service, NHS Scotland and Advanced Procurement for Universities and Colleges had confirmed their intention to participate.

Tender responses had been received from 15 suppliers and the SME status of each was provided in Appendix 1 to the report. One of the offers received had been deemed non-compliant as no commercial schedule had been submitted and the offer was removed from the evaluation process. 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 in line with the criteria and weightings set out in the report it was recommended that a multi-supplier framework agreement be awarded to eight suppliers as outlined in Appendix 2 to the report.

**DECIDED:** That the award of the framework agreement for the supply and delivery of power tools as detailed in Appendix 2 to the report, be approved.

## **Sederunt**

Councillor Stevenson entered the meeting during consideration of the following item of business.

### **3 Contract Delivery Plan Update**

There was submitted an update report by the Director of Scotland Excel relative to the progress of the 2018/19 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 59 current frameworks in the Scotland Excel portfolio; a further seven new frameworks would be added to the contract portfolio by 31 March 2019; and a further 8 frameworks on the current portfolio had extension options that were likely to be exercised in 2018/19.

Over 2016/17 Scotland Excel explored the benefits of further collaborative procurement across high spend, critical service areas of adult social care and construction and in 2018/19 would co-produce and implement a procurement strategy for care and support services; would deliver a new sourcing strategy for care home services for older people; would release a prior information notice for a new build housing framework aimed to support council delivery of new affordable houses, enabling councils to attain a range of works and services; and working in partnership with the Digital Office would release a prior information notice for market engagement across a range of projects to drive digital transformation across Scotland.

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

Discussion took place regarding efficiencies and Registered Social Landlords (RSLs). It was proposed that a briefing note would be prepared for members outlining good practice and the relationship between RSLs and local authorities. This was agreed.

#### **DECIDED:**

(a) That the progress made to date be noted; and

(b) That a briefing note be prepared for members outlining good practice and the relationship between RSLs and local authorities.

#### **4 Operating Plan Update**

There was submitted a report by the Director of Scotland Excel relative to the Q3 progress made against operating plan activities and commitments during 2017/18.

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

#### **5 Update of Review of Governance Structure of Scotland Excel**

There was submitted a report by the Director of Scotland Excel relative to an update on the review of the governance structure of Scotland Excel.

The report intimated that the purpose of the review was to consider possible governance options and identify the most appropriate governance structure for generating sustainable future revenue streams to support new service development and minimise potential increases to member requisitions. As part of the review, a number of scenarios were tested and these were detailed in Appendix 1 to the report.

The options considered as part of the review together with details of the case for each were detailed in section 2 of the report. It was noted that the current model met the substantial majority of the scenarios tested and that the preferred option was option 1, to maintain the current governance model. The current Scheme of Delegation would require to be updated to correct some minor anomalies and better clarify and reflect current practice and these amendments were detailed in Appendix 2 to the report.

The Joint Committee would be asked to approve a report which recommended maintaining the existing governance model with an amended and updated Scheme of Delegation.

**DECIDED:**

(a) That the report be noted; and

(b) That the submission of a report to the Joint Committee recommending maintaining the current governance structure with an updated Scheme of Delegation be endorsed.

#### **6 Update on Provision of Sanitary Products within Educational Establishments**

There was submitted a report by the Director of Scotland Excel relative to the work being undertaken by Scotland Excel to help support local authorities supply sanitary products into educational establishments to adopt the free sanitary provision proposed by the Scottish Government.

The report intimated that the Scottish Government had committed to providing access to free sanitary products to students in schools, colleges and universities to support equality, dignity and rights for those who menstruate and to ensure that lack of access to products did not impact on an individual's ability to fully participate in education at all levels. Funding for the products in the first instance was by the Scottish Government and was based on population and an amount per student per year.

Scotland Excel had liaised with colleagues at both Scottish Government and Advanced Procurement for Universities and Colleges (APUC) to look at a mechanism of support for a procurement process. Models were currently being implemented by local authorities and Scotland Excel had agreed to include the supply of products, including sustainable products, through the renewal of the Washroom Solutions framework. This would lead to opportunities through a collaborative approach to inform and develop a longer term national model which would permit a compliant framework to supply products and provide key data to inform ongoing policy regarding uptake and refining costs thereafter.

Scotland Excel intended to seek information from local authorities in May 2018 on initial delivery routes taking effect from August 2018 with a view to lending support from existing applicable frameworks being provided until the Washroom Solutions framework went live in October 2018.

The Scottish Government's commitment included the provision of products to pupils during school holidays and local authorities required to consider how provision would be delivered during these times. This commitment had not been included within the scope of the proposed tendering exercise given the demanding timescales, however, Scotland Excel would work with local authorities and the market place to seek effective solutions after contract mobilisation.

**DECIDED:** That the report be noted and that Scotland Excel's work to improve national priorities be supported.

## **7 Update Report on Plastic Straws**

There was submitted a report by the Director of Scotland Excel relative to an update on the work being undertaken by Scotland Excel to help support local authorities to reduce the use of plastic straws in goods through any relevant frameworks.

The report intimated that in January 2018, Kate Forbes MSP contacted Scottish local authorities seeking a commitment to be plastic straw free and requesting that they look at sourcing alternatives to plastic straws where required for drinks and cartons. Scotland Excel contacted framework suppliers to ascertain the feasibility of sourcing alternatives to plastic straws and to determine if they or their supply chain were carrying out further research and development in this area. It had been established that a number of suppliers were currently developing alternatives to plastic straws.

Plastic straws were part of the core product list within the Catering Sundries framework and Scotland Excel was in the process of conducting a core product review with relevant suppliers to remove the plastic straws from the core list and replace them with environmentally-friendly alternatives.

Scotland Excel would continue to work with suppliers and local authorities on this area as part of the contract and supplier management process and, where appropriate, would include relevant questions in future tenders to establish what suppliers were doing to reduce plastic packaging and to eliminate black plastic from packaging entirely.

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

## **8 Procurement of Care Home Services for Older People**

There was submitted a report by the Director of Scotland Excel which provided an update on Scotland Excel's work on care home services for older people, including the National Care Home Contract.

The report intimated that in Scotland contracted out care home provision was delivered by around 300 providers across more than 800 care homes for older people. Councils across Scotland spent £492 million on these services with 59% of this expenditure distributed across 20 providers.

The National Care Home Contract was a model set of terms that detailed the service specification and payment mechanisms for councils when purchasing care home care.

Scotland Excel had successfully made the case to councils and Health and Social Care Partnerships for more national oversight and it was noted that 28 councils were currently funding Scotland Excel until March 2020 to develop a Cost of Care Calculator; provide market intelligence particularly around financial health; and develop a sourcing strategy for the future. The report provided an update on each of these developments.

The report further intimated that, subject to agreeing a benchmark for the cost of capital, the cost of care calculator developed by Scotland Excel was now the accepted mechanism to establish future national rates for nursing and residential care. COSLA and Scotland Excel were currently updating the operational management arrangements of the contract and would be implementing a new sourcing strategy in 2018/19.

Discussion took place relative to the relationship between Health and Social Care Partnership's and Integration Joint Boards (IJB's) and it was proposed that a briefing note be sent to members. This was agreed.

### **DECIDED:**

(a) That the update on activities associated with care home services for older people be noted; and

(b) That a briefing note be sent to members relative to the relationship between Health and Social Care Partnership's and Integration Joint Board's.

## **9 Procurement of Care and Support Services**

There was submitted a report by the Director of Scotland Excel which provided an update on the collaborative procurement opportunities associated with care and support services.

The report intimated that Scotland Excel had been funded for a two-year period up to March 2019 to explore opportunities for collaborative procurement across care at home and supported living services. Health and Social Care Partnership's in Scotland spend over £750 million per annum on these services and currently there was no national oversight on how these services were procured.

Since April 2017, Scotland Excel had focused its effort on engagement with key stakeholders and had held four regional provider sessions. Two working groups, one for care at home services and one for supported living services, had met regularly over the past six months and included representation from Health and Social Care

Partnership's, providers and the Scottish Government.

Provider engagement to date had been constructive and positive and in terms of commissioners, 21 Health and Social Care Partnership's and local authorities had indicated their participation in the proposed national framework for care and support, incorporating both care at home services and supported living services.

Scotland Excel had also considered how the ongoing framework management and monitoring could be supported given that Scottish Government funding would cease on 31 March 2019 and had developed a range of funding options for further discussion with stakeholders over the coming months.

Scotland Excel was finalising the procurement strategy for care and support and anticipated developing a flexible framework under the 'light touch regime'. The development of agreed specifications would be challenging given the variance in current local specifications. However, improving outcomes for people supported by services would be at the heart of all agreed service specifications.

Scotland Excel would develop the framework structure and access procedures, framework terms and commercial and evaluation methodologies with partners and would undertake engagement with people supported by services to ensure their views were central to the finally agreed specifications. A flexible framework would be developed that incorporated core requirements, but offered commissioners the ability to work with providers to tailor specific needs to local commissioning objectives and the personal needs of people.

**DECIDED:** That the update on activities associated with care and support services be noted.

## **10 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 March 2018, the previous six and 12 months and provided information relating to the absence statistics and reasons.

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

## **11 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 1 June 2018 in Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley.