

Notice of Meeting and Agenda Scotland Excel Executive Sub-committee

| Date | Time | Venue |
|---------------------|-------------|------------------------|
| Friday, 29 May 2020 | 10:45 | Remotely by MS Teams , |

KENNETH GRAHAM
Clerk

Membership

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); Vacant position (North Ayrshire Council); Councillor Paul Di Mascio (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council); Councillor Amanda Hawick (Shetland Islands Council) and Councillor Collette Stevenson (South Lanarkshire Council)

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

Recording of Meeting

This meeting will be recorded for subsequent broadcast via Scotland Excel's and Renfrewshire Council's internet sites. If you have any queries regarding this please contact Democratic Services on 0141 618 7111. To find the recording please follow the link which will be attached to this agenda once the meeting has concluded.

Members of the Press and Public

Members of the press and public wishing information on this meeting please contact Elaine Currie, elaine.currie@renfrewshire.gov.uk

Items of business

Apologies

Apologies from members.

Declarations of Interest

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

- | | | |
|-------------|--|----------------|
| 1 | Minute | 3 - 10 |
| | Minute of meeting of the Executive Sub-committee held on 27 March 2020. | |
| 2 | Revenue Budget Monitoring | 11 - 14 |
| | Joint report by Treasurer and Chief Executive of Scotland Excel. | |
| 3(a) | Request for Associate Membership: Crown Estate Scotland | 15 - 16 |
| | Report by Chief Executive of Scotland Excel. | |
| 3(b) | Request for Associate Membership: South of Scotland Enterprise Agency | 17 - 18 |
| | Report by Chief Executive of Scotland Excel. | |
| 4 | Update on Contract Delivery Plan | 19 - 32 |
| | Report by Chief Executive of Scotland Excel. | |
| 5 | Risk Register Update | 33 - 50 |
| | Report by Chief Executive of Scotland Excel. | |
| 6 | Employee Absence Management Report | 51 - 54 |
| | Report by Chief Executive of Scotland Excel. | |
| 7 | Covid-19 Update | 55 - 84 |
| | Report by Chief Executive of Scotland Excel. | |
| 8 | Date of Next Meeting | |
| | Note that the next meeting of the Executive Sub-committee will be held at 9.45 am on 19 June 2020. | |



Minute of Meeting Scotland Excel Executive Sub-committee

| Date | Time | Venue |
|-----------------------|-------|----------------------|
| Friday, 27 March 2020 | 10:45 | By Video Conference, |

Present

Provost Bill Howatson (Aberdeenshire Council); Councillor Paul Di Mascio (North Lanarkshire Council); and Councillor John Shaw (Renfrewshire Council).

Chair

Councillor Shaw, Convener, presided.

In Attendance

J Welsh, Director, H Carr, Head of Strategic Procurement, S Brannagan, Head of Customer and Business Services, L Campbell, Corporate Services Manager and L Muir, Senior Procurement Specialist (all Scotland Excel); M Conaghan, Legal and Democratic Services Manager, C McCourt, Finance Business Partner and E Currie, Senior Committee Services Officer (all Renfrewshire Council); and M Ferris, Senior Audit Manager (Audit Scotland).

Apologies

Councillor Graham Hutchison (City of Edinburgh Council); Provost Norman Macdonald (Comhairle Nan Eilean Siar); Councillor Stephen Thompson (Dumfries and Galloway Council); and Councillor Alister Mackinnon (Highland Council).

Declarations of Interest

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

Additional Item

The Convener intimated that there was an additional item of business in relation to Covid-19 Emergency Governance Arrangements which had not been included in the notice calling the meeting. The Convener, being of the opinion that the item which is dealt with at item 8 below, was urgent in view of the need to advise members of the position, authorised its consideration.

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 8 of the agenda after the additional item of business.

1 Minute

There was submitted the Minute of the meeting of the Executive Sub-committee held on 28 February 2020.

DECIDED: That the Minute be approved.

2 Audit Scotland Annual Audit Plan 2019/20

There was submitted a report by the Treasurer relative to Audit Scotland's annual audit plan 2019/20 for the Joint Committee which outlined Audit Scotland's planned activities in their audit for the 2019/20 financial year, a copy of which was appended to the report.

The report intimated that, based on analysis of the risks facing the Joint Committee, Audit Scotland had submitted an audit plan which outlined its approach to the audit of the Joint Committee's 2019/20 annual accounts to assess whether the accounts provided a true and fair view of the Joint Committee's financial position and also whether the accounts had been prepared in accordance with proper accounting practice, the 2019 Code of Practice on Local Authority Accounting in the UK.

The annual audit plan outlined the responsibilities of the Joint Committee, Treasurer and Audit Scotland; an assessment of key challenges and risks; the approach and timetable for completion of the audit; and included a section on Audit Risks which had been included in the audit plans of many bodies which Audit Scotland worked with. The inclusion of this section was not a reflection of any specific risk within the Joint Committee.

The Senior Audit Manager, Audit Scotland, focussed on three sections of the audit plan being the risks identified in Exhibit 1, materiality and the audit fee.

DECIDED: That Audit Scotland's annual audit plan 2019/20 be noted.

3 Contract Authorisation: Supply Only and Supply and Distribution of Groceries and Provisions

There was submitted a report by the Director of Scotland Excel relative to the award of a renewal framework agreement for the supply only and the supply and distribution of groceries and provisions which would operate from 1 May 2020 until 30 April 2022, with an option to extend for up to two one-year periods until 30 April 2024.

The framework provided councils with a mechanism to procure a range of dairy and chilled products, dried goods, ambient products, crisps, confectionery, soft drinks and water. The renewal incorporated a number of enhancements including the option for manufacturers to bid directly and it was anticipated that this would create brand flexibility, enhance locally sourced produce and increase the inclusion of sustainable products.

The report summarised the outcome of the procurement process for this national framework agreement.

The framework had been divided into five lots as detailed in figure 1 of the report and had been advertised at a value of up to £30 million per annum. Appendix 1 to the report detailed the participation, spend and savings summary of those 30 councils participating in the framework together with Tayside Contracts. It was noted that Orkney Islands Council had its own arrangements in place and Shetland Islands Council did not confirm their intention to participate in the framework.

Tender responses had been received from 17 tenderers and Appendix 2 to the report provided a summary of the offers received. The commercial offer submitted by two tenderers was uncompetitive when compared to other offers for the lot and they were therefore unsuccessful.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of compliant offers had been carried out 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 set out in the report, it was recommended that a framework arrangement be awarded to 15 suppliers as outlined in Appendix 3 to the report.

Appendix 4 to the report detailed the Real Living Wage status of bidders.

DECIDED: That the award of the framework agreement for the supply only and supply and distribution of groceries and provisions, as detailed in Appendix 3 to the report, be approved.

4 Outline of the Scotland Excel approach to Contract and Supplier Management

There was submitted a report by the Director of Scotland Excel relative to Scotland Excel's approach to contract and supplier management.

The report intimated that regular contract reviews maintained the relationship between Scotland Excel and the supply base; supported active engagement to monitor contract and supplier performance; and maintained an awareness of market developments and their impact across the sector. During the mobilisation stages of new contracts, contract owners met with suppliers to discuss performance requirements and Scotland Excel's contract and supplier management approach in detail. A contract specific management plan was then developed with contract owners considering, as a minimum, contract classification (and therefore risk and value); contract type; supply base stability; macro environment; and PESTLES issues. These management action plans were monitored through scheduled reviews and the performance elements were assessed.

The contract segmentation tool considered a range of 14 criteria and, once completed, automatically generated a total score out of 100, the higher the output score the higher the classification of contract and supplier management activity. There were five segmentation classifications rated from class A to E and these were detailed in table 1 of the report.

Management information was collected quarterly from suppliers which enabled Scotland Excel to highlight potential areas of additional savings and areas where contracts did not accurately reflect customer needs. This data was shared with customers via UIG's and quarterly account management reviews. At a high level, feedback to customers on performance monitoring was provided via commercial UIG's, together with spend, savings and overall business and contract performance.

The contract management process was underpinned by gathering data from a broad selection of stakeholders and questionnaire returns. Suppliers were informed of relevant feedback from Councils and were held accountable for delivery of actions arising from this feedback.

DECIDED: That the report be noted and the current approach to contract supplier management be endorsed.

5 Associate Strategy

There was submitted a report by the Director of Scotland Excel relative to Scotland Excel's Associate Member Strategy, a copy of which was appended to the report.

The report intimated that the Associate Member Strategy had been refreshed as a number of key changes had occurred since it was first published in 2016.

Scotland Excel had over 80 associate members which were split into five categories of Council Arms Length External Organisations (ALEOs); housing associations; third sector; non-departmental public bodies/reciprocal arrangements; and other organisations. The report detailed the focus on growth of membership in each of these categories.

Scotland Excel had explored its existing fee structure and future options for development and the strategy set out options together with a recommendation that Scotland Excel retained future rebates associated with associate spend which would be implemented over a period of time with a review of appropriate documentation and notification to suppliers and associate members.

DECIDED:

(a) That the strategic direction set out in the strategy be noted; and

(b) That the move to implementing a model whereby associate member rebates were retained by Scotland Excel to support organisational sustainability be approved.

6(a) Request for Associate Membership: Angus Housing Association Limited

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

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

DECIDED: That the application by Angus Housing Association Limited to become an

associate member of Scotland Excel, at an annual membership fee of £3,000, be approved subject to completion and signing of the agreement documentation.

6(b) Request for Associate Membership: Edinburgh International Festival Society

There was submitted a report by the Director of Scotland Excel advising that Edinburgh International Festival Society had submitted an application to become an associate member of Scotland Excel.

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

DECIDED: That the application by Edinburgh International Festival Society to become an associate member of Scotland Excel, at an annual membership fee of £500, be approved subject to completion and signing of the agreement documentation

6(c) Request for Associate membership: Scottish Canals

There was submitted a report by the Director of Scotland Excel advising that Scottish Canals had submitted an application to become an associate member of Scotland Excel.

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

DECIDED: That the application by Scottish Canals to become an associate member of Scotland Excel, at no annual fee, be approved subject to completion and signing of the agreement documentation.

6(d) Request for Associate Membership: Scottish Fire and Rescue Service

There was submitted a report by the Director of Scotland Excel advising that the Scottish Fire and Rescue Service had submitted an application to become an associate member of Scotland Excel.

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

DECIDED: That the application by the Scottish Fire and Rescue Service to become an associate member of Scotland Excel, at an annual membership fee of £5,000, be approved subject to completion and signing of the agreement documentation.

6(e) Request for Associate Membership: Trust Housing Association Limited

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

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

DECIDED: That the application by Trust Housing Association Limited to become an associate member of Scotland Excel, at an annual membership fee of £5,325, be approved subject to completion and signing of the agreement documentation.

6(f) Request for Associate Membership: University of Edinburgh

There was submitted a report by the Director of Scotland Excel advising that the University of Edinburgh had submitted an application to become an associate member of Scotland Excel.

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

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

7 Review of Job Title for Director of Scotland Excel

There was submitted a report by the Clerk seeking approval to the post title of Director of Scotland Excel being changed to Chief Executive of Scotland Excel.

The report intimated that the post of Director of Scotland Excel had been created when the organisation was established in 2008 and, at that time, the job title reflected the title of the most senior officer's post in the predecessor organisation, the Authorities Buying Consortium, on which Scotland Excel's governance was initially based.

The role of the Director was set out in Scotland Excel's governance documents and was defined as the officer appointed by the joint committee to have overall responsibility for the operational performance of Scotland Excel. There had been significant changes to the landscape in which Scotland Excel operated since its inception in 2008, and this had demanded that the Director operated at a much more strategic level, engaging national and local stakeholders in the development of Scotland Excel, the promotion of excellence in strategic procurement in local government and a much more proactive relationship with industry and suppliers.

The original focus of the Director's role had been primarily to get the organisation set up and running effectively but the role was now key in supporting and leading emerging policy agendas for both local and national government. The proposed revision of the job title more accurately reflected the strategic nature of the role and the level of stakeholder engagement and influencing required. The change in title of the post would not involve a regrading of the post.

DECIDED: That the post of Director of Scotland Excel be retitled as Chief Executive of Scotland Excel.

8 Covid-19 Emergency Governance Arrangements

There was submitted a report by the Director of Scotland Excel relative to Covid-19.

The report intimated that the UK Government had issued detailed guidance in relation to measures that should be taken to restrict the spread of the Covid-19 virus. These

measures included restrictions on unnecessary travel and meetings and advice for specified groups of citizens who were seen as being at greater risk from infection. In view of this guidance, and to support measures to prevent the spread of the virus, the report sought approval for delegations to the Director to enable decisions to be taken without there being a requirement for the Executive Sub-committee.

Scotland Excel was currently operating a full service via remote working for all employees in line with government guidance with the specific focus being working with suppliers to ensure that the goods and services required to support essential frontline services continued to be available to councils. Regular updates were being provided to councils in relation to supplier stock levels for essential items and advice on alternative sources of supply where possible. This was an ever-changing picture and everything was being done to make sure council procurement teams had access to all information available at the time.

Condition 6.1(c) of Scotland Excel's Standing Orders Relating to Contracts required a signature to validate contract processes where the contract was subject to standing orders, unless where the Clerk and Director agreed otherwise. Both the Clerk and the Director of Scotland Excel had agreed to dispense with condition 6.1(c) of Scotland Excel's Standing Orders Relating to Contracts and this change would allow award letters to be issued electronically and thereby facilitate staff working from home maintaining social distancing and self-isolation.

Members thanked all staff members of Scotland Excel for the work being undertaken in ensuring the organisation operated as 'business as usual' and noted that the organisation was well placed to allow all staff to work remotely.

DECIDED:

(a) That delegated authority be granted to the Director, in consultation with the Chair and/or Vice Chair of the Executive Sub-committee, to cancel, if necessary, the planned meeting of the Executive Sub-committee scheduled to be held on 29 May 2020 and any subsequent meeting;

(b) That delegated authority be granted to the Director, in consultation with the Chair and/or Vice Chair, to make all decisions required relating to the functions of the Executive Sub-committee in advance of the next meeting of the Executive Sub-committee taking place;

(c) That it be agreed that temporary associate membership, at no fee, be granted to any public body or third sector organisation that the Director felt would benefit efforts to tackle the current crisis; and

(d) That the actions taken to protect Scotland Excel staff and to support councils at this time be noted.

9 Date of Next Meeting

DECIDED: That it be noted that the next meeting of the Executive Sub-committee was scheduled to be held at 10.45 am on 29 May 2020 unless cancelled by the Director of Scotland Excel.

Scotland Excel

To: Executive Sub-Committee

On: 29th May 2020

Joint Report by:

Treasurer and the Chief Executive of Scotland Excel

Revenue Budget Monitoring Report to 31 March 2020

1. Summary

- 1.1 Scotland Excel has ended the 2019/20 financial year with a net overspend of £6,139 within its Core Operations. This is a saving of £7,861 compared to the budgeted reserve drawdown of £14,000. Further detail is provided in Section 4.

2. Recommendations

- 2.1 It is recommended that members note the year-end positions in both Core Operations and Projects detailed within the report.

3. Background

- 3.1 The 2019/20 budget was approved by the Joint Committee in December 2018. This amounted to a net drawdown from reserves of £14,000 in the year for Core Operations.
- 3.2 At 31 March 2020, the net expenditure position is a drawdown of £6,139; an underspend for 2019/20 of £7,861.
- 3.3 As projected at Period 10, the expenditure overspend arises mainly within Employee Costs (£59,812), owing to maternity backfill arrangements and required agency resources. There are other minor overspends in Premises Costs and Apprenticeship Levy (Transfer Payments).

- 3.4 These are offset by underspends across Supplies and Services, including furniture and marketing (£7,757) and Transport Costs (£4,764). The net result is an overspend in gross expenditure for 2019/20 of £51,611.
- 3.5 Income was higher than anticipated as, reported earlier in the year, a Scottish Government Grant of £150,633 funded the Supported Living / Care at Home activity that was budgeted to be funded from £120,000 of Project reserve balances; this drawdown was no longer needed. This, along with other short-term unplanned project income, resulted in an over-recovery in gross income for 2019/20 of £59,472.
- 3.6 At 1 April 2019, the balance on the Projects Reserve was £636,924.
- 3.7 The Projects ended the year at 31 March 2020 with a surplus of income over expenditure of £126,368. This balance is committed for future Project spend. The detail and management of this balance will be reported in the draft Annual Accounts, due to be brought before the Joint Committee on 19 June 2020.
- 3.8 The following table provides an analysis of the budget and actual spend during 2019/20 and includes a summary of movement in the General Reserve, as well as a Glossary of terms.

REVENUE BUDGET MONITORING STATEMENT 2019/20

1 April 2019 to 31 March 2020

| Description | Budget 2019/20 | New budget adjustments | Revised Budget 2019/20 | Actual 2019/20 | Variance 2019/20 |
|-----------------------------------|----------------|------------------------|------------------------|----------------|------------------|
| £000s | £000s | £000s | £000s | £000s | £000s |
| Employee Costs | 3,108 | 0 | 3,108 | 3,169 | (61) |
| Premises Related Costs | 217 | 0 | 217 | 219 | (2) |
| Supplies and Services | 255 | 0 | 255 | 246 | 9 |
| Support Costs | 221 | 0 | 221 | 224 | (3) |
| Supported Living/Care at Home | 169 | 0 | 169 | 166 | 3 |
| Transfer Payments | 11 | 0 | 11 | 13 | (2) |
| Transport Costs | 35 | 0 | 35 | 30 | 5 |
| Gross Expenditure | 4,016 | 0 | 4,016 | 4,067 | (51) |
| Requisition Income | (3,554) | 0 | (3,554) | (3,554) | 0 |
| Income from Projects | (173) | 0 | (173) | (173) | 0 |
| Temporary Use of Project Balances | (120) | 0 | (120) | 0 | (120) |
| Other Income | (155) | 0 | (155) | (334) | 179 |
| Gross Income | (4,002) | 0 | (4,002) | (4,061) | 59 |
| Drawdown from Reserves | 14 | 0 | 14 | 6 | 8 |

| | |
|---|--------------|
| Revenue Reserves | £000s |
| Opening Revenue Reserve at 1 April 2019 | (241) |
| Actual Draw on Reserves | 6 |
| Closing Revenue Reserve at 31 March 2020 | (235) |

| | | | |
|------------------------|--------------|--------------|-------------|
| Project Summary | | | |
| Gross Expenditure | 1,428 | 1,805 | (377) |
| Gross Income | (1,601) | (1,931) | 330 |
| | (173) | (126) | (47) |

Glossary

Employee Costs: Includes direct employee costs such as salary costs, overtime and indirect employee costs such as training, recruitment advertising

Premises Related Costs: Includes expenses directly related to the running of premises and land, eg rates, rents and leases, utilities, contract cleaning

Supplies and Services: Includes all supplies and service expenses, such as ICT costs, and administrative costs such as stationery, postages, printing and advertising

Support Costs: Includes central support charges e.g. Renfrewshire Council SLA and telephony recharges

Transfer Payments: Includes costs of payments for which no good or services are received in return e.g. Apprenticeship Levy

Transport Costs: Includes all costs associated with the provision, hire or use of transport, including travelling allowances, taxi and car hire costs and staff mileage

Other Income: Includes Associate Memberships, income from Crown Commercial Services and consultancy fee income

Scotland Excel

To: Executive Sub-Committee

On: 29th May 2020

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

**Request for Associate Membership of Scotland Excel
by Crown Estate Scotland**

1. Summary

- 1.1 In addition to the 32 local authorities which are full members of Scotland Excel, applications can be made for Associate Membership by organisations such as council arm's 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. Recommendations

- 2.1 It is recommended to committee that Crown Estate Scotland application to join Scotland Excel as an associate member be approved, with no annual fee, subject to the agreement document. No fee will be charged due to the reciprocal agreement with Scottish Government.
- 2.2 Scotland Excel monitors all requests from arm's length and other organisations to become associate members to ensure that any legal requirements are met. In this case, Crown Estate Scotland qualifies for membership in accordance with the Local Authorities (Goods and Services) Act 1970 section 1 (1B)(b) namely as a public authority or body.

3. **Background**

- 3.1 Crown Estate Scotland is a statutory public authority.
- 3.2 Crown Estate Scotland is an accredited Real Living Wage employer.
- 3.3 Crown Estate Scotland's purpose is investing in property, natural resources and people to generate lasting value for Scotland. This includes maintaining and seeking to enhance income from, and the value of, the Scottish Crown Estate while supporting delivery of the Scottish Government's purpose.
- 3.4 To ensure the efficient and cost-effective delivery of these services it has approached Scotland Excel and requested approval to become an associate member with access to our contracts.
- 3.5 Before any application is submitted for approval, a number of validation checks on the organisation are carried out. These include a review of the Memorandum & Articles of Association, the financial position and the type of contracts that the organisation is likely to access.

Scotland Excel

To: Executive Sub-Committee

On: 29th May 2020

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

**Request for Associate Membership of Scotland Excel
by South of Scotland Enterprise Agency**

1. Summary

- 1.1 In addition to the 32 local authorities which are full members of Scotland Excel, applications can be made for Associate Membership by organisations such as council arm's 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. Recommendations

- 2.1 It is recommended to committee that South of Scotland Enterprise Agency application to join Scotland Excel as an associate member be approved, with no annual fee, subject to the agreement document.
- 2.2 Scotland Excel monitors all requests from arm's length and other organisations to become associate members to ensure that any legal requirements are met. In this case, South of Scotland Enterprise Agency qualifies for membership in accordance with the Local Authorities (Goods and Services) Act 1970 section 1 (1B)(b) namely as a public authority or body.

3. **Background**

- 3.1 South of Scotland Enterprise Agency is a Non-departmental public body operating in the local authority areas of the Scottish Borders and Dumfries and Galloway.
- 3.2 South of Scotland Enterprise Agency pays the Real Living Wage but are not accredited at present. However this will be reviewed in due course.
- 3.3 South of Scotland Enterprise Agency will:
- develop and deliver a clear and prioritised work plan, aligning existing activity, driving progress and piloting new approaches to benefit the South of Scotland.
 - influence the design of the new Agency - offering views on options for its structure and functions, assessing what has worked and engaging with stakeholders to ensure its responsive to and informed by the needs of the area
 - deliver a strong programme of engagement with stakeholders across the South of Scotland, including the private sector to ensure that they influence the work programme and can inform the proposals for the new agency.
- 3.4 To ensure the efficient and cost-effective delivery of these services it has approached Scotland Excel and requested approval to become an associate member with access to our contracts.
- 3.5 Before any application is submitted for approval, a number of validation checks on the organisation are carried out. These include a review of the Memorandum & Articles of Association, the financial position and the type of contracts that the organisation is likely to access.

Scotland Excel

To: Executive Sub-Committee

On: 29th May 2020

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

Update on the Contract Delivery Plan

1. Introduction

This report provides a progress update on the 2020/ 2021 contract delivery plan.

2. Progress to Date

As detailed in Appendices 1 – 3, the 2020/ 2021 contract delivery plan details framework renewals, new developments, framework extensions and frameworks with ongoing contract management only.

There are 74 current frameworks in the Scotland Excel contract portfolio, with 13 of these frameworks to be renewed before 31 March 2021 (Appendix 1).

Scotland Excel plans to add a further 7 new frameworks to its contract portfolio by 31 March 2021 (Appendix 2), 2 of which will be coordinated through the operational supplies and services team.

A further 19 of the frameworks on the current portfolio have extension options that are likely to be exercised in 2020/ 2021 (Appendix 3).

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

The national flexible framework for Care and Support Services went live in April 2020. A total of 78 care providers offering 316 services have been awarded a place on the framework. As this is a flexible framework agreement, new bids can be considered every six months.

The services for engineering and construction consultancy will now be delivered through two individual frameworks, these being Engineering and Technical Consultancy framework and Construction and Building Consultancy framework. It was originally intended to deliver one construction-based consultancy framework that would support all councils' consultancy requirements and that delivery through one framework and tender exercise would offer greatest efficiency.

While there has been encouraging levels of development on all areas, there is clear segregation between two construction sectors that the councils operate in, those being the construction infrastructure sector and the building construction sector. Both sectors operate independently and differently from each other

including how they procure. Given this, these services appear to be better represented through two independent frameworks that can accommodate the unique procurement requirement in both areas. Both framework developments are being continued in parallel.

In the light of the severe impact on normal business practices resulting from the current Coronavirus/Covid-19 outbreak, Scotland Excel has deferred some projects and proposed to extend some current frameworks as detailed within Appendix 4.

The basis for these extensions is the result of a combination of factors including:

- Constraints on potential bidders' capacity and capability to tender
- Constraints and extended timelines on stakeholder/technical engagement to facilitate development of frameworks that are fit for purpose
- Staff are diverted to more urgent requirements to deal with COVID-19 consequences
- Impact of staff absences (incl through furloughing and consequent reduction to their corporate capability and responsiveness)

In addition to the activity detailed in Appendices 1 -3, Scotland Excel is exploring the benefits of further collaborative procurement across high spend, critical service areas in the construction and corporate teams.

A new opportunity for Robotics Process Automation / Artificial Intelligence is currently being scoped with a Prior Information Notice (PIN) being issued as part of a market sounding and intelligence gathering exercise. To date, 90 companies have noted interest and 24 responded to the PIN questionnaire. The responses were collated and distributed to the digital office project manager responsible, planned discussion workshops with councils have currently been put on hold.

Further changes to the information capture tool used for data gathering purposes are being tested by West Lothian Council, promotion and rollout of which will follow.

The revised procurement process for the Social Care Case Management Framework is underway, and it is anticipated that the award recommendation will be presented to the Executive Subcommittee in September for approval.

Input to the digital telecare procurement playbook instruction manual - which is aimed at supporting people buying Telecare kit and services - has been provided by Scotland Excel with content discussions ongoing. Scotland Excel is developing the digital offering in parallel to the current contract, and this will be operational by April 2021.

Regarding the development of Online School Payments, the scope will be further enhanced, incorporating new elements of cashless catering and catering management systems. Councils have extended or called off from the previous framework with the majority contracted through to mid-2021. The revised plan is to conduct UIG's from August/Sept with a view to having the framework live by Spring 2021.

Overall, efficiencies delivered in 2019 were c.2.5%, in line with the forecast range. The spend and forecast saving per council can be found in Appendix 5.

3. Conclusion

The Executive Sub Committee is requested to note the overall contract delivery plan review including proposed actions to be taken as a result, and (subject to further consultation with relevant bodies and legal colleagues to ensure the modifications proposed are applied appropriately and in accordance with Scotland Excel's governance and applicable Regulations) approve the recommendations for contract extensions detailed within Appendix 4.

Appendix 1 - List of contracts to be renewed in 2020/21

| Service | Estimated Annual Collaborative Contract Opportunity | Activity | Original Forecast Date | Previous Forecast Date | Delivered Date | Latest Forecast Date if Different | Forecast Savings Range | Delivered Savings Forecast | Comments |
|---------------------------------------|---|----------|------------------------|------------------------|----------------|-----------------------------------|------------------------|----------------------------|---|
| Fire and Security Equipment | 7,500,000 | Renew | Oct-19 | Aug-20 | | Mar-21 | 2% - 4% | | Plan delayed to conduct a viability study |
| Waste Disposal Equipment | 1,250,000 | Renew | Apr-20 | | Feb-20 | | 2% - 4% | 1.0% | Framework is live |
| Groceries and Provisions | 30,000,000 | Renew | May-20 | | Mar-20 | | 2% - 4% | 1.4% | Framework is live |
| Demolition | 18,000,000 | Renew | Aug-20 | | | | 2% - 4% | | Tender evaluation |
| Catering Sundries | 6,000,000 | Renew | Aug-20 | | | | 2% - 4% | | Tender evaluation |
| Online School Payments | 2,000,000 | Renew | Apr-20 | Oct-20 | | Feb-21 | 2% - 4% | | Plan delayed due to COVID-19 |
| Domestic Furniture and Furnishings | 20,000,000 | Renew | Nov-20 | | | Feb-21 | 2% - 4% | | Strategy in development |
| Vehicle Parts | 12,000,000 | Renew | Jan-21 | | | Apr-21 | 2% - 4% | | Plan delayed due to COVID-19 |
| Bitumen Products | 12,000,000 | Renew | Mar-21 | | | | 2% - 4% | | Strategy in development |
| Personal Protective Equipment | 10,000,000 | Renew | Mar-21 | | | Aug-21 | 2% - 4% | | Strategy in development |
| Education and Office Furniture | 5,000,000 | Renew | Mar-21 | | | May-21 | 2% - 4% | | Strategy in development |
| Outdoor Play and Sports | 17,500,000 | Renew | Mar-21 | | | | 2% - 4% | | Strategy in development |
| Engineering and Technical Consultancy | 17,600,000 | Renew | Mar-21 | | | | 2% - 4% | | Strategy in development |
| Organic Waste | 12,000,000 | Renew | Apr-21 | | | | 2% - 4% | | Strategy in development |
| Energy Efficiency Contractors | 200,000,000 | Renew | May-21 | | | | 2% - 4% | | Strategy in development |

Appendix 2 – List of new contracts to be developed and delivered in 2020/2021

| Service | Estimated Annual Collaborative Contract Opportunity | Activity | Original Forecast Date | Previous Forecast Date | Delivered Date | Latest Forecast Date if Different | Forecast Savings Range | Delivered Savings Forecast | Comments |
|---|---|--------------|------------------------|------------------------|----------------|-----------------------------------|------------------------|----------------------------|---|
| Engineering and Construction Services | 40,000,000 | New Contract | Jun-20 | Aug-20 | | N/A | 2% - 4% | | Project cancelled |
| Electric Vehicle Charging Points | 10,000,000 | New Contract | Aug-20 | Dec-20 | | Mar-21 | 5.5% | | Plan delayed due to COVID-19 |
| Social Care Case Management Solutions | 7,000,000 | New Contract | Aug-20 | | | Nov-20 | 5.5% | | Plan delayed due to COVID-19 |
| Swimming Pool Contractors (OSS) | 2,000,000 | New Contract | Oct-19 | Mar-20 | | Mar-21 | 5.5% | | Delay due to contractors not in a position to respond within current timescales |
| Legionella and Water Control Services (OSS) | N/A | New Contract | Dec-19 | Jun-20 | | N/A | 5.5% | | Project cancelled |
| Lift Maintenance (OSS) | 1,250,000 | New Contract | Mar-20 | Jun-20 | | Mar-21 | 5.5% | | Delay due to contractors not in a position to respond within current timescales |
| Construction and Building Consultancy | 10,000,000 | New Contract | May-21 | | | | 2% - 4% | | Strategy in development |
| Digital Telecare | 4,000,000 | New Contract | Apr-21 | | | | 5.5% | | Scoping |

Appendix 3 – Contracts with extension options and contract management activity ongoing in 2020/2021

Contracts with extension options in 2020/21

| Contract Description | Est Annual Value |
|-----------------------------------|------------------|
| Asbestos | £12,000,000 |
| Boiler Maintenance | £10,000,000 |
| Bottled Gas | £2,000,000 |
| Digital Publications and Services | £1,000,000 |
| Fire Safety Products (OSS) | £2,500,000 |
| First Aid Materials (OSS) | £2,000,000 |
| Grounds Maintenance Equipment | £6,000,000 |
| Laundry Equipment (OSS) | £1,100,000 |
| Library Books & Textbooks | £14,000,000 |
| Milk | £9,000,000 |
| New Build Residential | £375,000,000 |
| Pest Control (OSS) | £1,500,000 |
| Power Tools | £681,818 |
| Steeplejacks Services (OSS) | £1,750,000 |
| Street Lighting Materials | £35,000,000 |
| Swimming Pool Chemicals (OSS) | £1,250,000 |
| Technology Enabled Care | £6,300,000 |
| Trade Materials | £10,000,000 |
| Water Coolers (OSS) | £1,500,000 |

Contracts with no renewal or extension activity and contract management activity ongoing in 2020/21

| Contract Description | Est Annual Value | Contract Description | Est Annual Value |
|---|-------------------------|--|-------------------------|
| Audio Visual | £7,500,000 | Hot Beverages (OSS) | £1,000,000 |
| Alcoholic Beverages | £1,250,000 | Janitorial Products | £12,000,000 |
| Bikeability Scotland Training Providers | £300,000 | Light and Heavy Plant | £10,000,000 |
| Building and Timber | £15,000,000 | Plumbing and Heating Materials | £22,500,000 |
| Buildings Related Engineering Consultancy | £10,000,000 | Recyclable and Residual Waste | £40,000,000 |
| Care and Support | £140,000,000 | Road Maintenance Materials | £2,500,000 |
| Care Homes For Adults With Learning Disabilities Including Autism | £26,500,000 | Road Signage Materials | £1,250,000 |
| Catering Sundries | £6,000,000 | Roadstone | £5,000,000 |
| Children's Residential | £105,400,000 | Salt for Winter Maintenance | £16,250,000 |
| Cleaning Equipment (OSS) | £2,250,000 | Secure Care | £17,500,000 |
| Commercial Catering Equipment (OSS) | £4,000,000 | Security Services and Cash Collection | £12,500,000 |
| Community Meals | £4,000,000 | Sheriff Officers (OSS) | £1,100,000 |
| Education Materials | £17,500,000 | Social Care Agency Workers | £20,000,000 |
| Electrical Materials | £20,000,000 | Street Lighting Bulk Renewal of Luminaires | £5,000,000 |
| Energy Advice (OSS) | £1,000,000 | Tyres for Vehicles and Plant | £6,500,000 |
| Fostering | £25,000,000 | Vehicle and Plant Hire | £15,000,000 |
| Fresh Bread, Rolls and Bakery Products | £1,500,000 | Vehicle Purchase RM6060 | £15,000,000 |
| Fresh Fruit and Veg | £6,000,000 | Vending Machines (OSS) | £1,250,000 |
| Fresh Meat, Cooked Meats and Fresh Fish | £10,000,000 | Washroom Solutions and Sanitary Products | £3,500,000 |
| Groceries and Provisions | £30,000,000 | Waste Disposal Equipment | £1,250,000 |
| Heavy Vehicles | £40,000,000 | | |

Appendix 4 – Proposed extensions to current frameworks

| Service | Current Expiry Date | Proposed Actions | Comments |
|-------------------------------|---------------------|--------------------|--|
| Fostering | 24/03/2021 | 3 months extension | Current contract to be extended by 3 months |
| Vehicle Parts | 31/12/2020 | 3 months extension | 3 month extension for renewal by 1 April 2021 |
| Domestic Furniture | 31/10/2020 | 3 months extension | 3 month extension as contractors would not be in a position to respond within current timescales |
| Education Furniture | 28/02/2021 | 3 months extension | ITT to be re-scheduled |
| Personal Protective Equipment | 28/02/2021 | 6 months extension | 6 month extension as contractors would not be in a position to respond within current timescales |

Appendix 5 – Expenditure summary per council: Jan – Dec 2019

| Member Organisation | Actual Spend | Forecast Spend | Variance | % of Total Actual Spend | Estimated Saving | % Saving |
|-----------------------------|---------------------|---------------------|------------|-------------------------|--------------------|--------------|
| Fife Council | £50,273,872 | £75,249,090 | 66.80% | 8.08% | £870,533 | 1.73% |
| Edinburgh City Council | £44,930,723 | £35,205,888 | 127.60% | 7.23% | £798,924 | 1.78% |
| Glasgow City Council | £37,196,563 | £50,574,716 | 73.50% | 5.98% | £1,167,639 | 3.14% |
| Aberdeenshire Council | £36,597,180 | £36,862,407 | 99.30% | 5.89% | £929,863 | 2.54% |
| South Lanarkshire Council | £33,996,931 | £49,576,646 | 68.60% | 5.47% | £669,965 | 1.97% |
| North Lanarkshire Council | £33,955,936 | £38,763,777 | 87.60% | 5.46% | £595,506 | 1.75% |
| Associate Members | £28,562,722 | £30,698,781 | 93.00% | 4.59% | £360,471 | 1.26% |
| Aberdeen City Council | £25,878,816 | £32,894,450 | 78.70% | 4.16% | £614,189 | 2.37% |
| West Lothian Council | £24,899,579 | £28,994,183 | 85.90% | 4.00% | £512,286 | 2.06% |
| West Dunbartonshire Council | £23,578,277 | £21,887,129 | 107.70% | 3.79% | £549,542 | 2.33% |
| Falkirk Council | £22,037,407 | £28,179,265 | 78.20% | 3.54% | £959,995 | 4.36% |
| Renfrewshire Council | £21,147,017 | £28,678,624 | 73.70% | 3.40% | £682,147 | 3.23% |
| North Ayrshire Council | £19,410,153 | £34,212,237 | 56.70% | 3.12% | £396,941 | 2.05% |
| Highland Council | £17,916,747 | £25,261,806 | 70.90% | 2.88% | £424,111 | 2.37% |
| Dundee City Council | £17,278,546 | £14,450,391 | 119.60% | 2.78% | £258,533 | 1.50% |
| East Lothian Council | £16,024,707 | £13,865,292 | 115.60% | 2.58% | £504,771 | 3.15% |
| East Ayrshire Council | £14,181,903 | £14,859,189 | 95.40% | 2.28% | £407,782 | 2.88% |
| South Ayrshire Council | £13,968,512 | £17,587,177 | 79.40% | 2.25% | £301,467 | 2.16% |
| Moray Council | £13,747,026 | £17,058,367 | 80.60% | 2.21% | £304,798 | 2.22% |
| Tayside Contracts | £13,010,271 | £13,361,557 | 97.40% | 2.09% | £690,434 | 5.31% |
| Dumfries & Galloway Council | £11,485,004 | £11,464,979 | 100.20% | 1.85% | £358,446 | 3.12% |
| Scottish Borders Council | £11,263,729 | £12,800,795 | 88.00% | 1.81% | £152,641 | 1.36% |
| East Renfrewshire Council | £10,974,742 | £11,888,002 | 92.30% | 1.76% | £636,448 | 5.80% |
| Perth & Kinross Council | £10,820,406 | £10,220,956 | 105.90% | 1.74% | £278,525 | 2.57% |
| East Dunbartonshire Council | £10,592,467 | £11,571,394 | 91.50% | 1.70% | £294,615 | 2.78% |
| Argyll & Bute Council | £10,312,796 | £9,481,682 | 108.80% | 1.66% | £317,208 | 3.08% |
| Midlothian Council | £8,850,510 | £13,669,989 | 64.70% | 1.42% | £688,729 | 7.78% |
| Stirling Council | £8,804,349 | £12,017,167 | 73.30% | 1.42% | £117,091 | 1.33% |
| Inverclyde Council | £7,357,269 | £9,120,645 | 80.70% | 1.18% | £315,721 | 4.29% |
| Clackmannanshire Council | £7,254,059 | £11,337,779 | 64.00% | 1.17% | £175,825 | 2.42% |
| Angus Council | £7,241,577 | £11,939,298 | 60.70% | 1.16% | £127,016 | 1.75% |
| Shetland Islands Council | £3,391,697 | £3,353,807 | 101.10% | 0.55% | £61,699 | 1.82% |
| Orkney Islands Council | £2,614,573 | £2,791,723 | 93.70% | 0.42% | £35,265 | 1.35% |
| Western Isles Council | £2,261,856 | £4,228,971 | 53.50% | 0.36% | £110,311 | 4.88% |
| Total | £621,817,922 | £744,108,159 | N/A | 100% | £15,669,437 | 2.52% |

Scotland Excel

To: Executive Sub-Committee

On: 29th May 2020

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

Risk Register Update

1. Introduction

This report provides an update on the Risk Register which is maintained to assess threats/risks that could impact on the delivery of Scotland Excel's organisational objectives and to identify controls and actions that are being taken to mitigate these risks.

2. Background

The attached Strategic Risk Register was created in June 2018 when Scotland Excel carried out a full review of the organisation's Risk Register to reflect the new 5-year operating plan. 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 visibility of the risks, and actions being taken by the organisation to manage and mitigate these risks.

In June 2019, the Strategic Risk Register template used by Scotland Excel was adjusted to better reflect that used by partner organisations. The revised template plus additional information which is now in use can be seen within the document at Appendix 1 of this report.

3. Risk Management update

The Strategic Risk Register is maintained and continues to be a focus for the on-going operations of the organisation. A process of regular review meetings is in place involving the entire Senior Management Team (SMT). These meetings are held quarterly to review, revise and update the register.

Currently there are 10 risks identified within the Strategic Risk Register ranging in assessed risk score from 6 to 25. A summary of key statistics in relation to each identified risk is shown in appendix 1 to this report.

The impact of the COVID-19 pandemic is the over-riding influence on all strategic risk at present coupled with continuing Brexit uncertainty. These factors are reflected in the upwards trend in relation to risk score showing against a number of the existing strategic risks and in the introduction of a new risk in respect of, "National Emergency including Pandemic" (SXL-010-20/21).

The updated Strategic Risk Register identifies a number of existing and new linked actions in relation to each strategic risk aimed at mitigating the impact of each risk in the present day and going forward.

The new “National Emergency including Pandemic” risk is currently positioned on the highest risk score of 25 (Likelihood 5, Impact 5). While Scotland Excel is operating well within the home working environment, the continuing uncertainty of when and how the lockdown is going to end necessitates this risk remaining on the maximum risk score. A number of linked actions have been identified in relation to this risk aimed at mitigating the impact on the organisation at present and making sure that the organisation learns from the current pandemic going forward.

Other risks with risk scores impacted by the COVID-19 pandemic are detailed on table 2 in the Strategic Risk Register at appendix 1.

Factors taken into consideration, in addition to COVID-19, when reviewing the risk register over the year included Brexit; recruitment challenges within the procurement sector; continuing financial uncertainty across local government; the developing importance of corporate social responsibility; growing environmental awareness across society and the increasing size of the Scotland Excel contract portfolio.

Following quarterly review of these and other factors, the Scotland Excel Risk Register as at 27th April 2020 is shown in appendix 1.

4. Recommendation

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



Strategic Risk Register

| Document Control 2020 | |
|---|-------------------------|
| Review Dates: | 24 January 2020 |
| | 27 April 2020 |
| Exec Sub Comm. | 29 May 2020 |
| Review Dates: | 24 July 2020 |
| | 30 October 2020 |
| Exec Sub Comm. | 27 November 2020 |
| This document is available in alternative formats on request. | |

Table 1 summarises risks identified within the Scotland Excel Risk Register and orders them according to their Risk Score as at 27th April 2020. The Risk Score represents the assessed risk score taking into consideration all risk controls and mitigations in place in relation to that specific risk.

Table 1: Risk – Highest to Lowest Risk Score 27/04/20

| Risk Ref. | Risk Title | Risk Score |
|--------------|---|------------|
| SXL010-20/21 | National Emergency including Pandemic | 25 |
| SXL005-20/21 | Supplier Failure | 20 |
| SXL003-20/21 | Political Change | 16 |
| SXL001-20/21 | Organisational Sustainability | 16 |
| SXL002-20/21 | Managing Growth and Diversity | 16 |
| SXL008-20/21 | Risk of Not Performing/Delivering | 16 |
| SXL006-20/21 | Staff Recruitment and Retention | 12 |
| SXL004-20/21 | Reputational Risk | 12 |
| SXL007-20/21 | Corporate Social Responsibility | 6 |
| SXL009-20/21 | Environmental Impact and Climate Change | 6 |

Table 2 charts risk score movement and trend over the past year in relation to each risk identified within the Scotland Excel Risk Register. Where there has been movement in the risk score, a brief explanation has been provided.

Table 2: Risk Movement During Past Year











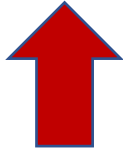
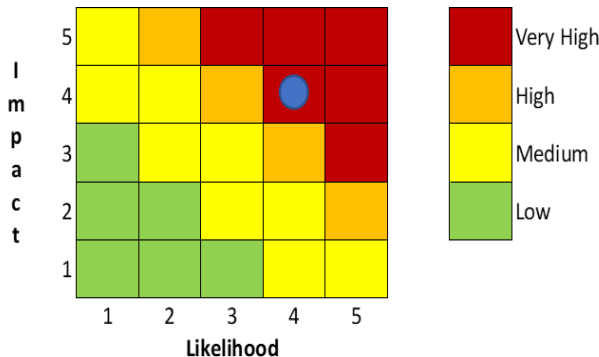
| Period | Q1 Aug 19 – Oct 19 | Q2 Oct 19 – Jan 20 | Q3 Jan 20 – Apr 20 | Q4 Apr 20 – July 20 | |
|--|---------------------------------|---------------------------------|---------------------------------|----------------------------------|---|
| Risk Ref. | | | | | Trend |
| SXL010-20/21 | n/a | n/a | n/a | 25 |  |
| Impact of COVID-19 | | | | | |
| SXL005-20/21 | 20 | 20 | 16 | 20 |  |
| Risk mitigation actions in place and Impact of COVID-19 | | | | | |
| SXL003-20/21 | 16 | 16 | 16 | 16 |  |
| Impact of COVID-19 and BREXIT | | | | | |
| SXL001-20/21 | 12 | 12 | 12 | 16 |  |
| Impact of COVID-19 | | | | | |
| SXL002-20/21 | 12 | 12 | 12 | 16 |  |
| Risk mitigation actions in place and Impact of COVID-19 | | | | | |
| SXL008-20/21 | 8 | 8 | 8 | 16 |  |
| Risk mitigation actions in place and Impact of COVID-19 | | | | | |
| SXL006-20/21 | 9 | 9 | 12 | 12 |  |
| Existing recruitment challenges and Impact of COVID-19 | | | | | |
| SXL004-20/21 | 8 | 8 | 12 | 12 |  |
| Increasing size of contract portfolio and Impact of COVID-19 | | | | | |
| SXL007-20/21 | 6 | 6 | 6 | 6 |  |
| SXL009-20/21 | n/a | 6 | 6 | 6 |  |


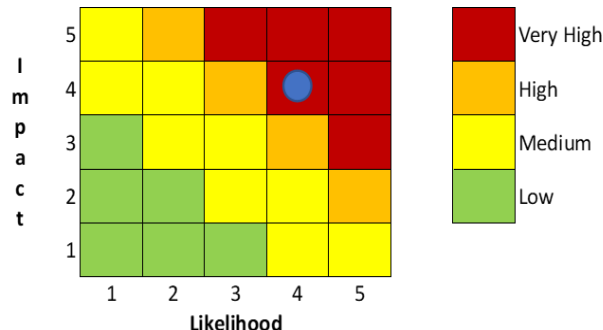
Diagram 1: Consolidated Risk Matrix


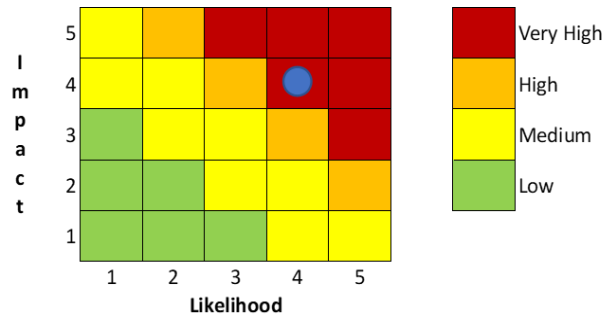
| | | | | | | |
|----------|---|------------|------------------|--------|--------------------------------------|--------|
| Severity | 5 | | | | | SXL010 |
| | 4 | | | SXL004 | SXL003 SXL001 SXL002 SXL008 | SXL005 |
| | 3 | | SXL007 SXL009 | | SXL006 | |
| | 2 | | | | | |
| | 1 | | | | | |
| | | 1 | 2 | 3 | 4 | 5 |
| | | Likelihood | | | | |


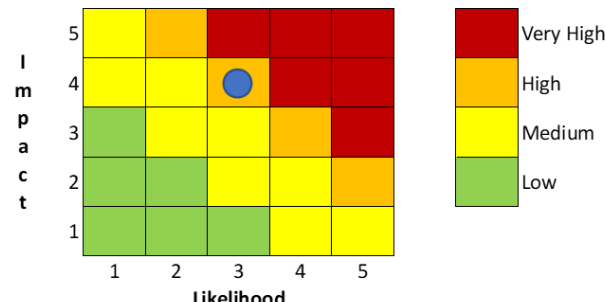
| PESTEL Analysis – April 2020 | | |
|------------------------------|---------------------------------------|------------|
| POLITICAL | | |
| Reference | Risk | Risk Score |
| SXL003-20/21 | Political Change | 16 |
| ECONOMIC | | |
| SXL005-20/21 | Supplier Failure | 20 |
| SXL001-20/21 | Organisational Sustainability | 16 |
| SXL002-20/21 | Managing Growth and Diversity | 16 |
| SOCIAL | | |
| SXL010-20/21 | National Emergency including Pandemic | 25 |
| SXL004-20/21 | Reputational Risk | 12 |
| SXL006-20/21 | Staff Recruitment and Retention | 12 |
| SXL007-20/21 | Corporate Social Responsibility | 6 |
| SXL008-20/21 | Risk of Not Performing/Delivering | 8 |
| TECHNOLOGICAL | | |
| ENVIRONMENTAL | | |
| SXL009-20/21 | Environmental Impact | 6 |
| LEGAL/LEGISLATIVE | | |


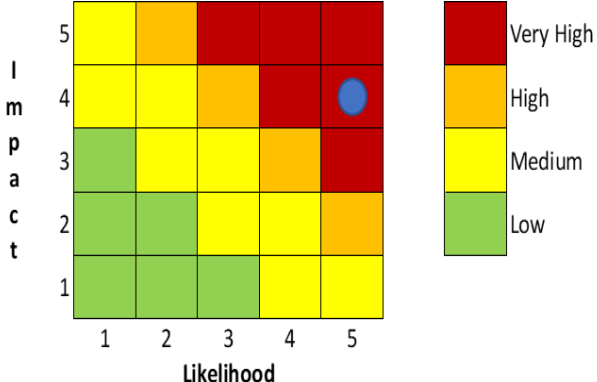
Appendix 2: - Scotland Excel Risk Register (April 2020)


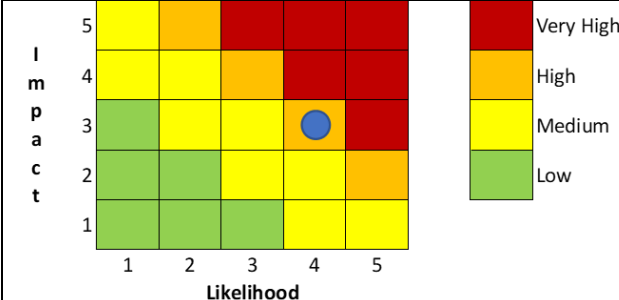
| Reference: | | SXL001-20/21 | | Organisational Sustainability | | | | | |
|---|----------|--|------------|---|---|----------|------------|---|----------|
| Context | | Risk Statement | Risk Owner | Current Risk Controls | Risk Score | | | | |
| | | | | | Likelihood | Impact | Evaluation | Trend | Residual |
| <p>Potential for local government organisations withdrawing support.</p> <p>Requirement to diversify and generate financial income from alternate sources</p> <p>Council budget cuts impacting upon use of services provided.</p> | | Membership of Scotland Excel is optional for all stakeholders and Scotland Excel must be alert to this and the impact of Councils or Associate Members resigning their membership. | JW | <p>Continuing focus on added Core Value delivered for all member councils.</p> <p>On-going development of projects offering new services and increasing benefits to stakeholders.</p> <p>Identification of new opportunities to provide additional chargeable services based on customer demand.</p> <p>Ongoing robust market testing of all new shared service propositions.</p> <p>Ongoing robust business model is in place for all new services (cost to serve, funding/uptake forecasts).</p> <p>Regular engagement with Chief Execs, Finance Directors, Corporate Procurement Leads and Elected Members demonstrating the value added by Scotland Excel</p> | 4 | 4 | 16 |  | 12 |
| | | | | |  | | | | |
| Risk Register Review Updates | | | | | | | | | |
| Date | 06/08/19 | Linked Action added - New Stakeholder Mapping Exercise to be carried out; Risk score revised to 3 likelihood, 4 Severity | | | | | | | |
| | 28/10/19 | New linked action added re engagement exercise; Risk scores to be maintained at current levels | | | | | | | |
| | 24/01/20 | Linked actions updated; Risk scores maintained at current levels | | | | | | | |
| | 27/04/20 | Linked actions updated; Risk score reviewed in light of anticipated COVID-19 pandemic cost pressures | | | | | | | |
| Linked Actions | | | | | | | | | |
| Description | | | | Assigned To: | | Due Date | Status | Notes | |
| Stakeholder Mapping Exercise to be carried out | | | | MR | | 31/12/19 | Complete | Reviewed SMT Feb 2020 | |
| Continuing Customer Engagement exercise with key partners | | | | JW | | 31/08/20 | On-going | Engagement plan in development | |


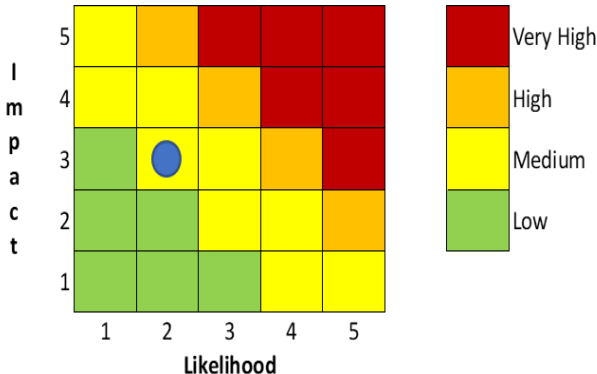
| Reference: | | SXL002-20/21 | | Managing Growth and Diversity | | | | | |
|---|----------|--|------------|--|---|----------|--|---|----------|
| Context | | Risk Statement | Risk Owner | Current Risk Controls | Risk Score | | | | |
| | | | | | Likelihood | Impact | Evaluation | Trend | Residual |
| <p>Failure to identify and manage emerging opportunities</p> <p>Inability to evolve service offering in a changing landscape</p> <p>COVID-19 has affected our ability to identify and deliver new project opportunities</p> | | There is a risk to the long-term future of the organisation if it fails to grow the portfolio of services offered to members | SB | <p>Regular Horizon Scanning meetings help to identify market development opportunities and give the organisation time to plan for capability and capacity.</p> <p>OD strategy and workforce planning tools used to ensure that Scotland Excel has the right caliber of staff to deliver and grow a quality service offering.</p> <p>New project opportunities have been won across a number of councils and other public sector bodies.</p> <p>Employment of additional temporary marketing resource to ensure key projects/initiatives are adequately promoted.</p> | 4 | 4 | 16 |  | 12 |
| | | | | |  | | | | |
| Risk Register Review Updates | | | | | | | | | |
| Date | 06/08/19 | Acknowledgement that time is moving quickly; addition of mitigating action – recruitment of additional temp marketing resource | | | | | | | |
| | 28/10/19 | New linked actions added relating to Business Development and General Procurement Services – No change to Risk scores | | | | | | | |
| | 24/01/20 | Progress against linked actions noted; No change to Risk scores. | | | | | | | |
| | 27/04/20 | Linked actions updated and added (project opportunities); Review based on COVID-19 – Residual risk increased to 16 (Likelihood up to 4). | | | | | | | |
| Linked Actions | | | | | | | | | |
| Description | | | | Assigned To: | Due Date | Status | Notes | | |
| Innovation management process being developed. | | | | IMN | 31/03/21 | On-going | Innovation group has started meeting | | |
| Review of market competitors to be refreshed. | | | | HC | 30/06/20 | On-going | Operating Plan Action | | |
| Review of Business Development Strategy | | | | SB | 30/06/20 | On-going | Temp Snr Business Dev. Officer appointed | | |
| Provision of General Procurement Services for Key Partner | | | | HC | 31/08/20 | On-going | Work is continuing on project delivery | | |
| Detailed review of project and contract opportunities. | | | | SB | 31/08/20 | On-going | Review of opportunities post Covid 19 | | |


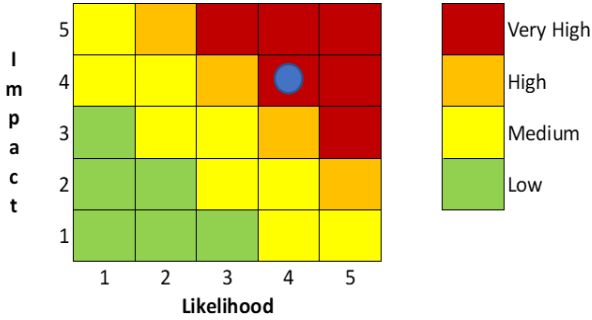
| | | | | | | | | |
|---|--|---|---|---|----------|--|---|----------|
| Reference: SXL003-20/21 | | Political Change | | | | | | |
| Context | Risk Statement | Risk Owner | Current Risk Controls | Risk Score | | | | |
| | | | | Likelihood | Impact | Evaluation | Trend | Residual |
| Legislative changes impact upon the organisation and how it must operate. Political uncertainty created by, for example, Brexit create unknown challenges Legislative changes have been introduced to procurement processes considering the COVID-19 pandemic | Political change at local, national, UK and international levels which Scotland Excel must be aware of in order to respond to, and maintain services to stakeholders | JW | An effective and properly resourced public affairs strategy is in place. Through effective research, engagement, partnership working and briefings – for example Brexit white paper - this ensures that the organisation is aware of and able to respond to challenges and opportunities in the external environment. Active participation by the organisation in various groups and boards influencing policy and “direction of travel”. COVID-19 Waste proposal developed to support customers in using changes to procurement legislation to deliver waste services externally if required. | 4 | 4 | 16 |  | 16 |
| | | | |  | | | | |
| Risk Register Review Updates | | | | | | | | |
| Date | 06/08/19 | Continuing uncertainty on “No Deal Brexit”; linked action added to revisit SXL White Paper on Brexit Impact; score change to 4 x 4 | | | | | | |
| | 28/10/19 | Due to continuing uncertainty around Brexit and the possibility of an election causing governance challenges, linked action added, score maintained | | | | | | |
| | 24/01/20 | Progress against linked actions noted; No change to Risk scores due to continuing uncertainty on Brexit | | | | | | |
| | 27/04/20 | Strategic Risk reviewed; No change to risk score | | | | | | |
| Linked Actions | | | | | | | | |
| Description | | | Assigned To: | Due Date | Status | Notes | | |
| Carry out review of SXL White Paper on Brexit | | | HC | 31/12/19 | Complete | | | |
| Proposed General Election – Review Governance Challenges | | | JW | 31/12/19 | Complete | Governance committees unaffected by election | | |


| Reference: | | SXL004-20/21 | | Reputational Risk | | | | | |
|---|----------|---|------------|--|---|----------|--|---|----------|
| Context | | Risk Statement | Risk Owner | Current Risk Controls | Risk Score | | | | |
| | | | | | Likelihood | Impact | Evaluation | Trend | Residual |
| <p>Negative publicity or media coverage affects the organisation and impacts stakeholders.</p> <p>Negative media reports relating to a framework or service provider.</p> <p>An increased need to generate positive marketing outlining Scotland Excel’s role during the COVID-19 pandemic.</p> | | Scotland Excel is faced with negative publicity or a media crisis through a service issue or failure that compromises the organisation’s stakeholders | JW | <p>Colleagues advise communications team of any potential issues to enable effective planning for “negative” media interest.</p> <p>Pro-active monitoring of press coverage carried out by marketing team and wider organisation.</p> <p>Pro-active and robust engagement with press organisations to ensure positive relationships and coverage.</p> <p>Proactive marketing programme ensuring local authorities are aware of the services being offered to councils during the COVID-19 pandemic. This includes the Scotland Excel Newsroom.</p> | 3 | 4 | 12 |  | 8 |
| | | | | |  | | | | |
| Risk Register Review Updates | | | | | | | | | |
| Date | 06/08/19 | Discussed heightened risk due to increasing portfolio size. To be reviewed at October meeting. | | | | | | | |
| | 28/10/19 | Linked action added relating to Brexit uncertainty – risk scores are maintained | | | | | | | |
| | 24/01/20 | Risk score changed due to size and range of portfolio including social care; Likelihood (3) Severity (4) | | | | | | | |
| | 27/04/20 | Linked actions added (Newsroom & Marketing); No change to risk score | | | | | | | |
| Linked Actions | | | | | | | | | |
| Description | | | | Assigned To: | Due Date | Status | Notes | | |
| Media Training Refresher to be arranged for SMT | | | | MR | 31/12/19 | Complete | Delivered to SMT 20/11/19 | | |
| Carry out review of SXL White Paper on Brexit | | | | HC | 31/12/19 | Complete | | | |
| Set up Newsroom facility on SXL website updating on COVID-19 initiatives and wider news | | | | SB | 30/04/20 | Complete | On-going and noted under risk controls | | |
| Develop marketing campaign keeping councils aware of SXL services available during COVID-19 pandemic. | | | | SB | 31/03/20 | Complete | On-going and noted under risk controls | | |

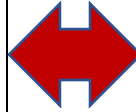
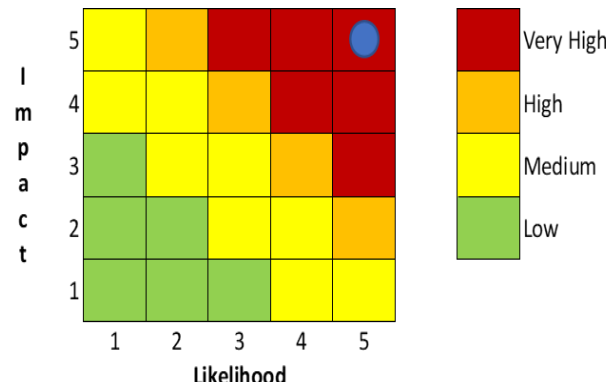
| | | | | | | | | |
|---|--|--|---|---|----------|----------------------------|---|----------|
| Reference: SXL005-20/21 | | Supplier Failure | | | | | | |
| Context | Risk Statement | Risk Owner | Current Risk Controls | Risk Score | | | | |
| | | | | Likelihood | Impact | Evaluation | Trend | Residual |
| <p>Financial (and other) factors impacting on resilience of suppliers.</p> <p>Negative reputational results across the portfolio from potential breach of contract and / or supplier failure.</p> <p>Focus required in areas which have a direct impact on delivery as a result of business failure.</p> <p>Expanding Social Care portfolio generates new risks for Scotland Excel</p> <p>Social care providers are being impacted by COVID-19 in terms of their financial sustainability</p> | The failure of a service provider could have significant implications for service provision within member council areas. | HC | <p>Effective risk management is in place during development and management of contracts.</p> <p>Robust processes for monitoring financial stability of suppliers carried out prior to award and throughout the life of a contract, utilising external advice as required.</p> <p>Specific measures are in place to meet the management of Social Care contracts and these key areas of risk.</p> <p>Scotland Excel has a range of measures for monitoring supplier resilience in addition to the external financial monitoring tools used.</p> <p>A new tailored approach to financial risk for high risk contracts has been implemented</p> <p>“Step-in Right” within relevant and appropriate contracts maintained</p> <p>Scotland Excel are involved in various groups to support provider sustainability in particular around establishing reasonable additional costs during COVID-19.</p> | 5 | 4 | 20 |  | 20 |
| | | | |  | | | | |
| Risk Register Review Updates | | | | | | | | |
| Date | 06/08/19 | No Change | | | | | | |
| | 28/10/19 | Linked action added in relation to Market Analysis – risk scored maintained | | | | | | |
| | 24/01/20 | Severity score reduced due to mitigating work carried out and underway | | | | | | |
| | 27/04/20 | Linked actions updated and risk discussed; Risk Score increased to 20 (Likelihood 5; Severity 4) | | | | | | |
| Linked Actions | | | | | | | | |
| Description | | | Assigned To: | Due Date | Status | Notes | | |
| Review “Step-in Right” within relevant/appropriate projects | | | HC | 30/06/19 | Complete | Added to Current Controls. | | |
| Develop robust Market Analysis Strategy across procurement categories | | | HC | 31/08/20 | On-going | | | |

| | | | | | | | | | | |
|--|----------|--|------------|---|---|----------|--|---|----------|--|
| Reference: SXL006-20/21 | | Staff Recruitment and Retention | | | | | | | | |
| Context | | Risk Statement | Risk Owner | Current Risk Controls | Risk Score | | | | | |
| | | | | | Likelihood | Impact | Evaluation | Trend | Residual | |
| Demand in the market for staff makes recruiting and retaining staff problematic. Recruitment massively impacted by COVID-19. Staff less likely to move during current circumstances | | Scotland Excel encounters problems in recruiting and retaining staff of suitable skill, quality and experience to deliver the operating plan | SB | Recruitment processes reviewed and updated. PRD process reviewed and updated in consultation with Scotland Excel staff. Successful recruitment campaigns including events to be replicated. Retention measures improved including secondment opportunities and projects to enrich roles. Enhanced organisational reputation through events, partnerships and marketing. Retain Investors in People accreditation Recruitment currently suspended during COVID-19 pandemic | 4 | 3 | 12 |  | 9 | |
| | | | | |  | | | | | |
| Risk Register Review Updates | | | | | | | | | | |
| Date | 06/08/19 | No Change | | | | | | | | |
| | 28/10/19 | Linked actions added in relation to Investors in People and Organisational credibility beyond procurement – No change to risk score | | | | | | | | |
| | 24/01/20 | Linked actions update, Likelihood score increased due to recruitment challenges with Category Manager post. | | | | | | | | |
| | 27/04/20 | Linked actions updated and added (Conversation & Policy); No change to risk score | | | | | | | | |
| Linked Actions | | | | | | | | | | |
| Description | | | | Assigned To: | Due Date | Status | Notes | | | |
| Exit interview process to be reviewed and issues reviewed | | | | LC | 30/06/2020 | On-going | Collection and reporting process development | | | |
| Staff turnover figures to be collated and monitored | | | | LC | 31/03/2020 | Complete | Presented to SMT Feb 2020 | | | |
| Review of job specs and person profiles to be completed | | | | LC | 31/08/2020 | On-going | Reviewed in conjunction with PRD review | | | |
| Increase Investors in People grade from Silver to Gold | | | | JW | 31/03/2022 | On-going | Work is continuing with Staff Engage. Group | | | |
| Build Scotland Excel reputation beyond procurement professionals promoting other areas including the Academy | | | | IMN | 31/03/2021 | On-going | Being led by SXL Academy | | | |
| Investigate a Procurement Conversation programme to attract professionals from other professions | | | | MR | 31/08/20 | On-going | Broaden recruitment pool of candidates. | | | |
| Review Recruitment policy in light of COVID-19 pandemic | | | | LC | 30/06/20 | On-going | Recruitment currently suspended | | | |

| | | | | | | | | | | |
|---|----------|---|------------|---|--|---|--------|------------|---|--|
| Reference: SXL007-20/21 | | Corporate Social Responsibility | | | | | | | | |
| Context | | Risk Statement | Risk Owner | Current Risk Controls | | Risk Score | | | | |
| | | | | | | Likelihood | Impact | Evaluation | Trend | Residual |
| <p>Ensure that, where possible, community benefits are delivered as part of the contract portfolio.</p> <p>Ethical sourcing of products and supplies in the whole supply chain.</p> | | Scotland Excel may not be seen as an industry leader in how it addresses key aspects of corporate social responsibility with an associated negative impact upon our reputation and stakeholder perceptions. | HC | <p>Management and Reporting of Community Benefits has been developed and embedded.</p> <p>Community benefit requirements issued to suppliers at tender stage.</p> <p>Active promotion of community benefits in delivered through our contracts.</p> <p>Living Wage Employer accreditation secured, used to raise awareness with stakeholders.</p> <p>Workforce matters and living wage considerations are built in at strategy stage.</p> <p>Ethical sourcing strategies provided by suppliers as part of the tender process.</p> <p>Co-ordination of Community Benefits Forum for partner local authorities</p> <p>Staff have become mentors for children in schools under MCR Pathways</p> <p>Partnership with Founders 4 Schools supporting CV writing, mock interviews etc.</p> | | 2 | 3 | 6 |  | 6 |
| | | | | | |  | | | | |
| Risk Register Review Updates | | | | | | | | | | |
| Date | 06/08/19 | No Change | | | | | | | | |
| | 28/10/19 | Addition of Community Benefits Forum risk control and “Fair Work First” linked action – No change to risk score. | | | | | | | | |
| | 24/01/20 | Linked action added (Work Placements); No change to risk score | | | | | | | | |
| | 27/04/20 | Risk reviewed in light of COVID-19; No change to risk score. | | | | | | | | |
| Linked Actions | | | | | | | | | | |
| Description | | | | Assigned To: | | Due Date | | Status | | Notes |
| Carry out review of how “Fair Work First” initiative can be incorporated into Scotland Excel frameworks | | | | BM | | 31/08/2020 | | On-going | | Being led by the Procurement Development Team |
| Support Work Placements for students with Autism from Glasgow Caledonian University | | | | LR | | 31/03/2021 | | On-going | | Action added following approach from Glasgow Caledonian University |

| | | | | | | | | |
|--|---|---|--|---|----------|--|---|----------|
| Reference: SXL008-20/21 | | Risk of Not Performing/Delivering | | | | | | |
| Context | Risk Statement | Risk Owner | Current Risk Controls | Risk Score | | | | |
| | | | | Likelihood | Impact | Evaluation | Trend | Residual |
| Failure to deliver in line with member council expectation. System failures impact on the ability of the organisation to deliver services. Increasing member expectations as financial challenges increase | Scotland Excel fails to perform in line with customer expectations. | SB | Approved 5 years strategy and one-year operating plan in place. A range of KPIs currently exist at contract and organisational level. These are regularly reviewed. Regular operating plan updates to Executive Sub Committee to ensure robust governance. Regular financial period review and reporting across core and projects. Business continuity approach ensures that the organisation and its systems can operate effectively remotely Scotland Excel are providing new and improved services to member councils on an ongoing basis. | 4 | 4 | 16 |  | 8 |
| | | | |  | | | | |
| Risk Register Review Updates | | | | | | | | |
| Date | 06/08/19 | Risk Reviewed; No Changes | | | | | | |
| | 28/10/19 | Linked actions added - Cyber Security, Stakeholder Mapping, Customer Engagement – No change to risk score | | | | | | |
| | 24/01/20 | Linked actions updated; No change to risk score | | | | | | |
| | 27/04/20 | Review Based on Covid-19 – Likelihood increased from 2 to 4 due to future financial constraints | | | | | | |
| Linked Actions | | | | | | | | |
| Description | | | Assigned To: | Due Date | Status | Notes | | |
| Review of Member Infographic | | | SB/HC | 30/06/20 | On-going | Project team in place | | |
| Carry Out Cyber Security Review and Training for all staff | | | SB | 31/12/19 | Complete | All staff trained by 30 November '19 | | |
| Stakeholder Mapping Exercise to be carried out | | | MR | 31/12/19 | Complete | Reviewed SMT Feb 2020 | | |
| Continuing Customer Engagement exercise with key partners | | | JW | 31/08/20 | On-going | Engagement plan in development | | |
| Carry out review of impact of COVID-19 on non-procurement activity i.e. Academy, Associates | | | SB | 31/08/20 | On-going | Assessing impact on income generating projects | | |

| Reference: SXL009-20/21 | | Environmental Impact and Climate Change | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|--|--|------------|----------|------------|---|----------|---|--|--|--|--|--|---|--|--|--|--|--|---|--|--|--|--|--|---|--|--|--|--|--|---|--|--|--|--|--|--|---|---|---|---|---|--|-----------|--|------|--|--------|--|-----|
| Context | Risk Statement | Risk Owner | Current Risk Controls | Risk Score | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Likelihood | Impact | Evaluation | Trend | Residual | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Impact of organisational activity of Scotland Excel on the Environment. | Reputational/legal Risk in relation to the organisation having an adverse impact on the Environment. | JW | Adoption of environmentally aware office practices within Scotland Excel i.e. recycling, agile working, double sided printing etc. | 2 | 3 | 6 |  | 6 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Impact of Scotland Excel frameworks on the Environment | | | Requirement for Environmental Policy, ISO certificate or equivalent for access to certain frameworks | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Influence of Scotland Excel on environmentally friendly public service delivery | Reputational/legal Risk in relation to Scotland Excel frameworks having an adverse impact on the Environment | | Actions in relation to reducing carbon footprint scored in assessment for certain frameworks | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Potential impact of Climate change on day to day operations of Scotland Excel | Failure to champion Environmentally friendly practices via SXL frameworks | | Information in relation to environmental practices and plans requested across all frameworks | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Sustainability testing carried out on all framework suppliers | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <div><div>Impact</div><div><table><tr><td>5</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>4</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>3</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>2</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>1</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td></td><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td></tr></table><div>Likelihood</div></div><div><table><tr><td></td><td>Very High</td></tr><tr><td></td><td>High</td></tr><tr><td></td><td>Medium</td></tr><tr><td></td><td>Low</td></tr></table></div></div> | | | | | | | | | 5 | | | | | | 4 | | | | | | 3 | | | | | | 2 | | | | | | 1 | | | | | | | 1 | 2 | 3 | 4 | 5 | | Very High | | High | | Medium | | Low |
| 5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 1 | 2 | 3 | 4 | 5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Very High | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | High | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Medium | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Low | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Risk Register Review Updates | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Date | 06/08/19 | n/a | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 28/10/19 | Environmental Change and Policy Impact Risk added to Scotland Excel Risk Register, Initial Risk Score 6 (likelihood 2, Severity 3) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 24/01/20 | Add Climate Change to Risk title and context; Risk score reviewed – No Change | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 27/04/20 | Risk reviewed and action updated; No change to risk score | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Linked Actions | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Description | | | Assigned To: | Due Date | Status | Notes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Review of what further actions can be taken by Scotland Excel to impact organisational, supplier and partner carbon footprint reduction activity | | | HC | 31/08/20 | On-going | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | | | | | | | | |
|---|--|--|--|---|----------|--|---|----------|
| Reference: SXL010-20/21 | | National Emergency Including Pandemic | | | | | | |
| Context | Risk Statement | Risk Owner | Current Risk Controls | Risk Score | | | | |
| | | | | Likelihood | Impact | Evaluation | Trend | Residual |
| A National Emergency or Pandemic is declared by the Scottish Parliament and/or the UK Government which impacts the day to day operations of Scotland Excel. | Scotland Excel must ensure that, during a National Emergency or Pandemic, it can continue to deliver all its services to local authorities, associate members and to suppliers attached to its contract frameworks | JW | Existing ICT arrangements within Scotland Excel perform well within a Home Working scenario. Employee support mechanisms (Occupational Health, Time to Talk etc) remain in place during Home Working scenarios. Access to a range of video communication software allows business meeting to take place and ensures employees living alone or experiencing difficulties can be supported. Governance of the organisation can be maintained in line with governing documents. Framework nature of managed contracts ensure minimum dependence on single suppliers. The organisation can adapt to changing priorities and allocate resources accordingly, for example PPE and Food. | 5 | 5 | 25 |  | |
| | | | |  | | | | |
| Risk Register Review Updates | | | | | | | | |
| Date | 06/08/19 | n/a | | | | | | |
| | 28/10/19 | n/a | | | | | | |
| | 24/01/20 | n/a | | | | | | |
| | 27/04/20 | New Risk added to the Strategic Risk Register; Linked Actions added; Initial Risk Score of 25 (Likelihood 5, Impact 5) | | | | | | |
| Linked Actions | | | | | | | | |
| Description | | | Assigned To: | Due Date | Status | Notes | | |
| A return to office-based working for employees to be developed | | | SMT | 31/05/20 | On-going | Observing govt guidelines on social distancing | | |
| A comprehensive review of Scotland Excel operations during Lockdown, Unlock and Post Lockdown to be carried out | | | SMT | 31/05/20 | On-going | | | |
| A review of procedures in relation to initiating a working from home environment to be carried out. | | | SMT | 31/08/20 | On-going | | | |

| | | | | |
|--|-----|----------|----------|---|
| Undertake a Lessons Learned review of agile working infrastructure identifying possible improvements. | SMT | 31/08/20 | On-going | Identify operational issues during working from home period |
| Carry out a review of Scotland Excel Governance Model to ensure it is fit for purpose during National Emergency situations or Pandemic. | SMT | 31/08/20 | On-going | |
| Carry out a review of Contract Terms and Conditions ensuring they are appropriate during National Emergency or Pandemic situations. | SMT | 31/12/20 | On-going | |
| Carry out Horizon Scanning sessions to discuss and review the impact of a National Emergency or Pandemic on the identified risks of Scotland Excel and to identify any future risks to the organisation following/during the emergency | SMT | 30/06/20 | On-going | Horizon scanning meeting taking place |
| Carry out a Supply Chain review for relevant Scotland Excel contract frameworks to identify contract resilience during emergency or pandemic periods. | SMT | 31/12/20 | On-going | |



Scotland Excel

To: Executive Sub-Committee

On: 29th May 2020

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

Employee Absence Management Report

1. Introduction and purpose of the report

In response to the Renfrewshire Council Internal Audit team recommendation, this report on organisational sickness absence is submitted on a quarterly basis highlighting the absence rate in the organisation.

2. Scotland Excel Absence Management Target

The Joint Committee has previously agreed that Scotland Excel should work to an absence rate of below 4%. This target aligns Scotland Excel with partner organisations, supports good practice in this area and demonstrates the ongoing commitment to absence management as a key efficiency target.

3. Overview of Attendance

In line with audit recommendations, the attached report has been prepared for the Executive Sub Committee. The report details:

- Breakdown of current month, last six months and last 12 months absence figures
- Illustration of 12 months in days
- Illustration of last 12 months in percentages

The report includes the latest absence details for period to 31 March 2020. The rate of absence across the organisation has been maintained below the 4% target with the rolling 6 and 12 month average absence rates now at or below 2.5%.

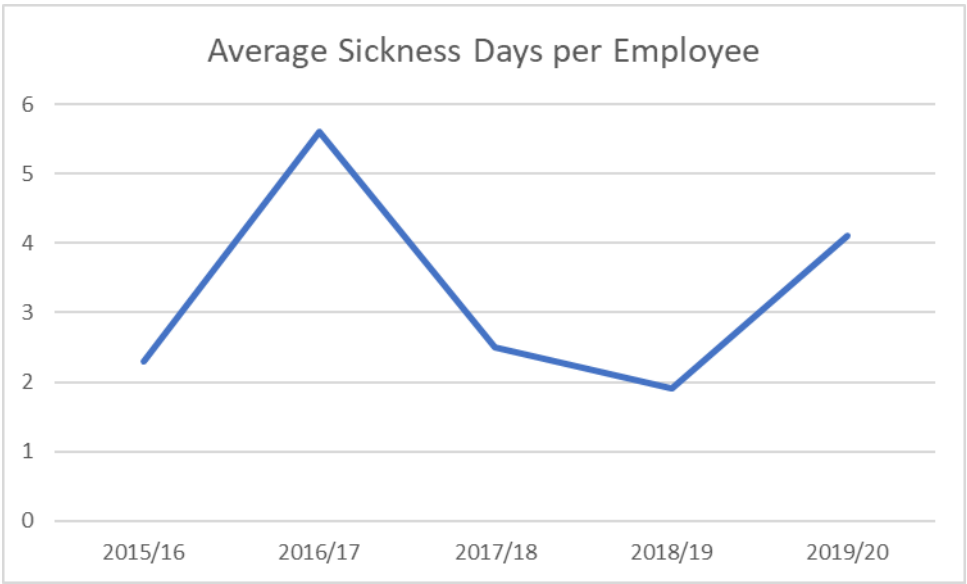
The absence rates for the reporting periods are:

- previous 1 month to 2.8% (49 days)
- previous 6 months to 2.5% (245.5 days)
- previous 12-month period to 2.1% (397.5 days)

Scotland Excel will continue its positive practices, including working with Occupational Health and other support services, to maintain attendance to support the members of staff who have significant health issues.

Scotland Excel has been successful in reducing the average number of sickness days per employee over recent years. However, 2019/20 shows an increase in days lost to sickness absence which is primarily due to a number of long-term absences due to mental ill health. In most cases employees are now back at work and being supported by the organisation. One employee remains absent but again is being supported and a full return to work is expected shortly.

The graph below shows sickness absence rates within Scotland Excel over the past 5 years.



4. Recommendation

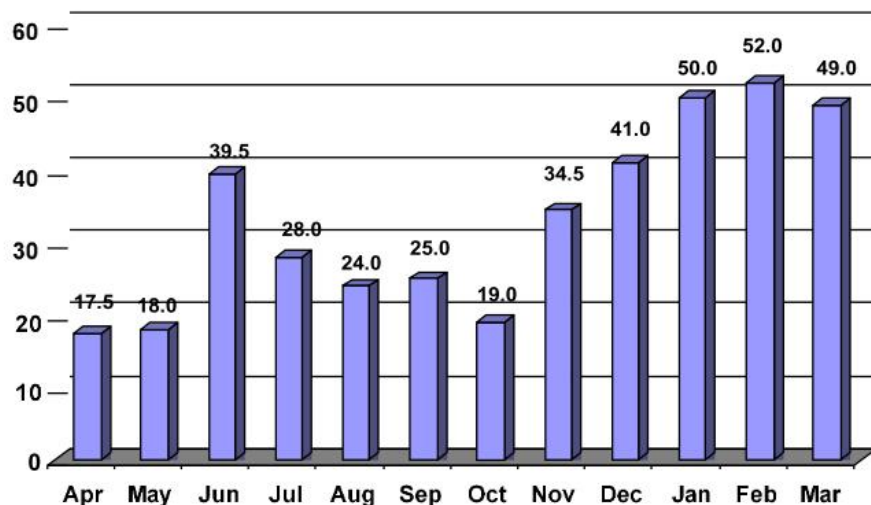
The Executive Sub Committee is requested to note the content of this report.

Absence Report Organisation Level

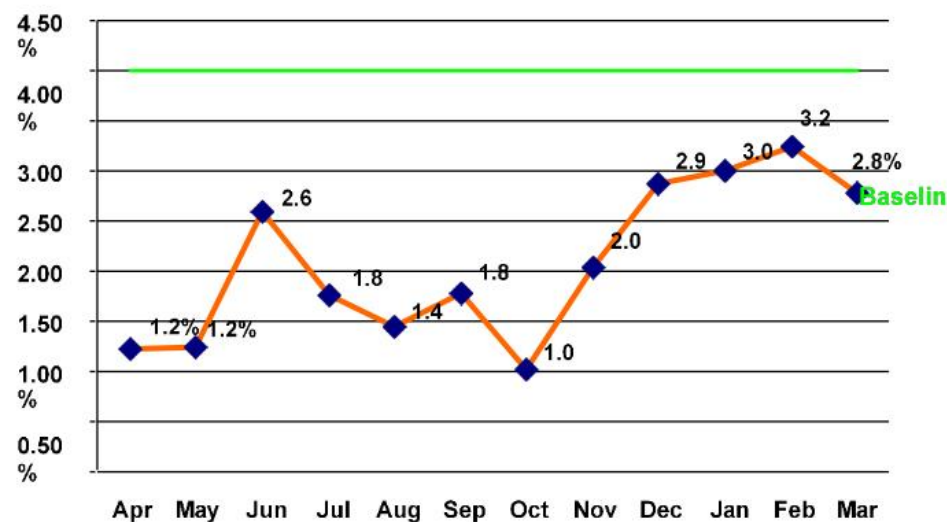
Month Ending: 31 March 2020

| | Current Month | | | | | Last 6 Months | | | | | Last 12 Months | | | | |
|--|---------------------|-----------------------|------------------|-----------------------|----------------------------|---------------------|-----------------------|---|-----------------------|----------------------------|---------------------|-----------------------|------------------|-----------------------|----------------------------|
| | Self Certified Sick | Doctor Certified Sick | Total Sick Leave | Sickness Absence Rate | Sickness Absence Instances | Self Certified Sick | Doctor Certified Sick | Total Sick Leave | Sickness Absence Rate | Sickness Absence Instances | Self Certified Sick | Doctor Certified Sick | Total Sick Leave | Sickness Absence Rate | Sickness Absence Instances |
| Total | 4 | 45 | 49 | 2.8% | 2 | 109.5 | 136 | 245.5 | 2.5% | 47 | 181.5 | 216 | 397.5 | 2.1% | 87 |
| No of Employees (Permanent and Temporary): | | | | | | 97 | | Average no of Sickness Absence Days per | | | | | | | |
| No of Leavers included: | | | | | | 12 | | 4.1 | | | | | | | |

Total Sickness Absence Days by Month for Last



Monthly YTD Absence



Scotland Excel

To: Executive Sub-Committee

On: 29th May 2020

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

COVID-19 Update

1 Introduction

This report provides an update to members on the impact of COVID-19 with regard to a number of operational matters within Scotland Excel.

2 Background

2.1 In March 2020, The United Kingdom Government issued detailed guidance in relation to measures that should be taken to restrict the spread of the COVID-19 virus. These measures included restrictions on unnecessary travel and meetings and advice for specified groups of citizens who are seen as being at greater risk from infection.

2.2 On March 29, a report was agreed by the Executive Subcommittee which:

- delegated the authority to the Director, in consultation with the Chair and/or Vice Chair of the Executive Sub Committee the power to cancel, if necessary, the planned meeting of the Executive Sub Committee on 29th May 2020 and any subsequent meeting;
- Further delegated to the Director in consultation with the Chair and/or Vice Chair authority to make all decisions required relating to the functions of the Executive Sub Committee in advance of the next meeting of the Executive Sub Committee.
- Agreed to temporary associate membership at no fee to any public body or third sector organisation that the Director feels will benefit efforts to tackle the current crisis.

2.3 Scotland Excel is currently operating a full service via remote working for all employees in line with government guidance. Our specific focus is working with our suppliers to do everything we can to ensure that the goods and services required to support essential frontline services continue to be

available to councils. Our teams are providing regular updates to councils in relation to supplier stock levels for essential items and advice on alternative sources of supply where possible. This is an ever-changing picture and our teams are doing everything they can to make sure council procurement teams have access to all information available at the time.

3 COVID-19 Updates

3.1 At the Chief Executive Officers Management group (CEOMG) meeting on the 6th May 2020, Scotland Excel presented an update on five key areas of business and the impact of COVID-19:

- PPE (Appendix A)
- Food (Appendix B)
- Care (Appendix C)
- Waste (Appendix D)
- Construction (Appendix E)

The reports provided to the CEOMG members are attached at the end of this report.

4 Future Committee Meetings

4.1 Scotland Excel has successfully held both the April Executive Sub-committee and the May CEOMG via video conference. After consultation with the convener, it is proposed that the Executive Subcommittees on 29th May and 19th June will also take place using the same methods.

Scotland Excel is currently reviewing its video conferencing platform and will be in touch with every elected member to test connectivity for future meetings. Subsequent information, joining instructions etc. will be communicated prior to future meetings.

5 Recommendations

5.1 Members are invited to note the content of this report and support the measures taken to continue operations during the COVID-19 pandemic.

Appendix - A

Scotland Excel

To: Chief Executive Officers Management Group

On: 6th May 2020

Report by Chief Executive Scotland Excel

Covid-19 - PPE Update

1. Summary

- 1.1 The supply and delivery of Personal Protective Equipment (PPE) is an emotive and contentious issue in the efforts to tackle the Covid-19 pandemic. This paper sets out the background to the approach taken by Scotland Excel and provides a high-level overview of the initial process implemented by Scotland Excel to support its members.

2. Recommendations

- 2.1 CEOMG members are requested to note the content of this report, and support the measures and approach taken by Scotland Excel to support non-care PPE requirements by councils.

3. Background

- 3.1 *Supply and Delivery of Personal Protective Equipment* is a fourth-generation framework. PPE is defined as all equipment (including clothing affording protection against the weather) which is intended to be worn or held by a person at work and which protects them against one or more risks to their health or safety. The current framework has an annual value of approximately £7.5 million across 32 participating councils plus Tayside Contracts and Associate Members. The spend data captured notes that 31% of value is from core items and 69% from non-core items.
- 3.2 At the outset of the Covid-19 pandemic, Scotland Excel were approached by National Services Scotland (NSS), the procurement shared service for NHS Scotland, to discuss their “One Scotland” approach to the supply and distribution of PPE across the Scottish public sector.

NSS provided an update on their mandate by Scottish Government and the work being undertaken with Scottish Enterprise to identify manufacturers and supply of PPE within both the Scottish and Asian markets. The organisation

sought support from Scotland Excel to provide any resources and information that could support a “One Scotland” approach.

Scotland Excel understood that significant work had already been undertaken on this approach and to deviate from this would be counter-productive to the national effort. Scotland Excel worked with NSS to understand how it could support the national initiative. Initial discussions focussed on the provision of experienced Scotland Excel team members to support the initiative.

On the 6th of April Colin Sinclair, Chief Executive of NSS, wrote to council and NHS chief executives providing an update on the NSS approach to PPE. This update caused concern amongst council chief executives and Scotland Excel were asked to look at a more council based solution. In addition, SOLACE sought to understand the levels of PPE demand across councils.

On Friday 10th April at a meeting with a range of stakeholders including SOLACE, COSLA, Scottish Government, NSS and Scotland Excel it was agreed that NSS would manage PPE for all Care related services and Scotland Excel would support non care related services within local government.

Subsequent to the above, Scottish Government indicated their intention to supply PPE for all non-health and social care and non-council PPE. This solution would be in conjunction with Lyreco.

4. Quantitative Analysis of Demand

- 4.1 Scotland Excel immediately sought to support a more strategic approach and to provide quantitative indications of PPE demand through the Scotland Excel framework.

Table 1 Provides details of the annual total historic PPE demand through the Scotland Excel framework.

Table 1

| | Apron | Gloves | Full Suite | Surg Masks | FFP2 | FFP3 | Overshoes |
|---------------|-----------|-----------|------------|------------|-------------|----------------|-----------|
| Total Demand | 7,820 | 2,853,530 | 11,804 | 12,230 | 14,750 | 22,590 | 39 |
| Weekly Demand | 150 | 54,876 | 227 | 235 | 284 | 434 | 1 |
| | Ear Plugs | Scrub | Tunic | Disposable | Face Shield | Eye Protection | Fit Test |
| Total Demand | 1,771,500 | 382,100 | 1,592,500 | 199,900 | 156 | 12,145 | 38 |
| Weekly Demand | 34,067 | 7,348 | 30,625 | 3,844 | 3 | 234 | 1 |

- 4.2 Recognising the increased utilisation of PPE due to Covid-19, an indicative weekly demand was calculated by using a multiplier of fifty times historic demand. These demand figures were passed to each council to agree ongoing weekly demand.

- 4.3 In parallel to the Scotland Excel work, SOLACE representatives wrote to all councils to understand demand and current stock levels. These responses were provided to Scotland Excel and returns were collated and analysed to provide further quantitative business intelligence. Further work was subsequently undertaken by Scotland Excel with councils to understand the split between care and non-care PPE.

Table 2 provides a summary of the confirmed council weekly demand for a consolidated group of products split between care and non-care.

Table 2

| | Masks | Eye Protection | Gloves | Aprons | Sanitiser | Overshoes |
|-----------------|--------------|-----------------------|---------------|---------------|------------------|------------------|
| Care | 1,626,625 | 281,767 | 2,832,103 | 1,610,127 | 24,255 | 2,724 |
| Non Care | 204,042 | 2,217 | 723,073 | 214,287 | 4,127 | 7,144 |
| Total | 1,830,667 | 283,984 | 3,555,176 | 1,824,413 | 28,382 | 9,868 |

Some of the key facts that demonstrate the quantum changes that have occurred with respect to demand.

- Historic weekly demand of 55k gloves compared with a current weekly demand of 3.5m.
- Historic weekly demand of 235 masks compared with a current weekly demand of 1.8m
- Historic weekly demand of 150 aprons compared with a current weekly demand of 1.8m

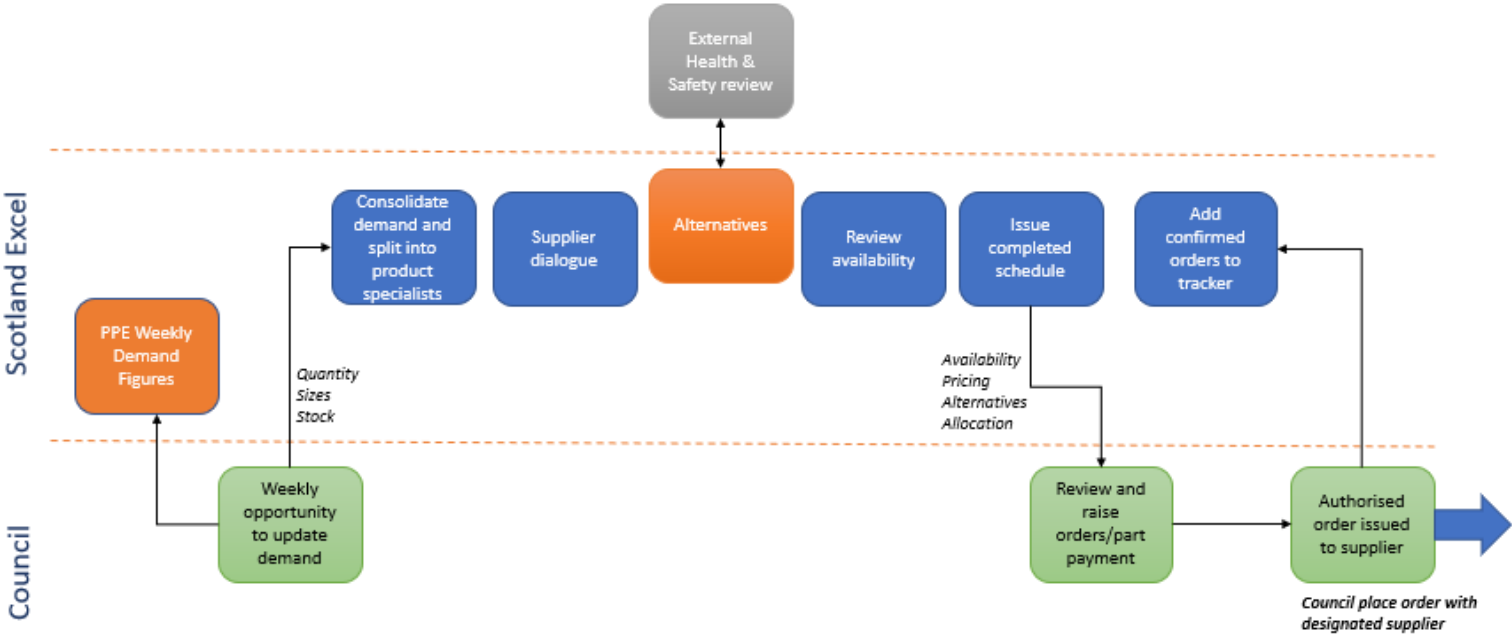
- 4.4 It is worth also considering that PPE may have been procured via other routes other than the Scotland Excel framework despite the participation of all councils; i.e. historical demand through this framework may be an understatement of consumption.

5. Ongoing PPE Process

- 5.1 Scotland Excel aims to provide an effective and efficient service response to support councils with their PPE needs. This has been hampered by the changing landscape and issues with regard to clarity.
- 5.2 Appendix 1 provides a high-level overview of the initial process implemented by Scotland Excel.
- 5.3 The process will seek to undertake the following steps:
- Utilise the agreed weekly demand collated by Scotland Excel whilst recognising changing patterns within councils.
 - Allow consolidation of demand avoiding numerous supply chain issues.

- Confirm availability for the sector.
 - Benchmarking and negotiation of costs.
 - Ensure standards and certifications.
 - Support alternative product recommendations
 - Support cross organisational learning and good practice.
 - Consolidate ordering with agreed suppliers.
- 5.4 This process will be dynamic and may have been adapted further by the time the CEOMG is held.
- 5.5 After the current crisis, Scotland Excel will continue to work with member councils to ensure contract development activity is in alignment with strategic plans.

Appendix 1



Appendix – B

Scotland Excel

To: CEOMG

On: 6th May 2020

**Report
by
Chief Executive Scotland Excel**

Covid-19 - Scotland Excel Food Category Update

1. Summary

- 1.1 The purpose of this report is to inform the CEOMG of the impact of the Covid-19 pandemic on the Scotland Excel food category. It summarises the Local Authority response to support households who may experience barriers in accessing food. It will also outline current Scotland Excel contract arrangements, including ongoing activity and support. Please note, regularly updated information can be found via the Scotland Excel “Covid-19 Newsroom” and the members area of the Scotland Excel Website.

2. Background

- 2.1 On 18 March 2020, the Cabinet Secretary for Communities and Local Government announced a £350 million package to support communities affected by COVID-19. This includes a £70 million Food Fund to put in place support for those who would otherwise be unable to access food through the usual routes.

- £30m of the Food Fund is initially being made available to Local Authorities for structured public sector responses working with local resilience partnerships to support households who may experience barriers in accessing food.
- Up to £30m has been set aside for a UK-wide programme to procure and deliver food for those who are unable to leave their homes due to being at highest clinical risk, known as the shielded group. This is currently being managed through the Scottish Government and DEFRA.
- £10m has been set aside for investment in third sector organisations that are responding to food insecurity both at a national and local level.

Allocation formulae for the £30m Food Fund portion of this investment, aimed at Free School Meal provision and non-shielded people at risk, has now been agreed with COSLA for distribution to Local Authorities.

In order to reach the people most at risk, action needs to be coordinated by Local Authorities, usually via local resilience partnerships, and should involve people from all sectors, including community food organisations and local businesses.

2.2 Households who may experience barriers to accessing essential food items

These include but not limited to:

Shielded Group

- those who are clinically at high risk and are required to stay at home, known as the shielded group

Health barriers

- those who have COVID-19 symptoms, or live with someone with symptoms, and are required to stay at home temporarily
- those who are vulnerable and are required to be particularly stringent in following social distancing.

Socio-economic barriers

- those who are financially at risk, including families whose children are eligible for Free School Meals, low income households and those who have recently lost employment.
- those who are marginalised, may have complex needs and may be less engaged with public services.

3. Ensuring Access to Food

- 3.1 Central government and Local authorities are striving to meet the needs of the various households requiring additional support in sourcing food, in a variety of different ways.

Shielded Group

It is estimated that around 120,000 people in Scotland have been identified as being within the Shielded Group. Those that do not have a local network of family and friends to drop off provisions can opt to receive a shielding package. The packages contain items such as coffee, tea, pasta, tinned goods, cereal, potatoes, two types of fruit and other basic supplies such as toilet roll.

The UK government has partnered with national food distributors (Brakes and Bidfood) to get these supplies to people's homes. Packages will be delivered to people's doorsteps, with all drivers following the latest Public Health guidance.

This contract is between the Scottish Government and the national distributors and is not related to Scotland Excel frameworks. However, Scotland Excel will work with Local Authorities and the national distributors to support in the delivery of these parcels where required. The costs for these packs will come from the £30m that has been set aside for a nationally procured programme to deliver food for those who are unable to leave their homes.

Free School Meals

Figures show that 140,000 free school meals have been distributed in Scotland since the start of lockdown. It was previously estimated that there are around 120,000 children who are eligible for this service, so these figures show the high level of support being provided to vulnerable families during this pandemic.

Meals are being provided either via direct bank payments, vouchers for supermarkets, home deliveries or at schools (where still open). This shows the flexible approach implemented across Scotland is working and Local Authorities are reaching those who are most vulnerable. This is a positive picture for Scotland and is due to the work being undertaken by Local Authorities.

The £30m of the Food Fund that is initially being made available to Local Authorities is intended to be used to fund the provision of school meals.

Other Vulnerable Groups

The largest group that Local Authorities are now supporting is those who are vulnerable and are required to be particularly stringent in following social distancing. Local authorities are providing this support in addition to the national support already available for people who have received letters advising them to shield.

Local Authorities are taking a variety of different approaches to support these vulnerable people within their communities. These include ordering a variety of different food from the distributors on the Scotland Excel food frameworks to be delivered to central distribution points. Items are then repacked into individual food packs and delivered to vulnerable households.

To assist with community feeding, Brakes are now offering ready-made 'Care' boxes that can be delivered to Local Authority central hubs at a cost of £30 per box. Brakes' aim is to alleviate pressure from Local Authority operations by reducing the manpower required to pack individual food packs. These boxes are available to order now but can only be ordered through each Local Authorities Brakes account manager and ideally, they require 7 days' notice as the packs are in high demand.

The 'Care' boxes are a separate offering to the 'Shielding' packs and are aimed at supporting Local Authorities in providing for the vulnerable within communities not captured by the 'shielding' list.

A supplier on the Scotland Excel frozen foods framework has also developed a convenient concept that delivers a nutritious hot meal in the form of a pre-portioned roast dinner. This is supplied frozen in bags which can be decanted onto a microwavable/oven-ready dish for reheating.

The £30m of the Food Fund that is initially being made available to Local Authorities is intended to be used to fund this additional support.

4. Issues and Observations

- 4.1 Scotland Excel is aware that there have been some initial issues with supply from the food distributors on its frameworks. Suppliers have been inundated with requests for retail pack sizes which are not common within commercial food services. For the limited range that they hold, current demand exceeds a normal annual forecast. There were early concerns that stock issues may arise due to Local Authority demand being similar to DEFRA's requirement and being de-prioritised, however the UK Government have confirmed this is not the case.

Distributors have extended their normal supply base to secure stock for local authorities. For some high-volume products, suppliers have a lead time of greater than 7 days, and this should be considered when councils are planning their order requirements.

Scotland Excel will continue to work with Local Authorities to forecast their needs and would ask that the Chief Executives support this requirement. It is appreciated that this might be a difficult task in these ever-changing times but recognises that distributors will fail to provide certain items unless they are able to have predicted volumes of what is required in the coming weeks.

- 4.2 After questions from one local authority Chief Executive, Scotland Excel Account Managers have contacted all local authorities to ascertain the current food related solutions in place and to offer any assistance required.
- 4.3 Scotland Excel will continue to have input into the fortnightly Public Sector Food Forum meetings to ensure the requirements of Local Authorities are being raised with Scottish Government. Scotland Excel will continue to share the outcome from this forum with member councils.
- 4.4 Scotland Excel will continue to work with Scotland Food and Drink to identify opportunities for Scottish Manufacturers to work with framework distributors to support Local Authority requirements. To date, this has proved very positive and has included a new relationship between Brakes and Baxter's to provide tinned goods for shielding packs. Scotland Food and Drink are also using

contacts within the Scottish Government to ensure that all manufacturers are giving distributors full support to meet Local Authority needs.

These discussions have led to consideration on national versus local supply and this is something that Scotland Excel will be taking into consideration for future generations of the food frameworks.

- 4.5 Scotland Excel will work with distributors to agree timelines for schools reopening and restarting deliveries. Scotland Excel will work with Local Authorities and distributors to ensure that sufficient notice of schools reopening is given, and forecasts are put in place to reduce the risk of supply shortages. Local Authorities may need to consider short term changes to school menus if some items are in short supply.
- 4.6 Local Authorities should also consider the potential financial impact of the current changes to spending patterns. Local Authorities currently receive sole supply rebates on the Groceries and Provisions framework which are paid retrospectively at the end of each framework year. Where spend has dropped this may have an impact on supplier rebates and community benefits.

5. Recommendations

- 5.1 Members of the CEOMG are invited to note the contents of this report.

Appendix – C

Scotland Excel

To: CEOMG

On: 6th May 2020

**Report
by
Chief Executive of Scotland Excel**

**Heading:
Covid-19 - Social Care Category Update**

1. Summary

- 1.1 The current Covid-19 pandemic has had a significant impact on the delivery of public services, and it is predicted that this disruption will continue for some time. Over the past year or so the cost profile of social care services has continued to rise, and the current crisis will compound this even further. The purpose of this paper is to provide an update to the CEOMG regarding the current landscape of collaborative social care services, and to outline current risks and potential mitigation opportunities.

2. Background

- 2.1 All of Scotland Excel's social care frameworks are being affected by the coronavirus pandemic, most noticeably in areas such as staff-shortages due to self-isolation and sickness, challenges around sourcing PPE and keeping vulnerable people safe and well in such challenging circumstances.

Scotland Excel is a member of the National Covid-19 Contingency Planning Group for care services, working with key partners to share information and guidance across the public sector.

In a further move to help tackle the crisis, Scotland Excel is currently offering free, temporary associate membership to any public or third sector organisation, which would give them access to 74 frameworks including Social Care Agency Workers and Technology Enabled Care, PPE, Food and Janitorial Products.

The Scottish Government and COSLA have announced that social care staff are to receive a 3.3% pay rise backdated to 1st April. This offer was made following consultation with Scotland Excel regarding the market analysis carried out on Care & Support Services, and from the cost model for the National Care Home Contract.

This national uplift does not apply to:

- Children and young people's services;
- Previously agreed multiyear frameworks which already have an uplift factored in for living wage;
- Local Block contracts arrangements;
- Scotland Excel Care and Support Flexible Framework, awarded on 1st April 2020, where the uplift for living wage has been included;
- Any Residential care, the National Care Home Contract and Scotland Excel Care Homes for Adults with Learning Disabilities Framework awarded in October 2019;
- Local Authority staff where the Scottish Joint Council agreement is in place.

Scotland Excel has worked in collaboration with COSLA towards the development of the Guidance for Commissioning Services COVID-19, published in April 2020, which sets out how the uplift is applied and is available from the COSLA website area for Councils.

3. Adult Social Care

3.1 Care and Support Services

The first national Flexible Care and Support Services framework went live on 1st April with 78 providers offering 316 services. While Scotland Excel recognises that current pressures on both the local authority and care sector workforce mean adoption of this framework is expected to be delayed, it is worth noting key attributes for when the time is right.

The framework was developed over three years in consultation with the Scottish Government, councils, care providers and a range of bodies to provide councils and Health and Social Care Partnerships (HSCPs) with a national approach to commissioning care at home and supported living services.

It reflects the Scottish Government's updated Health and Social Care Standards and is intended to help people who need services to live safely and independently in their own homes and communities. The framework will re-open every six months over its four-year duration to allow new providers to join.

Prior to the COVID-19 crisis, initial preparatory mobilisation work had taken place with the participating authorities to adopt the framework at a local level. The initial work prioritised support for mobilisation with early adopters, including Dundee, Stirling, Clackmannanshire, East Dunbartonshire, West Dunbartonshire and East Renfrewshire. Scotland Excel is keen to re-establish this work while ensuring that unnecessary pressures are not placed upon HSCP's and service providers, particularly at the moment when there is local financial and emergency care planning underway to ensure that the most vulnerable in our communities continue to receive the appropriate care and support.

Recognition of the current local authority position, coupled with feedback from Social Work Scotland Contracts Group, will help us better determine the next steps in the mobilisation process in the coming weeks.

3.2 National Care Home Contract

Over the past three years, Scotland Excel has worked with local authorities, COSLA and Scottish Care to develop a cost model to produce national rates for council funded places in nursing and residential care homes.

Although work is not yet complete on the 2020/21 model, negotiations around direct care costs were expedited so that care homes could meet the cost of annual increases in wages and salaries, property and supplies with effect from 6th April. This ensures that care workers and nursing staff looking after vulnerable older people during the Covid-19 crisis are put on a much surer financial footing.

The rates agreed for 2020/21, which include increases for paying the Real Living Wage to all care workers and paying nursing staff at the top of the Agenda for Change Band 5, are:

- £740.00 per person per week for nursing care
- £635.79 per person per week for residential care

Councils will now be in receipt of all necessary paperwork to enter into local contracts with providers for each care home in their area. Care providers have been advised that there may be a short delay in changing to the 2020/21 rates

while both local authority and provider finance systems are updated. In such circumstances, councils are being advised to backdate payments to 6th April.

4. Children's Services

4.1 Children's Residential Care & Education including Short Breaks

This flexible framework supports councils to make placements within independent children's residential care, care and education, residential short breaks and day education services. There are currently 43 providers on the framework with negotiations for fee uplifts for 2020/21 nearing completion.

Uplift requests were submitted by 29 providers with a potential impact of an increase in cost of c.£4m. This was subsequently reduced by 25% through negotiations with providers.

A further 14 providers applied to join the framework when it re-opened earlier this year and it is anticipated that details of successful tenders will be released by 30th June.

4.2 Secure Care Services

Four specialist, independent secure care centres provide services to local authorities and the Scottish Government via Scotland Excel contracts. During the Covid-19 pandemic they report to the Scottish Government COVID-19 Secure Care Resilience Group on a weekly basis. This group comprises senior representatives from each centre along with relevant senior staff from Scottish Government, Scotland Excel, the Care Inspectorate and Education Scotland.

All secure care centres have robust service continuity and contingency plans in place, and these are updated when new information and guidance becomes available. In addition to weekly Resilience Group meetings, secure care centres are subject to the Care Inspectorate's revised national notification requirements for the Covid-19 emergency including:

- Incidents of outbreaks of infectious disease notifications.
- Staffing shortage notifications.
- Weekly staffing absence notification

5. Other Social Care Contracts

5.1 Community Meals

The Community Meals framework provides an efficient means for local authorities to arrange delivery of pre-prepared meals to people in their homes, as well as to community venues and council premises.

Benefits include:

- Reduced procurement costs plus savings
- Access to appropriate alternative service delivery models
- Standard and appropriate terms & conditions

The framework offers a range of services, which includes Bulk Delivery to a Central Distribution Point; Frozen Delivery Service to Customers at Home / Nominated Premises; Daily Delivery of Hot Meals to Customers at Home / Nominated Premises.

Both providers to this framework report that they have contingency plans in place to ensure continuity of supply to this vulnerable customer base.

The dominant supplier on this framework has reported an increase in volumes purchased from some of their key customers. Typical reasons for this include staff shortages within local authority care homes, sickness cover, and lack of staff working within this sector. They continue to supply to their elderly and vulnerable customer base across hospitals, care homes and into people's homes. However, day care and lunch club business has ceased. A small number of their suppliers have closed their businesses due to COVID-19, but their contingency planning ensures that they are able to meet demand.

5.2 Social Care Agency Workers

This framework was developed to meet the need for social care agency workers within services across Scotland's local authorities and housing associations, as well as for Cordia, NHS Scotland and the Scottish Prison Service.

During the Covid-19 emergency, the Social Care Agency Workers framework offers Scotland Excel members and associate members a route to recruiting temporary care workers where self-isolation and staff absences are undermining the continuity of service provision.

Recent communication with framework providers has indicated that there is increased demand for agency workers, but they are able to maintain capacity to respond to requests.

The framework provides several key benefits including:

- high level job descriptions for core roles
- a clear service specification to ensure the provision of trained, qualified, registered and vetted agency workers
- provisions for councils to ensure agency staff are paid the Real Living Wage
- improved financial transparency and robust terms & conditions

5.3 Technology Enabled Care

This relatively new framework is designed to enable councils, Health & Social Care Partnerships (HSCPs) and Scotland Excel associate members to procure technology enabled care and ancillary monitoring services to maintain, promote, and support independent living.

There are 10 lots on this framework including Dispersed Alarm Units, Alarm Triggers and Lifestyle Monitoring Equipment with ancillary monitoring service, which use static movement sensors and software to monitor wellbeing activity, reporting on lack of or unusual movement activities within a person's home.

Scotland Excel is currently supporting the Digital Office in scoping available provision of telecare supplies and services given the likelihood of increased demand for technology enabled care solutions in the coming months. In addition, the procurement activity to support the migration to digital telecare solutions will be accelerated.

Monitoring of calls received by call centres since the start of the lockdown has indicated a 50% reduction in the number of calls received to date. It is thought that the reason for this may be that there is an increasing uptake of services such as Facetime or WhatsApp, alongside a possible reluctance to use the service at a time of crisis. In relation to new installations of equipment in people's homes, the use of PPE and adherence to social distancing will have to be considered as part of any risk assessment.

6. Summary

Scotland Excel will continue to support partner organisations through the current crisis. In recognition that operational and financial challenges will continue, we will continue to ensure that our frameworks enable councils and HSCP's to optimise the care offered to their communities.

Scotland Excel

To: CEOMG

On: 6th May 2020

**Report
By
Chief Executive of Scotland Excel
Covid-19 - Environment Category Update**

1. Summary

- 1.1 The purpose of this report is to inform the CEOMG of the impact of the Covid-19 pandemic on the Scotland Excel Environment Category and wider waste management sector. It will summarise council responses across the country to ensure frontline service are maintained, and the impact on associated markets and industry as a whole. Regularly updated information can be found via the Scotland Excel Covid-19 Newsroom (a link can be found in appendix to this report).

2. Background

- 2.1 During the course of recent weeks, councils have faced unprecedented challenges in delivering key frontline services in the face of the Covid-19 pandemic. One key frontline service is waste management, and specifically household kerbside waste collections. Challenges faced include higher levels of staff absence than normal and the introduction of new safe-working practices specific to the Covid-19 virus as well as the need to temporarily close recycling centres in order to protect staff and the public.

The wider sector has been forced to adapt to the same increase in staff absence and safe-working practices. Additionally, the suspension of commercial collections, the temporary suspension of feedstock from some council kerbside collections and difficulties relating to onward supply of material to export markets are creating issues.

- 2.2 The UK Government granted waste industry workers “key-worker” status, and to date councils across Scotland have refined operational practices to ensure the safety of crews whilst maintaining an acceptable level of service. Whilst a number of councils have been successful in maintaining a ‘business as usual’

service, others have been forced to temporarily suspend less vital collections, focusing primarily on non-recyclable material and/or amend the types of material to be presented for collection by householders. Currently, many services that were suspended have since been reinstated, whilst plans are being formulated to resume full service, including the introduction of bulk waste collections and organised reopening of recycling centres. It should be noted that as the pandemic evolves, subsequent peaks may result in impacts to service including the reinstatement of temporary suspensions. Zero Waste Scotland has provided direct access to all relevant council website pages detailing up to date information regarding kerbside collections (a link can be found in the appendix to this report).

- 2.3 Throughout this pandemic, the framework arrangements available within the Scotland Excel Environment Category have remained live and largely unaffected. Key-worker status has ensured that treatment sites remain open and supply of equipment remains available. Given the pressures on both User Intelligence Groups (UIG) members and the supply base, Scotland Excel has kept communication to a minimum, temporarily suspending the requirement of suppliers to respond to management information requests for the last quarter and avoiding over-reliance on UIG input, instead reacting to support as and when requested to assist those councils that are continuing with tendering activity under the available Scotland Excel arrangements.
- 2.4 Scotland Excel has not received direct reports from service providers or suppliers of significant delay for delivery of goods or inability to service awarded contracts in line with agreed terms and conditions. Some waste streams are particularly at risk under the current constraints, particularly those that generate an income for councils. Scotland Excel regularly monitors common material market indices. Markets for paper and card materials have been in decline for a sustained period due to various factors including stringent quality requirements on exported material and a lack of demand. This trend has continued since the turn of the year, although a slight improvement was recorded in March to April figures. Similarly, the market value for glass materials has seen an improvement since the turn of the year, whilst plastic material value is higher in April 2020 than at the same point during 2019. Conversely, markets for Textiles and Scrap Metal have seen a sharp decline since the turn of the year and currently appear to be the most affected by the Covid-19 crisis. Scotland Excel will continue to monitor status of all key markets.
- 2.5 In relation to the risk of tendering activity over next year, those within the Environment Category arrangements are reasonably low as efforts will primarily focus upon contract management.

The potential exception is organic waste, which has entered its extension year and tendering activity will be required during the remainder of 2020 in order to ensure the next generation framework is in place for its expiry during March 2021. If kerbside collections continue to be disrupted, there may be an impact on current organic treatment facilities, which require regular garden and food waste to maintain operability.

- 2.6 Scotland Excel continues to support partner organisations including Zero Waste Scotland with whom Scotland Excel shares a long-standing relationship. Recent dialogue prompted the development of a set of guidance and contract documents which will support councils to engage and contract directly with external providers.

Scotland Excel has been in discussion with Zero Waste Scotland to develop a framework for the provision of waste composition analysis. This enables councils to understand the content of waste streams in order to measure progress against policy objectives. This dialogue will resume later in the year.

- 2.7 The industry has reacted to this crisis and a number of policy interventions and support networks are assisting councils with maintaining continuity of service. In addition to the Covid-19 related SPPNs in relation to procurement practices/regulation, the Scottish Government has delayed its planned Deposit Return Scheme - which is expected to have a direct impact on household tonnage and potentially collection practices - by one year and will now not go live until 1st July 2022. Scotland Excel will continue to keep abreast of related policy and support, disseminating to UIG members and influence where appropriate on behalf of our procurement community.

3. Recommendations

- 3.1 Members of the CEOMG are invited to note the content of this report.

Appendix

Link to Scotland Excel Covid-19 Newsroom:

<https://scotlandexcelcovid19-newsroom.prgloo.com/our-news/welcome-to-our-covid-19-newsroom>

Link to Zero Waste Scotland Covid-19 webpage

<https://wasteless.zerowastescotland.org.uk/topics/coronavirus>

Appendix – E

Scotland Excel

To: CEOMG

On: 6th May 2020

Report by Chief Executive Scotland Excel

Construction Update (considering impact of Covid-19 on Scotland Excel Frameworks)

1. Summary

- 1.1 Whilst a number of Scotland Excel frameworks have been affected by the current crisis, Scotland Excel continues to provide an agile and flexible service to meet the needs of our members and suppliers. The purpose of this paper is to provide an update to the CEOMG regarding the current construction category activity, and to outline current risks and potential mitigation opportunities.

2. Contract Update

2.1 Domestic Furniture and Furnishings

There has been an increase in crisis grants allocated through the Social Welfare Fund and increasing demand for fit-outs of void properties for habitation. All suppliers are experiencing reduced staff numbers with office-based staff working from home. The primary service is operational, however, with amended health and safety requirements to limit tenant engagement. Suppliers are also requesting streamlined payments and are issuing invoices for part-delivery orders.

It is proposed that the Domestic Furniture and Furnishings framework will be extended for a further three months until 31st January 2021.

2.2 Domestic Gas Boiler Maintenance

Scotland Excel has been engaging with suppliers to ascertain readiness to respond to increased volume of emergency call outs due to isolation/home working and corresponding increased heating usage. Research has also been carried out to gauge the availability of temporary heaters as required.

2.3 Trades (Plumbing & Heating, Electrical Materials, Building & Timber, Trade Materials)

Following Government guidance, much of the supply chain has closed and many have furloughed staff. Key suppliers are remaining open, however, to provide access to materials for emergency repairs for frontline services/key workers. Large merchants have made their distribution network available to disseminate PPE and have made existing stocks available for health and social care requirements.

The Electrical Materials framework was awarded electronically and went live on 1st April 2020 as planned.

2.4 Demolition, New Build Housing and Outdoor Play Equipment

Following Government guidance, all construction works have ceased, and most associated staff are in furlough. Suppliers have capacity to engage in tendering activity but may struggle to commit to specific pricing and programmes.

The demolition and deconstruction works framework tender has now closed, and evaluations are underway. Despite changes to both Scotland Excel and our members' working arrangements, the evaluation is progressing well, and we are continuing to receive an extensive level of support from the technical teams including representatives from City Property Glasgow LLP, Dundee City Council, Angus Council, North Lanarkshire Council and South Ayrshire Council.

In light of the restrictions following COVID19, we are considering the best options to consult with our wider UIG through future tender stages, all of which we will further clarify in the coming weeks and months.

3. General Update

3.1 Engagement with construction suppliers to support PPE stocks

Contract owners for frameworks including Asbestos, Demolition and Trade Materials, are in dialogue with framework suppliers regarding releasing appropriate PPE given the suspension of maintenance and works programmes. This will continue and available products will be allocated in line with the revised PPE process.

3.2 How suppliers are responding to the lockdown and how to continue to access supplies, services or works

The construction team collated statements being released by suppliers and recorded ongoing engagement with suppliers. A 'Current Status' spreadsheet is available on the category 'Framework Updates' section of the dedicated covid-19 website Newsroom, which confirms whether the supplier is operating during the lockdown, any changes to service delivery and updated contact

details. Scotland Excel will continue to engage with suppliers and update this attachment to be reflective of ongoing discussions.

3.3 Impact on the contract delivery plan

Where possible Scotland Excel will continue to progress ongoing tendering/contract award activity and review as constraints are identified. In other cases, short extensions will be proposed taking cognisance of the current market conditions and the impact this continues to have on suppliers and councils. For those developments at an earlier phase, Scotland Excel is working with stakeholders to prepare procurement strategies for governance groups.

4. Policy Update

- 4.1 A number of Scottish Procurement Policy Notes (SPPN) have recently been issued as a consequence of the current COVID-19 outbreak. SPPN 4/2020 raises awareness on handling some procurement related issues, and SPPN 5/2020 sets out guidance for contracting authorities on payment to their suppliers to ensure service continuity. Construction Procurement Notice (CPN) 1/2020 relates to the impact of Covid 19 on Construction Contracts with CPN 2/2020 more specifically relating to Project Bank Accounts (PBAs).

The Scottish Government has also published Coronavirus (COVID-19): construction sector guidance which provides specific guidance on the operations of sites and associated works.

Overall, the Scottish Government's objective for the construction sector during the COVID-19 pandemic is to help ensure that Scotland takes a responsible approach to the containment of COVID-19, while being in a position to respond to both critical and longer-term recovery requirements. This will help ensure that the construction sector retains the capability and capacity necessary to effectively recommence work and deliver current and future construction project pipeline.

- 4.2 A summary of some of the major considerations for construction are set out below:

Project pipeline continuity

Contracting authorities should, in conjunction with their suppliers, determine if it is practicable to maintain their current project pipeline including the related programme of procurement activity for construction contracts. Scotland Excel

has reviewed its overall delivery plan for the calendar year and is in the process of finalising appropriate extensions and framework deferrals

Contracting authorities should engage with prospective bidders in any procurement procedure to ensure that they remain capable, and possess the necessary capacity, both to participate in the procurement procedure and to undertake the scope of proposed works.

Programme flexibility

Where the contracting authority is planning a hiatus between practical completion and occupancy/operational readiness, there may be scope to prolong the construction programme to accommodate anticipated but unforeseeable site disruption due to COVID-19.

It is recommended that contracting authorities seek to agree a process with the contractor for identifying and recording prolongation and disruption directly attributable to COVID-19.

Existing contracts

Contracting authorities should urgently engage with contractors in order to ascertain their current status on a range of key matters including:

- progress to date on site relative to programme
- value of work executed on site
- impact of supply chain disruption and supporting payments
- applications made to Her Majesty's Government and/or Scottish Government for emergency loans, grants and the like, including for supply chains
- any other matters of importance and relevance in light of COVID-19

Corporate governance rules and potential COVID-19 mitigations

Contracting authorities should consider what flexibility exists within their corporate governance and contract standing orders to enable actions which would be substantive in meeting the guidance provided.

The objective of any measures taken should be to help ensure that Scotland, both locally and nationally, retains a viable construction sector through these unprecedented times and that businesses emerge ready to resume work on existing projects and new opportunities.

5. Current View from the Construction Industry

Bodies representing construction and property professionals in Scotland have called for a gradual re-opening of non-essential building sites, within the parameters of health and safety requirements, as soon as possible.

The **Royal Institution of Chartered Surveyors (RICS)**, **Royal Incorporation of Architects Scotland (RIAS)** and **Chartered Institute of Building (CIOB)** point out that urgent action is needed to avoid a long term, detrimental impact on the construction sector and the economy.

They also state:

- that stasis is already taking hold of the sector in Scotland with many projects at significant risk and that unless measures are put in place now, outcomes will include long-term skills shortages, cost increases and reduced productivity.
- one of the biggest impacts of closed construction sites is that supply chains are now engaging in a comprehensive furlough of staff to the point that a state of paralysis is setting into the construction industry.
- many projects are in jeopardy, even at pre-construction phase, because the supply chain cannot submit quotes and prices.
- any delay in project planning and procurement will cause projects to be cancelled, and it could prolong the recovery.

In addition to the lifting of the lockdown on building sites, RICS, RIAS and CIOB have also called for the following:

- A VAT rebate fund for home repair and maintenance, and energy efficiency improvement measures, with parity between new build and existing properties.
- The prioritisation of preconstruction design and specification work leading to tenders, ensuring there is a flow of activity into the construction industry.
- The instruction of appropriate building surveys/condition inspections now of publicly owned buildings, such as schools, colleges, museums and libraries that are currently vacant.
- An initiative to encourage a large-scale public sector programme of maintenance works that will assist cashflow for SMEs, supporting the supply chain and retaining skills.
- The maintenance of public sector pre-design and development work to ensure that design professionals are able to support future public sector development programmes
- Having the Scottish National Investment Bank provide guarantees of bank lending, acting as a longer-term post-pandemic CBILS, that will encourage investment in Scotland's infrastructure programme

6. Conclusion

Members of the CEOMG are invited to note this update.

