

## Notice of Meeting and Agenda Scotland Excel Executive Sub-Committee

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

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); Councillor Todd Ferguson (North Ayrshire Council); Councillor Paul Di Mascio (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council); Councillor Amanda Westlake (Shetland Islands Council) and Councillor Collette Stevenson (South Lanarkshire Council)

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

### Further Information

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

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

For further information, please either email [democratic-services@renfrewshire.gov.uk](mailto:democratic-services@renfrewshire.gov.uk) or telephone 0141 618 7112.

## **Members of the Press and Public**

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

## **Video Conferencing**

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

## Items of business

### Apologies

Apologies from members.

### Declarations of Interest

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

- |           |   |                |
|-----------|---|----------------|
| <b>1</b>  | <b>Minute</b>   | <b>5 - 10</b>  |
|           | Minute of meeting of the Executive Sub-committee held on 23 March 2018.           |                |
| <b>2</b>  | <b>Contract for Approval: Supply and Delivery of Power</b>                        | <b>11 - 18</b> |
|           | <b>Tools</b>  |                |
|           | Report by Director of Scotland Excel.   |                |
| <b>3</b>  | <b>Contract Delivery Plan Update</b>  | <b>19 - 26</b> |
|           | Report by Director of Scotland Excel.   |                |
| <b>4</b>  | <b>Operating Plan Update</b>  | <b>27 - 38</b> |
|           | Report by Director of Scotland Excel.   |                |
| <b>5</b>  | <b>Update of Review of Governance Structure of Scotland Excel</b>                 | <b>39 - 56</b> |
|           | Report by Director of Scotland Excel.   |                |
| <b>6</b>  | <b>Update on Provision of Sanitary Products within Educational Establishments</b> | <b>57 - 58</b> |
|           | Report by Director of Scotland Excel.   |                |
| <b>7</b>  | <b>Update Report on Plastic Straws</b>  | <b>59 - 60</b> |
|           | Report by Director of Scotland Excel.   |                |
| <b>8</b>  | <b>Procurement of Care Home Services for Older People</b>                         | <b>61 - 64</b> |
|           | Report by Director of Scotland Excel  |                |
| <b>9</b>  | <b>Procurement of Care and Support Services</b>                                   | <b>65 - 68</b> |
|           | Report by Director of Scotland Excel  |                |
| <b>10</b> | <b>Employee Absence Management Report</b>   | <b>69 - 72</b> |
|           | Report by Director of Scotland Excel.   |                |

## **11 Date of Next Meeting**

Note that the next meeting of the Scotland Executive Sub-committee will be held at 10.45 am on 1 June 2018 in Scotland Excel Meeting Room 1, Renfrewshire House.



## Minute of Meeting Scotland Excel Executive Sub-Committee

Date	Time	Venue
Friday, 23 March 2018	10:45	Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley

### Present

Councillors Charles Buchan (Aberdeenshire Council) and Altany Craik (Fife Council); Bailie Norman MacLeod (Glasgow City Council); Councillors Paul Di Mascio (North Lanarkshire Council); John Shaw (Renfrewshire Council) and Amanda Westlake (Shetland Islands Council).

### By Videolink

Councillor Stephen Thompson (Dumfries and Galloway Council).

### Chair

Councillor John Shaw, Convener, presided.

### In Attendance

J Welsh, Director; H Carr, Head of Strategic Procurement; J Yeoman, Senior Procurement Specialist; R Green, Procurement Co-ordinator; N Burleigh, Category Manager and L Gordon, Category Manager (all Scotland Excel); S Afzal, Senior Auditor (Audit Scotland); and M Ball, Senior Accountant; R Devine, Senior Committee Services Officer and K O'Neill, Assistant Democratic Services Officer (all Renfrewshire Council).

### Apologies

Provost Bill Howatson (Aberdeenshire Council); Councillors Angus Douglas (Angus Council) and Graham Hutchison (City of Edinburgh Council); Provost Norman A Macdonald (Comhairle Nan Eilean Siar); Councillors Todd Ferguson (North Ayrshire Council) and Collette Stevenson (South Lanarkshire Council).

### Declarations of Interest

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

## **1 Minute**

There was submitted the Minute of the meeting of the Executive Sub-committee held on 26 January 2018.

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

## **2 Revenue Budget Monitoring**

There was submitted a joint revenue budget monitoring report by the Treasurer and the Director of Scotland Excel for the period 1 April 2017 to 2 March 2018.

The report intimated that gross expenditure was £45,000 under budget and income was currently £45,000 over-recovered which resulted in a net underspend of £90,000. During discussions it was suggested that future consideration be given to increasing the levy to reduce draw on reserves. Members were also advised that financial briefing/training could be provided for members to enable proper scrutiny of future financial reports.

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

## **3 Annual Audit Plan 2017/18**

There was submitted a report by the Treasurer relative to the annual audit plan 2017/18 for Scotland Excel which outlined Audit Scotland's planned activities in their audit for the 2017/18 financial year. Members were advised that financial briefing/training could be provided for members to enable proper scrutiny of future financial reports.

**DECIDED:** That Audit Scotland's annual audit plan 2017/18 be noted.

## **4 Contract for Approval: Children's Residential Care and Education Services including Short Breaks**

There was submitted a report by the Director of Scotland Excel relative to the award of a flexible framework agreement for Children's Residential Care and Education Services including Short Breaks which would be effective from 1 May 2018 until 30 April 2022.

The report stated that the Scottish Government had collated information from local authorities on children and young people who were looked after, on the child protection register and in secure care. According to the most recent report, 'Children's Social Work Statistics Scotland, 2015-16' there were 15,317 looked after children and young people in Scotland. A total of 829 of these children and young people were cared for in accommodation, which was under the remit of the framework for children's residential care and education services including short breaks.

The framework therefore needed to offer sufficient services to meet the changing profile of children and young people. A synopsis of the process involved would be circulated to members. Scotland Excel responded to this requirement by developing the renewal as a flexible framework. The proposed framework aimed to bring flexibility and scope to meet the future needs of children and young people and local authorities by allowing the addition of new providers and/or services at certain points. For

providers who were awarded a place on the flexible framework agreement at its commencement date the maximum period of award was up to 48 months. New entrants were permitted to apply to be included within the flexible framework agreement for years three and four of its duration, and would be evaluated against the same criteria as the initial evaluation therefore ensuring a consistent approach to quality of services on the flexible framework for providers who are awarded a place.

All 32 local authorities had confirmed that they intended to participate on the flexible framework and had confirmed anticipated spend, which was detailed in Appendix 1.

The framework had been divided into four service options as detailed in table 1 of the report and had been advertised at a value of £105.4 million per annum for the four-year period. Tender responses had been received from 46 providers and 243 services across the framework. During discussion regarding payment of the living wage by suppliers it was noted that individual Councils utilising the framework would be made aware whether suppliers complied prior to their decision.

Out of these services there were 6 across 4 providers who were treated as non-compliant. Those providers were Care 4 Children Residential Services Ltd; Moore House School Limited; Radical Services Limited and Royal Blind.

Based on the evaluation undertaken in line with the criteria and weightings detailed within the report it was recommended that a flexible framework agreement be awarded to 46 suppliers as outlined in Appendix 3.

**DECIDED:**

(a) That a synopsis of the process be circulated to members; and

(b) That the award of the flexible framework agreement for Children's Residential Care and Education Services including short breaks, as detailed in Appendix 3 to the report, be approved.

## **5 Contract for Approval: Supply of Digital Publications and Services**

There was submitted a report by the Director of Scotland Excel relative to the award of a national collaborative framework agreement for digital publications and services, which would be effective from 1 February 2018 (with an effective date of 16 April, 2018) until 31 January 2020, with the option to extend for up to two one year month periods until 31 January 2022.

The report intimated that the new framework would provide councils with a mechanism to procure a range of e-books, e-audiobooks, e-magazines and e-comics with the main users of the framework likely to be public libraries,

The framework had been divided into four lots as detailed in table 1 of the report and had been advertised at a value of £1 million per annum. A breakdown of the technical assessment/evaluation was circulated.

Tender responses had been received from seven suppliers and a summary of offers received was detailed in Appendix 1 to the report. Based on the evaluation undertaken in line with the criteria and weightings detailed within the report it was recommended that a multi-supplier framework agreement be awarded to five suppliers as outlined in Appendix 2.

**DECIDED:** That the award of the framework agreement for digital publications and services as detailed in Appendix 2 to the report, be approved.

## **6 Contract for Approval: Supply, Delivery, Servicing and Maintenance of Fire Safety Products**

There was submitted a report by the Director of Scotland Excel relative to the award of a renewal framework agreement for the supply, delivery, servicing and maintenance of fire safety products which would be effective from 16 April 2018 until 15 April 2020, with the option to extend for up to two further 12 month periods.

The report intimated that the framework would provide councils and Scotland Excel associate members with a mechanism to procure fire safety products such as extinguishers and fire blankets in addition to the servicing, repair and maintenance of these products. The framework also included the servicing, repair and maintenance of fire safety systems such as wet risers, dry risers, fire hydrants and sprinkler systems.

The framework had been divided into three lots as detailed in table 1 of the report and had been advertised at a value of £10 million over the four-year period. Tender responses had been received from five suppliers and a summary of offers received was detailed in Appendix 1 to the report.

Based on the evaluation undertaken in line with the criteria and weightings detailed within the report it was recommended that the framework agreement be awarded to five suppliers across the four lots as outlined in Appendix 2.

**DECIDED:** That the award of the framework agreement for the supply, delivery, servicing and maintenance of fire safety products as detailed in Appendix 2 to the report, be approved.

## **7 Request for Associate Membership of Scotland Excel by Hawthorn Housing Co-operative Limited**

There was submitted a report by the Director of Scotland Excel advising that Hawthorn Housing Co-operative Ltd had submitted an application to become an associate member of Scotland Excel.

**DECIDED:** That the application by Hawthorn Housing Co-operative Ltd 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.

## **8 Strategy Report**

There was submitted a report by the Director of Scotland which provided an update on the approach being taken to produce the new Scotland Excel strategy through to 2023.

The current strategy covered the period 2015 to 2018. Scotland Excel was working towards the production of a new strategy to support the delivery of their organisational outcomes. In a departure from the standard three-year stance, the organisation had decided to take a longer five-year view incorporating an additional review in year three.



The approach being undertaken was detailed in Figure 1. Working with staff across the organisation, the corporate vision had been debated and options tested. Similarly, the mission had been considered and reflected the values and behaviours of the organisation. Four over-arching goals had been identified that reinforced the desired outcomes. These were delivered through a number of strategic objectives. As in the current strategy, an annual operating plan would be produced, outlining the following years activities and commitments planned to achieve agreed objectives.

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

## **9 Date of Next Meeting**

**DECIDED:** That it be noted that the next meeting of the Executive Sub-committee would be held at 10.45 am on 27 April 2018 in Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley.

The Convener advised that the total portfolio value prior to the Executive Sub Committee meeting on 23 March 2018 had been £979,196,122. Following approval of the 3 frameworks the value would be over £1 billion for the first time.

Members of the Executive Sub-committee complimented Scotland Excel on the Supplier Excellence Award event held on 20 February 2018 in the Radison Blu Hotel, Glasgow which had been of the highest quality and professional.

The Sub-committee was advised that the Director of Scotland Excel had been invited and would attend the Scottish National Party Association of National Councillor Conference to be held in Inverness later in 2018 to provide a presentation on care provision and that the Director would also be available to present to other political conferences.





## **Scotland Excel**

**To: Executive Sub Committee**

**On: 27 April 2018**

**Report  
by  
Director Scotland Excel**

**Tender: Supply and Delivery of Power Tools**

**Schedule: 02-18**

**Period: 17 June 2018 until 16 February 2021 with the option to extend for up to 12 months until 16 February 2022**

### **1. Introduction and Background**

The framework for Power Tools has been developed to facilitate the supply and delivery of power tools to council depots, schools and other locations, as well as collection from supplier trade counters.

The requirement was originally tendered as part of the 07-17 Trade Materials framework, however the power tools lot was not awarded as tenderers were unable to provide the necessary product and geographical coverage required by councils across Scotland.

In order to continue to meet council requirements and ensure best value, it was agreed that, following a review and revision of the commercial model and specification, the power tool requirements would be tendered separately as a standalone framework.

This recommendation for the award of a new framework for the supply and delivery of power tools, will operate from 17 June 2018 until 16 February 2021, with the option to extend for up to 12 months until 16 February 2022.

The framework was advertised at a value of £2.5 million over the total potential framework period.

### **2. Scope and Participation**

The framework encompasses a variety of power tools and associated accessories. The power tool market is characterised by a wide variety of brands and specifications. It is anticipated that the products purchased through the framework will be varied in type and will be dependent on the work being undertaken in each council area.

All councils have confirmed their intention to participate in this framework. In addition, the Scottish Prison Service, NHS Scotland and Advanced Procurement for Universities and Colleges (APUC) have confirmed their intention to participate.

To allow for potential migration from existing arrangements during the life of the framework, Scotland Excel associate members were also included in the contract notice for this framework.

**3. Procurement Process**

A Prior Information Notice (PIN) was published on 8 February 2018, which resulted in expressions of interest from 43 companies.

In addition, stakeholder feedback gathered during the development of the 07-17 Trade Materials framework was also used in developing the procurement strategy.

To ensure that the framework aligned with council requirements, member councils were contacted to discuss the commercial model for the framework. The specification was reviewed and aligned with council requirements and supply market capability.

To ensure maximum competition, an open tender process was followed to establish the framework. The tender was advertised on the Official Journal of the European Union and the Public Contracts Scotland portal on 21 February 2018. The tender process was conducted using the Public Contracts Scotland Tender system (PCS-T).

The evaluation process assessed tenderers against the established award criteria. In order to be eligible for award, tenderers were required to pass the minimum standards of bidder selection which was assessed using the European Single Procurement Document (ESPD). Within this, tenderers were required to answer a number of questions relating to conduct and business probity along with questions on insurance, financial standing, quality management, health and safety and environmental management.

Offers were evaluated against the following overall weightings:

Commercial	80%
Technical	20%

Within the technical section, bidders were required to complete scored questions and method statements to evidence their knowledge, experience and capability.

The following commercial and technical criteria were used to evaluate responses:

<b>Area</b>	<b>Maximum Points Available</b>
Schedule of Rates	70
Non-Core Discount	7
Sole Supply Discount	3
Additional Fixed Pricing	2
Early Settlement Discount	1
Method Statement: Cost Reduction and Innovation	3
Method Statement: Sustainability	7
Method Statement: Customer Service and Delivery	7

**Table 1: Breakdown of Award Criteria**

#### **4. Report on Offers Received**

The tender document was downloaded by 44 companies, with 15 tender responses received.

A summary of all offers received and their SME status is provided in Appendix 1. One of the offers received was deemed non-compliant as no commercial schedule was submitted. This offer was removed from the evaluation process.

Following a full evaluation of the 14 remaining compliant bidders, final scoring was completed. Appendix 2 confirms the scoring achieved by each bidder.

#### **5. Recommendations**

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

Of the eight recommended suppliers:

- two are classified as a large business;
- one is a medium sized business; and

- five are small businesses.

The recommended suppliers will ensure councils have access to the necessary range of product specifications and will ensure best value through sufficient competition across all parts of Scotland.

## **6. Benefits**

### **Savings**

The wide range and changing list of power tool products required by councils makes forecasting difficult.

By comparing the average total pricing tendered with the best value offer submitted, an average saving across all councils of 5.8% is projected. This equates to estimated total savings of approximately £39k per annum, based on current spend forecasts.

There is potential for further savings for councils through selection of alternate products, suppliers or the use of sole supply discount arrangements. Scotland Excel will work closely with councils to assist them determine where additional savings could be achieved.

### **Price Stability**

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

Furthermore, three recommended suppliers have confirmed they will hold their prices for an additional three or six months, providing more stability for councils.

After the initial fixed price period, suppliers, subject to the necessary documentary evidence, may submit a request for a price increase on an annual basis. Suppliers may submit a price decrease at any time during the framework contract period.

### **Sustainable Procurement Benefits**

#### **Community Benefits**

All recommended suppliers have confirmed their compliance with Scotland Excel's community benefits approach for this framework. This will be based on the annual spend thresholds provided for each individual council.

On an annual basis, Scotland Excel will calculate which annual spend thresholds have been met based on submitted management information and provide this information to relevant suppliers and councils.

When suppliers meet the minimum annual spend threshold for an individual council they will be required to agree with the council's community benefits lead

or other designated person to finalise the benefits they will deliver and confirm monitoring arrangements.

Examples of community benefits that suppliers may offer include:

- supply chain development including increased use of supported business uses;
- work experience placement;
- sponsorship; and
- equipment/product donations.

### **Fair Work Practices**

Bidders were asked to confirm their approach to fair work practices and the Scottish Living Wage. In terms of the Scottish Living Wage:

- One supplier is an accredited Living Wage employer
- One supplier has committed to gaining accreditation in the first 2 years of the contract
- Four of the suppliers pay the Scottish Living Wage or above to all employees (except volunteers, apprentices and interns)

Suppliers also detailed their fair working practices, including how they will support staff development, training and employee engagement.

Scotland Excel will work with all awarded suppliers during the lifetime of the framework to ensure their commitments are met.

### **Sustainability**

Bidders were asked to detail their approach to sustainability.

Suppliers provided details of proposed recycling initiatives (including cardboard and plastic), energy consumption reduction opportunities and route mapping improvements. Suppliers also commented on how they will support sustainability across their own supply chains through effective sourcing processes.

### **Other Benefits**

The framework will provide councils with a clear pricing and discount structure, simplifying the purchase process and ensuring best value is achieved. In addition:

- Six of the recommended suppliers are based in Scotland, supporting the Scottish economy.
- The framework will support small to medium enterprises as six of the eight recommended suppliers are classified as SMEs.

- The framework promotes effective purchasing through alignment with the 07-17 Trade Materials framework terms and conditions and community benefits methodology.

## **7. Contract Mobilisation and Management**

Both suppliers and participating members will be issued with a mobilisation pack containing information relating to the operation of the framework, roles and responsibilities, management information requirements and community benefits commitments.

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

## **8. Summary**

This framework for the supply and delivery of power tools aims to maximise collaboration, consolidate demand and deliver best value. A range of benefits in relation to savings, price stability, sustainability and community benefits have been secured.

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



## Appendix 1 - SME Status

Tenderer Name	SME Status	Location
A1 Ironmongery Ltd	Small	Ayr
Berner UK Limited	Medium	Bridgwater
Brammer UK Limited	Large	Manchester
CMT Equipment Ltd T/A CMT Group	Small	Lincoln
Cromwell Tools Limited	Large	Wigston
Enermech Limited	Large	Aberdeen
Gibb & Beveridge (Engineering Agencies) Ltd	Small	Dunfermline
Jewson Limited	Large	Coventry
Kelvin Powertools Ltd	Small	Glasgow
MacGregor Industrial Supplies Ltd	Medium	Inverness
J.G. Martin Plant Hire Limited	Small	Govan
S.I.I.S. Ltd	Small	St Andrews
STAX TRADE CENTRES PLC	Large	Manchester
Turnkey Facilities Solutions Limited *NC	Small	East Kilbride
Decco Ltd T/A White Milne	Large	Dundee

\*NC denotes a Non-Compliant supplier

## Appendix 2 - Scoring and Recommendations

(Asterisk (\*)) denotes recommended supplier)

Supply and Delivery of Power Tools	
Tenderer	Score
Gibb & Beveridge (Engineering Agencies) Ltd*	89.0
S.I.I.S. Ltd*	80.7
Decco Ltd T/A White Milne*	80.3
Jewson Limited*	79.6
J.G. Martin Plant Hire Limited*	77.9
MacGregor Industrial Supplies Ltd*	77.2
CMT Equipment Ltd T/A CMT Group*	74.8
Kelvin Powertools Ltd*	73.2
Brammer UK Limited	66.5
STAX TRADE CENTRES PLC	63.1
A1 Ironmongery Ltd	62.0
Berner UK Limited	61.6
Enermech Limited	57.6
Cromwell Tools Limited	56.8
Turnkey Facilities Solutions Limited	NC





## **Scotland Excel**

**To: Executive Sub Committee**

**On: 27 April 2018**

### **Report by Director Scotland Excel**

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

##### **1. Introduction**

This report provides a progress update on the 2018/ 2019 contract delivery plan.

##### **2. Progress to Date**

As detailed in Appendices 1 – 3, the 2018/ 2019 contract delivery plan comprises framework renewals, new developments, framework extensions and frameworks with ongoing contract management only.

There are 59 current frameworks in the Scotland Excel contract portfolio, with 16 of these frameworks to be renewed before 31 March 2019 (Appendix 1).

As detailed in Appendix 1, the children's residential framework was delivered on schedule in March 2018. The remaining renewal frameworks in 2018/ 2019 are currently on track with the forecast schedule.

Scotland Excel plans to add a further seven new frameworks to its contract portfolio by 31 March 2019 (Appendix 2). The seven planned first generation frameworks include four being coordinated through the operational supplies and services team.

A further eight of the frameworks on the current portfolio have extension options that are likely to be exercised in 2018/ 2019 (Appendix 3).

Overall, efficiencies delivered to date continue to be within the 2-4% forecast range.

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 of adult social care and construction.

Over 2017/ 2018, Scotland Excel has been exploring in partnership with commissioners and providers how care at home and supported living services are procured across Scotland. As a result of this development activity, in 2018/ 2019, Scotland Excel expects to co-produce and implement with people using services, commissioners and providers a procurement strategy for care and support services.

In 2018/ 2019, Scotland Excel will also deliver a new sourcing strategy for care home services for older people. This strategy, again co-produced with stakeholders, will build on current best practice and complement local strategic commissioning plans.

In the construction portfolio, Scotland Excel has released a prior information notice for a new build housing framework. The framework will aim to support council delivery of new affordable houses, enabling councils to attain a range of works and services.

Scotland Excel, working in partnership with the Digital Office, released a prior information notice (PIN) for market engagement across a range of projects to drive digital transformation across Scotland. A webinar Q&A exercise was held in January 2018 with interested parties involved.

### **3. Conclusion**

Members are invited to note the progress made to date.

## Appendix 1 - List of contracts to be renewed

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
Childrens Residential	105,000,000	Renew	Mar-18		Mar-18		N/A	N/A	Recommendations approved at Executive Sub Committee on 23 March 2018
Treatment Of Recyclable & Residual Waste	25,000,000	Renew	Jun-18			Aug-18	2% - 4%		Strategy in development
Street Lighting Materials	35,000,000	Renew	Jul-18				2% - 4%		Strategy in development
Salt	16,250,000	Renew	Jul-18				2% - 4%		Tender released
Road Maintenance Materials	2,500,000	Renew	Jul-18			Aug-18	2% - 4%		Strategy in development
Roadstone	5,000,000	Renew	Jul-18				2% - 4%		Strategy in development
Social Care Agency Workers	20,000,000	Renew	Aug-18				2% - 4%		Tender released
Fresh Meat, Cooked Meats & Fresh Fish	7,000,000	Renew	Oct-18				2% - 4%		Tender released
Washroom Solutions	3,500,000	Renew	Oct-18				2% - 4%		Strategy in development
Asbestos	8,000,000	Renew	Nov-18				2% - 4%		Strategy in development
Presentation and AV Equipment	7,500,000	Renew	Nov-18				2% - 4%		Strategy in development
Online School Payments	2,500,000	Renew	Dec-18				2% - 4%		Strategy in development
Signage	2,000,000	Renew	Dec-18				2% - 4%		Strategy in development
Telecare	3,400,000	Renew	Jan-19				2% - 4%		Strategy in development
Heavy Plant	5,000,000	Renew	Mar-19				2% - 4%		Strategy in development
Ground Maintenance Equipment	5,000,000	Renew	Mar-19				2% - 4%		Strategy in development
Janitorial Products	9,000,000	Renew	Mar-19				2% - 4%		Strategy in development



## Appendix 2 – List of new contracts to be developed and delivered in 2018/2019

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
Digital Publications and Services	1,000,000	New Contract	Feb-18		Mar-18	Apr-18	5.5%	11.0%	Recommendations approved at Executive Sub Committee on 23 March 2018
Fire Fighting & Rescue Services	2,500,000	New Contract	Mar-18		Mar-18	Apr-18	5.5%	4.8%	Recommendations approved at Executive Sub Committee on 23 March 2018
Vocational Training Service Providers	1,800,000	New Contract	Mar-18	Jul-18		Dec-18	5.5%		Strategy in development
Power Tools	500,000	New Contract	Jun-18				5.5%		Recommendations to be presented at Executive Sub Committee on 27 April 2018
Boiler Maintenance	10,000,000	New Contract	Jul-18				5.5%		Tender released
First Aid Materials	2,000,000	New Contract	Sep-18			Oct-18	5.5%		Strategy in development
Commercial Catering Equipment	5,250,000	New Contract	Oct-18				5.5%		Strategy in development
Weather Information Services	1,000,000	New Contract	Nov-18				5.5%		Strategy in development
Social Work Health Care System	300,000	New Contract	Nov-18				5.5%		Strategy in development





### Appendix 3 – Contracts with extension options and contract management activity ongoing in 2018/2019

#### Contracts with extension options in 2018/19

Contract Description	Est Annual Value
Bitumen Products	£ 12,000,000
Education Materials	£ 17,500,000
Electrical Materials	£ 14,000,000
Fostering & Continuing Care	£ 25,000,000
Frozen Foods	£ 25,000,000
Outdoor Play Equipment and Artificial Surfaces	£ 17,500,000
Personal Protective Equipment	£ 10,000,000
Plumbing & Heating Materials	£ 20,621,122

## Contracts with no renewal or extension activity in 2018/19

Contract Description	Est Annual Value
Bottled Gas	£ 2,000,000
Building And Timber Materials	£ 15,200,000
Buildings Related Engineering Consultancy	£ 10,000,000
Care Homes for Adults (LD)	£ 31,000,000
Catering Machines	£ 2,000,000
Catering Sundries	£ 6,000,000
Customer Service Platform	£ 3,750,000
Demolition	£ 16,000,000
Domestic Furniture and Furnishings	£ 20,000,000
Education And Office Furniture	£ 9,000,000
Energy Efficiency Contractors	£ 200,000,000
Engineering Consultancy	£ 17,000,000
Groceries & Provisions	£ 30,000,000
Heavy Vehicles	£ 40,000,000
Laundry Equipment	£ 1,100,000
Library Books & Textbooks	£ 14,000,000
Milk	£ 9,000,000
Organic Waste	£ 12,000,000
Pest Control Services	£ 1,500,000
Recycle And Refuse Containers	£ 12,500,000
Secure Care	£ 20,000,000
Security Services and Equipment	£ 18,000,000
Steeplejack Services	£ 1,750,000
Street Lighting Bulk Renewal of Luminaires	£ 5,000,000
Swimming Pool Chemicals	£ 1,250,000
Trade Materials	£ 10,000,000
Tyres for Vehicles & Plant	£ 6,500,000
Vehicle & Plant Hire	£ 15,000,000
Vehicle Parts	£ 12,000,000
Vehicle Purchase RM1070	£ 15,000,000
Waste Disposal Equipment	£ 1,250,000
Water Coolers	£ 1,500,000



# Operating Plan


2017 – 2018





**Q3 Progress Report**





# Goal 1: Supporting the delivery of better and more effective public services

Strategic objectives	
1.1	Deliver a range of collaborative procurement and supplier development services which support customers at a strategic and operational level
1.2	Deliver a range of shared services which support customers in the development of their professional, organisational and commercial capability
1.3	Deliver a range of new shared services which support the effectiveness and efficiency of customer operations



Activity	Year 3 Priorities	RAG status	Progress summary
(a) Develop and implement a contract plan aligned to the strategic priorities of member authorities	<ul style="list-style-type: none"> <li>• Resource and implement contract delivery plans including 11 'small value' contracts</li> <li>• Develop and implement a procurement strategy for older people's care services</li> <li>• Deliver an opportunity analysis for adult supported living and care at home commissioning</li> <li>• Provide ICT procurement services for the local government Digital Office</li> <li>• Support SEEMiS with the procurement of a national education MI system</li> <li>• Monitor CCS partnership and develop proposals for future procurement partnerships</li> <li>• Review and update procurement strategies for all key category areas</li> </ul>		<ul style="list-style-type: none"> <li>• Five 'small value' contracts were approved during Q3 and a further five are in development. One contract opportunity previously identified has not been progressed as further analysis determined there was no value in a collaborative approach.</li> <li>• A report on the findings of a consultation on a new procurement strategy for older people's care services was published in November. Delivery of the strategy is currently on hold pending the conclusion of fee negotiations for the existing National Care Home Contract.</li> <li>• A review of the market and stakeholder landscape has been completed for adult supported living and care at home services. An opportunity analysis has been developed and will be issued to key stakeholders.</li> <li>• Scotland Excel is continuing to provide procurement support for the local government Digital Office. A Prior Information Notice (PIN) was issued in November to identify supplier solutions for a range of IT requirements. Discussions on a collaborative opportunity for a social work management information system are continuing.</li> <li>• Scotland Excel's procurement project for SEEMiS will be completed in Q4 following an extended negotiated procedure. This was due to some bidders withdrawing after the Pre-Qualifying Questionnaire (PQQ) stage of the tendering process.</li> <li>• Local authority fleet managers indicated their satisfaction with the Crown Commercial Services (CCS) partnership at a meeting in December.</li> <li>• Updated category procurement strategies are in development and are expected to be published during Q4.</li> </ul>

(b) Develop and implement a strategy and plan for the delivery of contract and supplier management	<ul style="list-style-type: none"> <li>Complete the roll out of the new CSM programme across the contract portfolio</li> </ul>		<ul style="list-style-type: none"> <li>The Contract &amp; Supplier Management (CSM) programme launched in Q2 has not produced the required levels of participation or feedback. Alternative options are being considered and a new programme will be launched in 2018-19.</li> </ul>
(c) Develop and implement a strategy and plan for improving supplier performance	<ul style="list-style-type: none"> <li>Deliver the 2018 Supplier Excellence Awards</li> <li>Incorporate supplier development into the 2018 Scotland Excel Conference</li> <li>Pilot a KSM programme and extend to other key suppliers based on results</li> </ul>		<ul style="list-style-type: none"> <li>Shortlisted entries for the Supplier Excellence Awards were published on the event microsite in December. Plans for the awards ceremony in February are progressing well.</li> <li>Shortlisted suppliers are being invited to the second day of the conference where the focus will be on building positive relationships.</li> <li>Plans for a Key Supplier Management (KSM) programme are on hold due to issues with the new CSM programme. However, key suppliers have been identified and are being managed by procurement teams in the interim.</li> </ul>
(d) Manage the rollout of a new national procurement capability assessment to the local government sector	<ul style="list-style-type: none"> <li>Complete the first cycle of PCIP assessments with participating councils</li> <li>Consult on plans for a second cycle of PCIP assessments</li> </ul>		<ul style="list-style-type: none"> <li>Procurement &amp; Commercial Improvement Programme (PCIP) assessments have now been completed with all 32 Scottish local authorities. Data from the assessments has been analysed to inform the next programme of change projects and development initiatives.</li> <li>Scotland Excel is continuing to hold proactive discussions with central government, the PCIP project board and stakeholders on future PCIP plans.</li> </ul>
(e) Develop and implement a programme to lead and support the development of procurement and commercial capability	<ul style="list-style-type: none"> <li>Develop and deliver a rolling programme of procurement capability and change services for local authorities</li> <li>Deliver an Annual Conference to support development in Feb 2018</li> <li>Deliver Scottish Government funded procurement improvement programme for housing associations</li> </ul>		<ul style="list-style-type: none"> <li>Ten practitioner workshops were delivered across Scotland in Q3. A programme to address four priority areas identified from PCIP results is being developed, and includes targeted support, CSM, demand management and support &amp; guidance.</li> <li>Plans for the Scotland Excel Annual Conference are progressing well. The conference will co-locate with the Supplier Excellence Awards on 20-21 February 2018.</li> <li>Four PCIP assessments were completed with housing associations during Q3 as part of the Scottish Government programme. A total of 25 PCIPs are expected to be completed by the end of March 2018.</li> </ul>




<p>(f) Develop and implement a 'procurement academy' to support professional capability and encourage new entrants to public procurement</p>	<ul style="list-style-type: none"> <li>• Roll out L &amp; D programmes in line with the strategy</li> <li>• Develop plans for delivering a L &amp; D programme for social care commissioning</li> <li>• Develop a proposal to support the Scottish Government's PPOT initiative</li> </ul>		<ul style="list-style-type: none"> <li>• The roll out of the learning and development (L &amp; D) strategy is progressing well. The first Chartered Management Institute (CMI) accredited Leadership &amp; Management course was completed in November and a further two cohorts were launched in Q3. A Chartered Institute of Procurement &amp; Supply (CIPS) accredited course will be launched in Q4.</li> <li>• Scotland Excel is in discussion with Healthcare Improvement Scotland to scope an approach to strategic commissioning, and continues to offer advice to Social Work Scotland for self-directed support.</li> <li>• Scotland Excel continues to support the Procurement People of Tomorrow (PPOT) initiative through the Scottish Government's Professional Practice Strategic Forum. Recent work with Skills Development Scotland to develop a Graduate Level Apprenticeship in business management has the potential to benefit new entrants and existing procurement practitioners.</li> </ul>
<p>(g) Develop and implement a shared service offering for councils which meets their requirements in a changing public sector landscape</p>	<ul style="list-style-type: none"> <li>• Develop a shared services strategy to inform future service development proposals</li> </ul>		<ul style="list-style-type: none"> <li>• Scotland Excel continues to explore new shared service opportunities. Proposals for a national house building framework are being discussed with the Association of Local Authority Chief Housing Officers (ALACHO), and an opportunity to support the development of an electric vehicles charging infrastructure is being discussed with Transport Scotland.</li> </ul>

## Goal 2: Being sustainable in everything we do

Strategic objectives	
2.1	Work with stakeholders to develop procurement strategies which support the delivery of national and local policy priorities
2.2	Deliver positive and measurable social, economic and environmental impact to local communities
2.3	Lead and support customers in the development and implementation of best practice in sustainable procurement



Activity	Year 3 Priorities	RAG status	Progress summary
(a) Develop and implement strategies for responding to procurement and/or public sector legislation	<ul style="list-style-type: none"> <li>Develop and implement plans to comply with GDPR regulations</li> <li>Monitor risks/opportunities arising from the Community Empowerment Act</li> <li>Engage with IJB Chief Officers to identify HSCI procurement opportunities</li> <li>Develop proposals to support councils with early learning and childcare procurement</li> <li>Update waste category strategy to align with legislative landscape</li> </ul>		<ul style="list-style-type: none"> <li>General Data Protection Regulation (GDPR) training sessions were delivered for Scotland Excel staff and customers during Q3. Plans to ensure Scotland Excel's compliance with the regulation are in development.</li> <li>There are currently no major risks or opportunities identified for the sector in connection with the Community Empowerment Act.</li> <li>Scotland Excel continues to seek opportunities to engage with Integration Joint Board (IJB) Chief Officers. In Q3, a joint presentation with COSLA on the progress of the care home fee negotiations was made to Chief Officers.</li> <li>Scotland Excel is now a member of the Scottish Government's Early Learning &amp; Childcare (ELC) Service Models Working Group, and is continuing to champion the benefits of a national procurement route to support ELC expansion plans.</li> <li>The waste category strategy is being updated and will be completed in January 2018.</li> </ul>
(b) Ensure Scotland Excel's collaborative frameworks support local and national government policy priorities	<ul style="list-style-type: none"> <li>Continue to support national policy outcomes in social care frameworks</li> <li>Continue to support the roll out of CRDG recommendations</li> </ul>		<ul style="list-style-type: none"> <li>Bids for the renewed residential children's care framework are being evaluated and recommendations for award will be submitted to the Executive Sub-Committee in Q4.</li> <li>Scotland Excel continues to participate in the Construction Review Delivery Group (CRDG) and attended the quarterly meeting in November. The work of this group is now coming to a close, and the Scottish Government has set up a construction policy team to take forward the group's recommendations.</li> </ul>






<p>(c) Ensure Scotland Excel's collaborative frameworks support positive local economic outcomes</p>	<ul style="list-style-type: none"> <li>• Support SDP public procurement training for Scottish SMEs</li> <li>• Review options for including community benefits measures as part of the new CSM programme</li> <li>• Develop a strategy for supported businesses, including delivery of a business development event</li> </ul>		<ul style="list-style-type: none"> <li>• Scotland Excel supported the delivery of three Supplier Development Programme (SDP) sessions for SME suppliers during Q3.</li> <li>• Due to issues with the CSM programme, options for including community benefit measures within CSM are on hold pending agreement on a new approach.</li> <li>• Plans for a supported business event in February 2018 are progressing well. Paul Wheelhouse MSP, Minister for Business, Innovation and Energy and Chair of the Scottish Government's Supported Business Advisory Group, has agreed to speak at the event.</li> </ul>
<p>(d) Ensure Scotland Excel's collaborative frameworks support local government environmental duties and policies</p>	<ul style="list-style-type: none"> <li>• Continue work with partners to align the waste category strategy with national programmes</li> <li>• Include measure for environmental impact within the new CSM programme</li> </ul>		<ul style="list-style-type: none"> <li>• Scotland Excel is working with Zero Waste Scotland and councils on the development of second generation contract arrangements for recyclable and residual waste which align to national policy aims.</li> <li>• Due to issues with the CSM programme, options for including environmental impact measures as part of CSM are on hold pending agreement on a new approach.</li> </ul>
<p>(e) Champion the development and dissemination of best practice in sustainable procurement</p>	<ul style="list-style-type: none"> <li>• Monitor the impact of Scotland Excel's sustainable procurement strategy</li> <li>• Work with national partners to develop enhancements to the national sustainable toolkit</li> <li>• Continue to evolve Scotland Excel's horizon scanning programme</li> </ul>		<ul style="list-style-type: none"> <li>• Scotland Excel is continuing to monitor the impact of its sustainable procurement strategy. Specific sustainability considerations and benefits are detailed within each contract award report.</li> <li>• Scotland Excel is continuing to work on enhancements to the national sustainability toolkit as part of the Scottish Government Best Practice Forum. In Q3, the Forum reviewed the implications of the Equality Duty and commenced drafting of policy for Equality Impact Assessment.</li> <li>• Horizon scanning meetings are continuing to take place quarterly to review the external environment and identify any new risks and opportunities.</li> </ul>

## Goal 3: Placing customers at the heart of our business




Strategic objectives	
3.1	Work with customers to develop and implement bespoke plans for maximising the value of our services
3.2	Develop robust communications strategies which support customer engagement and position Scotland Excel and its customers as leaders in public procurement / shared services
3.3	Represent the views and needs of customers in the wider stakeholder environment

Activity	Year 3 Priorities	RAG status	Progress summary
(a) Develop and implement a portfolio of account management services that meet the collective and individual needs of local authority customers	<ul style="list-style-type: none"> <li>Continue to develop and implement improvements to account management services</li> </ul>		<ul style="list-style-type: none"> <li>Account managers are continuing to deliver Quarterly Business Reviews, and act as a key liaison between the organisation and customers. Discussions at quarterly meetings provide valuable feedback to inform Scotland Excel's Leading Change and Learning &amp; Development strategies.</li> </ul>
(b) Develop and implement a stakeholder engagement strategy that support the delivery of first class customer experience across all of our services	<ul style="list-style-type: none"> <li>Complete the stakeholder engagement strategy</li> <li>Develop and implement a senior stakeholder engagement plan</li> <li>Initiate a customer care forum to support ongoing improvements to customer service</li> <li>Publish a report on the results of the 2017 customer satisfaction survey</li> <li>Develop a 'future digital' strategy to support online delivery of customer information and services</li> </ul>		<ul style="list-style-type: none"> <li>Completion of the stakeholder engagement strategy has been put on hold until early 2018-19 to free up staff resources for the Scotland Excel conference and Supplier Excellence Awards.</li> <li>Scotland Excel's Executive Team are continuing to seek and attend engagement meetings with senior stakeholders. A training session for Executive Sub-Committee members was held in November.</li> <li>The customer care forum will now be established in early 2018-19 once the stakeholder engagement strategy is completed.</li> <li>Tailored reports for senior stakeholders, procurement leads and staff on the findings of the customer satisfaction survey have been produced and distributed. Publication of a general report on the findings has been put on hold until early 2018-19.</li> <li>A Digital/ICT strategy has been completed. Progress and priorities for new developments will be considered by SMT on a regular basis.</li> </ul>

<p>(c) Develop and implement a corporate communications strategy that enhances and protects Scotland Excel's corporate reputation</p>	<ul style="list-style-type: none"> <li>• Complete the marketing and communication strategy</li> <li>• Develop and implement a plan to enhance Scotland Excel's profile and reputation</li> <li>• Continue to deliver marketing/communications initiatives to promote Scotland Excel services</li> </ul>		<ul style="list-style-type: none"> <li>• The marketing and communications strategy has been completed. This will be discussed and agreed with the Executive Team in Q4, and will take effect from 2018-19.</li> <li>• A communications plan has been completed which sets out high level priorities for corporate communications, public affairs and stakeholder engagement. The plan will be discussed and agreed with the Executive Team in Q4, and will take effect from 2018-19.</li> <li>• The key focus for the marketing and communications team during Q3 has been communications and event management for the Supplier Excellence Awards. The team also delivered a range of other activities including press releases, social media, a brochure and advertisement for housing association services, and Scotland Excel's presence at Procurex.</li> </ul>
<p>(d) Develop and implement a model for associate members which delivers clear business and financial benefits to Scotland Excel and the membership base</p>	<ul style="list-style-type: none"> <li>• Continue to recruit housing associations in line with the associate member strategy</li> <li>• Develop an associate member offering for third sector organisations</li> </ul>		<ul style="list-style-type: none"> <li>• Ten housing associations were recruited as associate members in Q3. This brings the total number of new housing association members to 14.</li> <li>• Scotland Excel has met with a new Scottish Government funded third sector organisation, Procurement 4 Partnership (P4P), to understand their role and identify potential opportunities to work together. Plans to develop an associate member offering for the third sector will be considered in 2018-19 to allow for further discussions.</li> </ul>
<p>(e) Develop and implement a programme for engaging with the wider public sector to ensure Scotland Excel has the right partnerships in place to support the needs of its customers</p>	<ul style="list-style-type: none"> <li>• Continue to host and/or attend forums to gather sector views and share information</li> <li>• Continue to represent the sector on matters relating to public procurement</li> <li>• Continue to engage with relevant stakeholders in the wider public sector environment</li> </ul>		<ul style="list-style-type: none"> <li>• Scotland Excel continues to hold and/or attend forums for sector stakeholders. In Q3, these included Commercial UIGs, steering groups for procurement capability and social care, as well as attendance at the Scottish Local Government Procurement Forum.</li> <li>• Scotland Excel continues to represent sector interests at meetings. These include government forums for collaborative procurement, construction, best practice and professional development.</li> <li>• Scotland Excel continues to engage with a wide range of stakeholders and partners. This activity will be formalised as part of the stakeholder engagement strategy in 2018-19.</li> </ul>




## Goal 4: Becoming the partner of choice for delivering shared services

Strategic objectives	
4.1	Implement organisational development policies which support a highly skilled, motivated and engaged workforce
4.2	Implement best practice processes and technology which support the efficient and effective delivery of services to customers
4.3	Implement robust strategies, governance, risk management and funding models which demonstrate a measurable return on investment and secure Scotland Excel's future

Activity	Year 3 Priorities	RAG status	Progress summary
(a) Develop and implement a strategy to support staff recruitment, retention, development, performance and engagement	<ul style="list-style-type: none"> <li>Complete the development and implementation of an organisational development strategy</li> </ul>		<ul style="list-style-type: none"> <li>Development of an Organisational Development strategy has gathered pace during Q3. A draft strategy is in place to provide structure for workstreams in Culture &amp; Values, Leadership &amp; Talent Management, Reward &amp; Recognition, and Systems &amp; Processes. Staff workshops to explore corporate values and culture have been organised for January 2018 in conjunction with Investors in People (IiP).</li> </ul>
(b) Develop and implement programmes to support the continuous improvement of business performance, systems and processes	<ul style="list-style-type: none"> <li>Agree and deliver 2017-18 internal transformation projects</li> <li>Implement a spend data management and reporting solution</li> <li>Continue to plan and implement the migration of the ICT infrastructure to a cloud environment</li> <li>Undertake assessment to renew CIPS accreditation</li> </ul>		<ul style="list-style-type: none"> <li>Scotland Excel's business change team is continuing to manage five internal projects to support strategic goals and continuous improvement.</li> <li>Following workshops with staff, customers and suppliers, Spikes Cavell have delivered a specification for a data management solution. Further work is ongoing to finalise the specification.</li> <li>A pilot of Windows 10 was completed in Q3 and will be rolled out to all staff in Q4. This initiative will support agile working by allowing staff to access ICT resources and files remotely.</li> <li>Following a planning meeting with a CIPS assessor, accreditation evidence has been submitted for formal review. This review will be completed by CIPS in Q4.</li> </ul>
(c) Ensure that Scotland Excel delivers its plans through effective governance, risk management and policies	<ul style="list-style-type: none"> <li>Explore options for governance models which support the future growth of Scotland Excel</li> </ul>		<ul style="list-style-type: none"> <li>An options appraisal for governance models to support future growth was presented to the Joint Committee in December. Approval was given to explore these models further and submit recommendations to the committee meeting in June 2018.</li> </ul>

(d) Develop and implement a strategy for gathering, analysing and distributing business intelligence within Scotland Excel and across the sector	<ul style="list-style-type: none"> <li>Expand the use of BI tools across the organisation to support internal/external delivery of data and reports</li> </ul>		<ul style="list-style-type: none"> <li>A presentation on the various reports and analyses available through the organisation's Business Intelligence (BI) tool was made to the SMT in December. The BI tool will be rolled out more widely across the organisation in 2018-19.</li> </ul>
(e) Develop and implement a clear, transparent and sustainable funding and delivery model for Scotland Excel	<ul style="list-style-type: none"> <li>Hold 4 regional consultation workshops for new strategy development</li> <li>Develop a new corporate strategy for 2018-22</li> <li>Explore options for funding models to support the new strategy</li> </ul>		<ul style="list-style-type: none"> <li>Regional workshops with local authority procurement leads to consult on the new strategy will take place in February and March 2018.</li> <li>A Senior Management Team workshop took place in October to agree the strategy map for 2018-22. This was followed by workshops with staff in November/ December to identify key objectives. The first draft of the new strategy will be completed in Q4.</li> <li>Following discussions at the Joint Committee in December, approval was given to explore alternative funding sources to support the organisation's long-term sustainability. Recommendations will be presented at the committee meeting in June 2018.</li> </ul>

## Report Key

	Project or activity is currently stalled or significantly behind schedule
	Project or activity is progressing at a slower pace than anticipated and/or results have been weaker than expected
	Project or activity has been completed and/or is progressing in line with expected/agreed timelines and targets

## Key Performance Indicators

KPI	Link to outcomes	Q3 Status
No. & value of contracts delivered v plan	<ul style="list-style-type: none"> <li>Our services support the effective and efficient delivery of public services</li> </ul>	<ul style="list-style-type: none"> <li>25 contracts delivered, renewed or extended against target of 31 by year end</li> <li>£978m portfolio value against £1bn target by year end</li> </ul>
Percentage & value of savings v target (excluding social care)	<ul style="list-style-type: none"> <li>Our customers are satisfied with our services and achieve a measurable return on their investment</li> </ul>	<ul style="list-style-type: none"> <li>Average savings of 3.6% against a rolling 5% target (2015-18)</li> <li>£2.8m estimated saving in the last recorded quarter (Oct-Dec 2017)</li> </ul>
No. of PCIP assessments completed v schedule	<ul style="list-style-type: none"> <li>Our expertise supports continuous improvement in procurement performance</li> </ul>	<ul style="list-style-type: none"> <li>15 assessments completed against 15 targeted</li> </ul>
No. of Scottish suppliers & percentage SMEs	<ul style="list-style-type: none"> <li>Our services help to deliver positive and sustainable outcomes for communities and service users</li> </ul>	<ul style="list-style-type: none"> <li>466 Scottish suppliers of which 77.5% are SMEs</li> </ul>
No. of community benefits realised to date	<ul style="list-style-type: none"> <li>Our services support the implementation of national and local policy priorities</li> </ul>	<ul style="list-style-type: none"> <li>274 jobs</li> <li>200 apprenticeships</li> <li>44 work placements</li> <li>59,777 hours work experience</li> <li>4,650 hours volunteering/mentoring</li> <li>£285k value of other initiatives</li> </ul>
Customer satisfaction statistics & trends <sup>1</sup>	<ul style="list-style-type: none"> <li>Our customers are satisfied with our services and achieve a measurable return on their investment</li> </ul>	<ul style="list-style-type: none"> <li>82.4% of procurement stakeholders</li> <li>80.8% of senior stakeholders</li> </ul>
Website usage statistics & trends	<ul style="list-style-type: none"> <li>Our customers receive relevant communication and support</li> </ul>	<ul style="list-style-type: none"> <li>7,733 visitors in Q3</li> <li>17,605 user sessions in Q3</li> </ul>
Media coverage v target	<ul style="list-style-type: none"> <li>Our reputation demonstrates the value of collaboration</li> </ul>	<ul style="list-style-type: none"> <li>39 media items placed to date against target of 50 by year end</li> </ul>
Income from associate members v target	<ul style="list-style-type: none"> <li>Our reputation demonstrates the value of collaboration</li> </ul>	<ul style="list-style-type: none"> <li>£55.8k income against a £60k year end target</li> </ul>
Staff turnover v headcount	<ul style="list-style-type: none"> <li>Our people, policies, processes and technology optimise our value</li> </ul>	<ul style="list-style-type: none"> <li>3.2% staff turnover rate</li> <li>70 permanent staff</li> </ul>

Report issued: March 2018

<sup>1</sup> Percentage of respondents reporting their overall satisfaction as 'very good' or 'good' in the 2016-17 customer satisfaction survey



## **Scotland Excel**

**To: Executive Sub Committee**

**On: 27 April 2018**

### **Report**

**By**

**Director Scotland Excel**

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

#### **1 Introduction**

At the last meeting of the Joint Committee on 8 December 2017, the Committee approved further exploration of options for future governance structures. This paper provides an update on the review and conveys the proposed option that will be tabled for approval of the Joint Committee in June 2018.

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

#### **2 Review of options**

The following options were considered as part of the review:

1. maintaining the current model;
2. widening the powers available under the current model;
3. adding a trading company to the current or amended model; or
4. converting the current model into an arm's length external organisation (ALEO) of Scotland Excel's local authority members with a trading subsidiary.

### **Option 1 – Maintaining the current model**

Scotland Excel is a Joint Committee constituted under sections 56 and 57 of the Local Government (Scotland) Act 1973. The arrangements for the operation of Scotland Excel are set out in terms and conditions agreed between Renfrewshire Council (as the lead authority) and the other 31 Scottish local authorities (“**Terms and Conditions**”). These Terms and Conditions regulate the joint discharge of certain functions by all of the Scottish local authorities by delegation to Scotland Excel.

The review of this option established that Scotland Excel is limited to some degree in its ability to provide and charge for consultancy services to associates, other public bodies and private companies. In respect to associates and public bodies, this position has historically been managed through seeking specific prior approval of the Joint Committee and is not seen as a significant issue.

As demonstrated in Appendix 1 however, most scenarios can be delivered within existing powers, without a change to Terms and Conditions. There is however a need to make some minor amendments to Scotland Excel’s Scheme of Delegation (Appendix 3).

### **Option 2 - Widening the powers available under the current model**

This option involves local authorities amending the agreed Terms and Conditions to extend the delegated functions / powers of Scotland Excel, thus providing it with: wider, permanent powers to provide all types of consultancy services to both public and private bodies.

Given Option 1 is generally flexible enough to meet future needs, this option is not deemed necessary.

### **Option 3 – Adding a trading company**

This option involves splitting the operations of Scotland Excel between the existing Joint Committee (responsible for Scotland Excel’s current core procurement activity) and a trading company with separate legal personality and full power to provide all other consultancy services.

Whilst it was confirmed that this option would address the limitations of the current model it was concluded that such material change to the constitutional structure would not provide any significant additional benefit to what is available within Option 1.



### **Option 4 – Creating and ALEO**

This option involves the 32 Scottish local authorities converting the Joint Committee into an ALEO with a separate legal personality. The ALEO would (re)charge public bodies for access to its core framework-related activity and its consultancy services. The ALEO would likely be set up as a corporate body such as a private company or a limited liability partnership.

Review of this option determined that it was not worth pursuing given the complexities involved in the conversion process, the resources required to undertake the necessary changes and the limited additional benefits.

## **3 Preferred Option**

During the consultation phase of the review, views were sought from the Chief Executive Officers Management Group (CEOMG) on 6<sup>th</sup> November 2017 and the Executive Sub- Committee on 17<sup>th</sup> November 2017. Both forums were of the view that, whilst none of the options should be ruled out without due consideration, the powers within the existing model should only be amended to address limitations that were adversely impacting on the efficient operation of Scotland Excel. Both forums also indicated that any changes should not dilute the focus on Scotland Excel's core activities and as such the governance model should not be unnecessarily amended for minor non-core areas. It was also the case that both groups believed that options that could be implemented with minimal change (Option 1 and Option 2) would in principle be more acceptable and would be more readily implemented.

Taking into account the factors outlined in the review of the options (in section 2 above), that the current model meets the substantial majority (4 from 5) of the scenarios tested and considering the respective feedback from the CEOMG and the Executive Sub Committee, the preferred option is Option 1 - to maintain the current governance model. In reaching this conclusion it was also determined that the current Scheme of Delegation should be updated to correct some minor anomalies and better clarify and reflect current practice. The proposed amendments are outlined in Appendix 2 to this paper

## **4 Next steps**

It is proposed that in June 2018, in accordance with Scotland Excel's procedures, the Joint Committee will be asked to approve a report which recommends maintaining the existing governance model with an amended and updated Scheme of Delegations.

## **5 Conclusion/Recommendation**

Committee members are requested to note the content of this report and endorse the submission of a report to the Joint Committee recommending maintaining the current governance structure with an updated Scheme of Delegations.

## **Appendix 1 – Governance Scenarios**

<b>Scenario/Consideration</b>	<b>Determination</b>
1. Scotland Excel wants to bid for various grant opportunities (for example European/ UK funding, Big lottery funding) but has no legal status or bank account.	Achievable within existing powers  Approval mechanism: Management Group (Scheme of Delegations para 5.3 h) and i) .
2. The Ministry of Defence (MOD) has issued a tender for procurement consultancy services and Scotland Excel wishes to bid.	Requires Update to Terms and Conditions  A change to the Terms and Conditions agreed between Councils would be needed to clarify the position namely, the functions of Scotland Excel could be changed to refer more generally to the “public sector”, widening the scope of the potential activities.
3. Access (A GCC shared service partially owned by the private sector) and West HubCo (a public/private partnership) wish to join Scotland Excel as Associate Members	Achievable within existing powers  Scotland Excel associate membership applications are permitted by a wide range of organisations by way of the Local Authorities (Goods and Services) Act 1970. Access is permitted on a case by case review of the relevant constitutional documents of the applicant.
4. A council wants to commission Scotland Excel to provide procurement consultancy services; does this require approval? And is this related to the value of the contract?	Achievable within existing powers  This is currently provided for – see Minute of Agreement (“Terms and Conditions”) para 6.10 (b).  Approval mechanism – Unrelated to value. Terms and Conditions 6.10 (c) provides for report either to the Exec Sub or the Joint Committee <b>IF</b> it is considered that the work would impact on SXL ‘s resources.
5. A group of councils wish to commission Scotland Excel to provide a new framework that includes a rebate. Can any subsequent profit from the project be distributed to funding councils only?	Achievable within existing powers  This is currently provided for – see Minute of Agreement (“Terms and Conditions”) para 6.10 (b).



## **Appendix 2 – Proposed Amendments to Scheme of Delegation**

<b>CLAUSE</b>	<b>Outline of proposed amendment</b>
2.1	Update the terminology – ‘procurement strategy’ should become Scotland Excel strategy’
2.1(d)	If follow the above suggestion then no requirement for 2.1 (d)  Remove the word ‘and’
5.6	Review to clarify responsibility of the Management Group further to decision of June 2017 that it should have an overview of the strategic direction of Scotland Excel. The Joint Committee currently receives monitoring reports.
6.2(c)	After processes insert ‘efficiently and’ to clarify the role of the Director in this area.
6.2(f)	Hospitality limit to increase from current level of £1,000 to £1,500. Current levels were set 10 years ago and revised level is necessary to allow effective management whilst maintaining an appropriate level of control
6.2(q)	Amount for attendance of officers at conferences in the UK to be increased from current £1,500 to £2,500 as current pricing for some conferences is in excess of £1,500
6.2(x)	Increase period of 13 weeks to 1 year for appointment of temporary staff subject to advice from lead authority HR.
6.2(aa)	Increase period for external secondments from existing 6 months to 1 year subject to advice from lead authority HR.





# **SCOTLAND EXCEL SCHEME OF DELEGATIONS**

(Revised December 2016)





## **SCOTLAND EXCEL - SCHEME OF DELEGATIONS**

### **1. General Principles**

- 1.1 The exercise of delegations as described in this Scheme is subject always to the following:-
- a) the policies of Scotland Excel as embodied in any formal document which has been approved and issued and in particular, Standing Orders and any other Guidance issued in connection with the exercise of a particular function
  - b) appropriate provisions for financial outlays having been made in the estimates for the current financial year
  - c) the joint committee may choose to exercise any of the functions delegated in this Scheme where the joint committee believes it to be in the interests of Scotland Excel to do so
- 1.2 Where a word or expression is used in the Scheme that is a defined term in the Scotland Excel terms and conditions signed by each Member Authority, ("the terms and conditions") that word or expression will be given to it the same meaning as in those terms and conditions.
- 1.3 Words imparting the masculine gender only shall include the feminine gender and vice versa.

### **2.0 Matters Reserved to the Joint Committee**

- 2.1 The following matters shall be reserved for the decision of the Joint Committee:-
- a) the making of governance arrangements for the Joint Committee, the Executive Sub-committee and any other sub-committee;
  - b) the approval of the annual budget and any review or amendment of the budget;
  - c) approval of the overall procurement strategy;
  - d) the approval of the three year strategic plan; and

### **3. Convener and Vice Convener of the Joint Committee**

- 3.1 The Convener, whom failing the Vice-Convener, shall be authorised in furtherance of the duties of his office to undertake visits within the United Kingdom.
- 3.2 The Convener, whom failing the Vice-Convener, shall be authorised to incur expenditure to meet the expenses of his office on the provision of reasonable hospitality, to representatives of Member Authorities or other organisations.

#### **4. Executive Sub-Committee**

- 4.1 Meetings of the Executive Sub-committee shall be convened and conducted in accordance with procedural standing orders approved by the joint committee.
- 4.2 The Executive Sub-committee shall consider such matters as are delegated to it by the joint committee.
- 4.3 The matters initially delegated to the Executive Sub-committee are as follows:-
- a) to consider and approve for signature the Audited Accounts of Scotland Excel
  - b) to approve or endorse as appropriate executive actions recommended by the Director
  - c) to deal with urgent matters relating to staffing or to the structure of Scotland Excel
  - d) the selection process for appointments to the posts of Director or Heads of Service
  - e) to approve the annual business plan
  - f) to approve the award and extension of contracts or groups of contract in terms of the Standing Orders Relating to Contracts.
  - g) to consider, and, where appropriate, approve applications by bodies to become Associate Members and shall agree/review/waive, as appropriate, the fees to be applied in respect of organisations applying for Associate Membership of Scotland Excel; and
  - h) to consider and determine:-
    - (i) urgent matters relating to contract continuity which cannot be dealt with by the Joint Committee;
    - (ii) approval or homologation of matters where urgency precludes full Joint Committee consideration; and
    - (iii) any other matter referred to the Executive Sub-committee by the Joint Committee.
- 4.4 The Executive Sub-committee may delegate to the Director or such other suitably qualified person, the power to make decisions regarding the award and extension of any contract or group of contracts or contracts of an estimated value below a financial threshold fixed by them.
- 4.5 The Joint Committee may at its discretion add or remove matters from the list of delegations to the Executive Sub-committee.

## **5. The Management Group**

- 5.1 The Management Group shall comprise such number of Chief Executives of Member Authorities as set out in the terms and conditions.
- 5.2 The Chair of the Management Group shall be the person appointed by the Joint Committee or his/her nominee.
- 5.3 The Management Group shall ensure delivery of Scotland Excel's overall business plan objectives and shall provide strategic direction for Scotland Excel, particularly on the following matters:-
- a) Portfolio priorities including new areas to be developed and areas to be amended or discontinued.
  - b) Social Policy including in the use of community benefits clauses, the living wage, and blacklisting.
  - c) Supporting local economic growth.
  - d) Opportunities for Scotland Excel to provide additional shared services to support member councils, in line with the drive for efficiency across the public sector.
  - e) National priorities, for example those arising from existing or new legislation and procurement reform.
  - f) Opportunities for increasing innovation in supply chains to improve efficiency and service delivery.
  - g) Opportunities for Scotland Excel to support councils in delivering their City Deal objectives.
  - h) Opportunities for additional funding sources, for example through the extension of the Associate Membership base.
  - i) Review of funding and governance models to ensure that these remain fit for purpose and competitive.
- 5.4 The Management Group shall monitor the use made by Member Authorities and Associate Members of contracts awarded on behalf of Scotland Excel.
- 5.5 The Management Group may request employees of Member Authorities or other persons to attend meetings of the Management Group to act as advisors to the Group or to prepare reports for consideration by the Management Group.
- 5.6 The Management Group shall have responsibility for the overall supervision and monitoring of the performance of the Director and the Scotland Excel staff.

## **6 The Director**

- 6.1 The delegations to the Director shall also be delegations to the Heads of

Service but only in those circumstances where the Director is not available to exercise any of these delegations.

6.2 The Director is authorised:-

- a) In conjunction with the Joint Committee and the Management Group, to determine the business plan and strategic objectives for Scotland Excel.
- b) Subject to the Financial Regulations and subject to there being appropriate provision in the budget, to deploy resources as the Director thinks fit for the best execution of functions under the Director's management.
- c) To organise working processes safely.
- d) To maintain proper security for staff, buildings, stock, stores, furniture, equipment and similar items under the Director's control. Where special arrangements are considered necessary the Director shall consult with the Treasurer.
- e) To ensure that all activities undertaken are within the legal powers of Scotland Excel and in the event of doubt to consult with the Clerk.
- f) Where thought to be in the interests of Scotland Excel to approve the provision of reasonable hospitality up to a maximum of £1,000 in relation to any one occasion. The Director shall maintain a register of hospitality approved under this delegation and shall provide a report to the Executive Sub-committee on request detailing the entries in the register.
- g) To sign all documents on behalf of Scotland Excel relevant to the functions for which the Director is responsible and to authorise other officers to do so, excluding always any specific provisions made for documents in terms of primary or subordinate legislation, statutory direction, the policies of Scotland Excel or in this or other administrative schemes.
- h) To terminate on behalf of Scotland Excel any contract which Scotland Excel is entitled to terminate under the appropriate conditions of contract after consultation with the Clerk, if satisfied that it is in the interests of Scotland Excel and of any Member Authority or other body on whose behalf the contract was entered into.
- i) To act in an emergency situation with the approval of the Clerk and where possible after consulting the Convener, or in his absence the Vice-Convener of the joint committee and the Chair of the Management Group, and thereafter report on the action taken to the first available meeting of the joint committee.
- j) In consultation with the Clerk, to make decisions regarding complaints made under Scotland Excel's complaints procedure.
- k) To issue publicity, including pamphlets or other forms of publicity relating

to the promotion of Scotland Excel's interests and to issue press releases on behalf of Scotland Excel. Before doing so, if the Director considers it to be necessary, the Director may consult with the Chair or Vice Chair of the Management Group.

- l) To deal with any operational matter not otherwise delegated in the period between the last meeting of the joint committee and prior to the setting up of a new joint committee following statutory elections.
- m) To submit responses to consultation documents which concern operational issues.
- n) To authorise the acceptance of gifts on behalf of Scotland Excel and acknowledge the acceptance of these gifts.
- o) To sign and issue (i) authorisation to Scotland Excel staff to exercise statutory powers; and (ii) identity cards.
- p) To take all necessary action of a routine nature in terms of the Director's appointment, to implement any policies, practices and procedures previously agreed by the Joint Committee, the Executive Sub-committee any other sub-committee and the Management Group and also to take such action implicitly in all matters ancillary thereto, including the incurring of expenditure of a minor or recurring nature and for which adequate provisions have been made in the budget.
- q) To approve the attendance of officers at conferences within the United Kingdom, where considered to be in the interests of Scotland Excel provided that the cost does not exceed £1500 exclusive of VAT, subsistence travelling, or other ancillary expenses.
- r) To authorise the attendance of officers on full or part time courses of study or training and the payment of appropriate fees.
- s) To appoint all staff below the level of Head of Service within the authorised establishment except where the joint committee determines otherwise.
- t) To exercise the powers given to Chief Officers in the various conditions of service so far as discipline and efficiency are concerned.
- u) To apply the lead authority's Conditions of Service as affecting members of staff.
- v) To authorise the working of overtime by appropriate grades of officers and the payment of overtime or compensatory leave or honoraria in accordance with the criteria laid down by the lead authority.
- w) To permit any member of staff to absent themselves occasionally and temporarily during business hours to attend to duties or services of a civic honorary, charitable, academic or social nature provided that these do not interfere with the efficient discharge of the functions of Scotland Excel and

to grant special leave in accordance with the lead authority's special leave policy. The Director shall maintain a register of occasional and temporary absences and special leave approved under this delegation and shall provide a report to the Executive Sub-committee on an annual basis detailing the entries in the register.

- x) To appoint temporary staff on appropriate grades additional to the formal establishment to address additional workload peaks, such appointments to be for periods not exceeding 13 weeks or such longer period as may be approved by the Management Group and subject to funding being met from existing budgets. If the Director considers it to be necessary, the Director may take advice on these appointments from the lead authority's Human Resources and Organisational Development Team.
- y) in consultation with the lead authority's Head of Human Resources and Organisational Development, to amend the grading of posts and to make minor changes to the formal establishment below Head of Service level, provided that the grading of amended posts are in accordance with the lead authority's Pay and Grading structure and any increase in costs can be met from existing budgets;
- z) To allow reasonable unpaid leave of absence to any employee to attend to public duties as defined in section 50(1) of the Employment Rights Act 1996 on such conditions as the Director considers appropriate where this will not interfere with the efficient discharge of the functions of the Scotland Excel and in accordance with lead authority's special leave policy.
- aa) Subject to the exigencies of the service to approved the secondment of staff between Scotland Excel and other Member Authorities or other organisations such appointments to be for periods not exceeding six months. If the Director considers it to be necessary, the Director may take advice on these appointments from the lead authority's Human Resources and Organisational Development Team.
- bb) To approve salary placings within the agreed salary scales in consultation with the lead authority's Human Resources and Organisational Development Team.
- cc) to approve the acceleration of increments within the existing salary scales to members of staff, following consultation with the lead authority's Human Resources and Organisational Development Team;
- dd) To determine the public holidays to be taken by Scotland Excel staff.
- ee) to exercise delegations in terms of the Standing Orders Relating to Contracts, including the issue of orders for the supply of goods and services required for normal working and for which there is provision in the estimates and in accordance with the Financial Regulations;
- ff) To authorise the payment of accounts due by Scotland Excel for goods and services properly supplied and for which there is adequate provision in the

estimates.

- gg) To make recompense in respect of damage to, or loss of employees personal property in respect of any one incident up to an amount not exceeding £500 and up to £1000 with the agreement of the Treasurer.
- hh) To advise the Treasurer about any extraordinary financial obligation which will affect Scotland Excel.
- ii) To advise the Treasurer about any extraordinary risk which will affect the insurance held on behalf of Scotland Excel.
- kk) Following consultation with the Treasurer to decide in terms of the lead authority's procedures whether to refer any particular case to the Police.

## **7. The Clerk**

The Clerk is empowered:-

- a) To act as adviser to the Joint Committee and the Management Group on procedural and administrative matters and in this capacity to ensure the provision of adequate administrative, legal and personnel support to the joint committee, the Executive Sub-committee and the Management Group.
- b) To act as proper officer to exclude reports containing exempt information from the public, and to provide documents to the press, in accordance with the provisions of section 50(B) of the Local Government (Scotland) Act 1973.
- c) To liaise and deal with any enquiries made by the Scottish Public Services Ombudsman. Should any investigation be carried out by the Scottish Public Services Ombudsman resulting from a complaint received, the necessary arrangements will be undertaken by the Clerk, within timescales specified within the guidance to local authorities in dealing with formal investigation involving the Scottish Public Services Ombudsman.
- d) Following consultation with the Director and the Treasurer, to authorise ex-gratia payments up to a maximum of £1,000 relative to recommendations of the Scottish Public Services Ombudsman.
- e) To exercise delegations in terms of the Standing Orders relating to Contracts.
- f) To exercise delegations in terms of the Financial Regulations.
- g) To maintain a register for inspection by the Surveillance Commissioner of authorisations for covert surveillance approved by the Director under sections 6 and 7 of the Regulation of Investigatory Powers (Scotland) Act 2000 and the appointment officer to act as investigation managers for the purposes of the Act.



## 8 The Treasurer

The Treasurer is empowered:

- a) To co-ordinate the financial planning of Scotland Excel in terms of the Financial Regulations.
- b) To issue guidance for the control of all expenditure in terms of the Financial Regulations.
- c) To determine procedures for accounting and financial record keeping by Scotland Excel.
- d) In respect of insurance:
  - i) to make arrangements with insurance companies concerning the settlement of claims
  - (ii) In consultation with the Clerk, the Convener of the Joint Committee and the Director to settle without reference to the Joint Committee claims against Scotland Excel not otherwise covered by Scotland Excel's insurance arrangements up to a maximum of £50,000 per claim and with the approval of the Chair, whom failing the Vice-Chair, of the Management Group up to maximum of £100,000 per claim.
- e) To make the necessary arrangements concerning the collection of debts owed to Scotland Excel and the terms and commissions payable for services rendered by other authorities and agents with regard to the collect of debt.
- f) To determine in consultation with the Director, the beneficiary of any payments to be made in terms of the lead authority's Group Life Assurance Scheme.
- g) To exercise delegations in terms of the Standing Orders relating to Contracts.
- h) To exercise delegations in terms of the Financial Regulations.





## **Scotland Excel**

**To: Executive Sub Committee**

**On: 27 April 2018**

### **Report by Director Scotland Excel**

#### **Update Report on Sanitary Provision within educational establishments**

#### **1. Summary**

At the Executive Sub Committee meeting on 26 January 2018, a question was posed to Scotland Excel on the work being undertaken to help support local authorities supply sanitary products into educational establishments to adopt the free sanitary provision proposed by Scottish Government.

This report will provide an update on the work carried out to date in relation to this initiative.

#### **2. Background**

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

The delivery model should be based on:

- Protecting pupil's dignity, avoiding anxiety, embarrassment and stigma
- Making a range of products and different qualities available, giving pupil's choice about the products they want to use;
- A response that is reflective of pupil's views and experiences;
- An efficient and dignified approach which demonstrates value for money;
- An offer for all pupils throughout the year regardless of whether it is term time or holidays
- Ensuring sanitary products are easily accessible to meet individual needs;
- Individuals being able to get sufficient products to meet their needs;
- Awareness raising and education to both promote the 'offer' and change cultural norms

### 3. **Proposed actions**

Scotland Excel has, since January, been liaising with colleagues at both Scottish Government and Advanced Procurement for Universities and Colleges (APUC) to look at a mechanism of support for a procurement process. Models are currently being implemented by local authorities in the short term and longer term, Scotland Excel has agreed to include the supply of products (including sustainable products) through the renewal of the Washroom Solutions framework, leading to opportunities through a collaborative approach to inform and develop a longer term national model.

This will permit a compliant framework with which to supply products and provide key data to inform on-going policy regarding uptake and refining costs thereafter.

It is our intention to seek information from Local Authorities in May on intended initial delivery routes taking effect from August with a view to lending support from existing applicable frameworks until the Washroom Solutions framework is live in October 2018. Scottish Government's commitment includes the provision of products to pupils during school holidays and local authorities need to consider how provision will be delivered during these times, such as issuing pupils with a holiday pack, particularly to those living in remote areas. This has **not** been included within the scope of the proposed tendering exercise given the demanding timescales. However, Scotland Excel will work with local authorities and the market place to seek effective solutions after contract mobilisation.

### 4. **Recommendations**

It is recommended that members note the content of this report and continue to support the work being carried out by Scotland Excel to improve national priorities.



## **Scotland Excel**

**To: Executive Sub Committee**

**On: 27 April 2018**

**Report  
by  
Director Scotland Excel**

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

#### **1. Summary**

At the Executive Sub Committee meeting on 26 January 2018, a question was posed to Scotland Excel on the work being undertaken to help support local authorities to reduce the use of plastic straws in goods through any relevant frameworks.

This report will provide an update on the work to date in relation to this initiative.

#### **2. Background**

In January 2018, MSP Kate Forbes contacted Scottish local authorities asking for commitment to be plastic straw free and to look at sourcing alternatives to plastic straws where required for drinks and cartons.

As a result, Scotland Excel contacted framework suppliers on the groceries and provisions and the milk frameworks to ascertain the feasibility of this and to determine if they or their supply chain (where applicable) were carrying out further research and development in this area.

Through the Groceries and Provisions framework and the milk framework, there are approximately twenty products which are produced with cartons, which are one of the best environmental packaging choices that local authorities can make. They are mostly made from renewable raw materials (trees used to produce paper), have a very low impact on climate change and they are recyclable. A straw also provides a safe, convenient and easy to use solution for children.

Tetra Pak (a multinational food packaging and processing company) has advised that development of an alternative straw is part of their innovation programme. This alternative to the traditional plastic straw will need to

address functionality challenges including the ability to pierce the pack and integrity of the product in a chilled supply chain. An update on possible timelines for the development of an alternative as part of their innovation programme will be provided in due course.

In the interim, following a meeting with pupils at Sunnyside Primary School in Glasgow, Muller Milk & Ingredients (a supplier on the Scotland Excel milk framework), proposed a new scheme to be implemented to help tackle the issue based on the pupils' commitment and detailed research. The proposal consists of three strands:

1. New packaging containing clear advice to push the straw back into the carton when finished and for it to be then sent for recycling; Muller have entered into an agreement with a plastic recycling plant based in Halifax whereby the products will be compressed and recycled.
2. Local authorities can collect plastic straws and send back to Müller who will recycle them as part of their own current plastics recycling stream; and
3. Where local authorities cannot send the plastic straws to Müller, the company will periodically collect the straws and add to their own plastics recycling stream.

### 3. **Actions**

As well as this work, Scotland Excel has also been working with suppliers on the catering sundries framework, as part of the core product list within the catering disposables lot, contains plastic straws. A key element of our contract management process is to conduct core product reviews which involves a review of products and pricing in order to seek new and innovative solutions within the market place. Scotland Excel is in the process of conducting such a core product review with relevant suppliers to remove the plastic straws from the core list and instead replace with environmentally-friendly alternatives e.g. paper straws.

Scotland Excel will continue to work with suppliers and local authorities on this area as part of the contract and supplier management process. Where appropriate, questions will also be included in future tenders such as what suppliers are doing to reduce plastic packaging and elimination of black plastic from packaging in entirety.

### 4. **Recommendations**

It is recommended that members note this report.



## **Scotland Excel**

**To: Executive Sub Committee**

**On: 27 April 2018**

### **Report by Director Scotland Excel**

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

## **1 Introduction**

This report provides an update on Scotland Excel's work on care home services for older people, including the National Care Home Contract.

## **2 Background**

In Scotland, contracted out care home provision is delivered by circa 300 providers across more than 800 care homes for older people. Councils across Scotland spent £492m (Spikes Cavell 16/17 data) on these services, with 59% of this expenditure (£291m) distributed across 20 providers.

The National Care Home Contract is a model set of terms that details the service specification and payment mechanisms for councils when purchasing care home care. Councils contract individually with care homes using the National Care Home Contract model set of terms.

COSLA, supported by Scotland Excel, currently negotiates annually with provider representatives a national rate for both Nursing and Residential Care. This ensures that people across Scotland, for whom councils make arrangements, pay the same rate prior to assessment of their wealth and contribution to their care.

Councils contract monitor care homes in line with their statutory obligations to meet outcomes for people using these services, however there is no consistent monitoring of elements such as community benefits or payment of the Scottish Living Wage.

Scotland Excel successfully made the case to councils and HSCPs for more national oversight. Currently 28 councils<sup>1</sup> are funding Scotland Excel until March 2020 to:

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<sup>1</sup> Councils not participating are Highland, North Lanarkshire, Orkney Islands and Shetland Islands

- develop a Cost of Care Calculator;
- provide market intelligence particularly around financial health; and
- develop a sourcing strategy for the future.

### 3 Project Update

There has been good progress across all workstreams. Most notably:

- A **Cost of Care Calculator** has now been agreed with the sector, except for the percentage of capital and operator's return that should apply. To complete the calculator, it is expected that CIPFA will shortly be commissioned to advise on the most suitable methodology for future benchmarking of these elements. If this work results in a mutually agreed outcome, then it is proposed that all Cost of Care Calculator benchmarks and indices will remain in place until a mutually agreed review date. At agreed intervals, a full review of benchmarks and indices will be undertaken;
- On **market intelligence** - a regularly refreshed, interactive, web-based set of reports, has been uploaded to the Scotland Excel website. This information assists councils with assessing choice of homes, identifying where quality incentive payments are in place and managing risk. The information covers:
  - Care homes with temporary cessation of placements;
  - Care homes with quality incentive payments in place;
  - Level of current expenditure and market concentration;
  - Financial health reports as prepared by Company Watch<sup>2</sup>
- A **future sourcing strategy**, which builds on current best practice and furthers compliance with the EU principles of transparency, equal treatment, non-discrimination, proportionality and mutual recognition is being developed. The strategy will complement HSCP local strategic commissioning plans.

### 4 Sourcing Strategy Implementation

From market research and engagement with stakeholders, Scotland Excel produced a draft procurement strategy in 2017. The strategy provided a comprehensive look at the present contract, commissioning and procurement arrangements in Scotland. Scotland Excel invited responses to the strategy via a

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<sup>2</sup> Company Watch reports cover, in terms of expenditure, the top 20 care home providers in Scotland and the top three providers in each partnership. Reports on other providers are available on request.

Prior Information Notice (PIN) and direct correspondence with HSCPs, provider and older people representative groups.

Following an analysis of responses, Scotland Excel produced an engagement report, recommending that we build on the best practice already used in Scotland to deliver a process that maintains the national contract and rates.

The next stage is to implement a bespoke sourcing solution for care home services for older people. Entitled the 'Scottish Care Home Framework', the sourcing proposal is to maintain a national approach, as desired by most partnerships and the sector. The sourcing solution will be developed utilising the Light Touch Regime, affording the necessary flexibility in the methodology adopted to ensure the continued provision of these vital services.

Partnership working with providers is essential in introducing any sourcing changes. In addition to working closely with Scottish Care and the Coalition of Care and Support Providers in Scotland, regional meetings will be arranged with stakeholders to co-produce the process.

The sourcing strategy should yield benefits to councils in terms of reducing the burden of advertising contract award and monitoring of nationally negotiated elements, leaving staff free to monitor outcomes at service level.

Providers will benefit from the opportunity to share information and highlight achievements to a national organisation rather than to 32 councils. For example, providers for the first time could highlight any community benefits delivered.

People using services will benefit from maintenance of a system which ensures the same rate is paid, regardless of geography. Further people will know that fee elements, which have a direct impact on the service delivery they experience, are being monitored.

## **5 Next Steps**

Subject to agreeing a benchmark for the cost of capital, the cost of care calculator developed by Scotland Excel is now the accepted mechanism to establish future national rates for nursing and residential care.

Given this, alongside implementation of a new sourcing strategy in 2018/ 2019, COSLA and Scotland Excel are currently updating the operational management arrangements of the contract. The revised arrangements will be confirmed shortly.

## **6 Recommendation**

Members are asked to note this update on activities associated with care home services for older people.







## **Scotland Excel**

**To: Executive Sub Committee**

**On: 27 April 2018**

**Report  
by  
Director Scotland Excel**

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

#### **1 Introduction**

This report provides an update on the collaborative procurement opportunities associated with care and support services.

#### **2 Background**

Care at home and supported living services are new areas of work in Scotland Excel's social care portfolio. Scotland Excel is funded for a two-year period up to March 2019 to explore opportunities for collaborative procurement across these services. The 31 Health and Social Care Partnership's (HSCP's) in Scotland spend over £750 million per annum on these services. Currently there is no national oversight on how these services are procured.

Care at home and supported living services share the aim of enabling people to live independently in their own home for as long as possible, with the care and support people need being delivered in the home.

The provider market for supported living services includes a number of large national third sector organisations with a significant share of HSCP spend. While some purchased care at home services are also delivered by national providers, services are often delivered by local private and voluntary sector organisations.

Until recently, care at home and supported living services were generally procured separately. However, differences between the services are lessening and the requirement for services to deliver a person-centred approach means that more commissioning and procurement strategies are bringing these services together.

#### **3 Project Update**

Since commencing this work in April 2017, Scotland Excel has focused its effort on engagement with key stakeholders.

Scotland Excel has held four regional provider sessions. Two working groups, one for care at home services and one for supported living services, have met regularly over the past six months. Both working groups include representation from HSCPs, providers and the Scottish Government. The working groups have both confirmed support for a national approach that incorporates both care at home and supported living services.

Provider engagement to date has been constructive and positive. Recently however some provider representatives have expressed concerns regarding elements of the proposed strategy. Scotland Excel will meet with provider representatives shortly to discuss these concerns.

In terms of commissioners, 21 HSCPs/ local authorities have indicated their participation in the proposed national framework for care and support, incorporating both care at home services and supported living services.

Given the Scottish Government funding ceases on 31 March 2019, Scotland Excel has also been considering how the ongoing framework management and monitoring can be supported. Scotland Excel has developed a range of funding options for further discussion with stakeholders over the coming months.

#### **4 Procurement Strategy Update**

Scotland Excel is finalising the procurement strategy for care and support and anticipate developing a flexible framework under the 'light touch regime'. It is intended that this framework is developed to:

- Include a process for continuity of care and transition of packages;
- Allow for new providers to apply to be on the framework at set periods;
- Allow for providers already on the framework to add or amend existing service provision and modelling at set periods;
- Provide continuity of care;
- Allow providers to identify which areas in Scotland they can deliver services and which client groups they have specialisms in supporting; and
- Provide an option for local authorities to either direct award or undertake a further competition via an hourly rate or individual budget.

Some anticipated benefits of this approach are:

- Increasing capacity to meet demand in specific locations;
- Broadening the pool of providers for people supported by services;
- Cross border working between local authority areas;
- Using individual budgets as opposed to spot purchasing;
- Enhancing partnership working;
- Promoting a focus on meeting outcomes for people; and

- Facilitating better planning – a HSCP may decide to undertake a further competition under the framework to allocate support for more than one person.

## **5 Next Steps**

Over the next six months Scotland Excel will develop with partners the specification(s). The development of an agreed specification will be challenging given the variance in current local specifications. However, improving outcomes for people supported by services will be at the heart of all agreed service specifications. Scotland Excel will undertake engagement with people supported by services to ensure their views are central to the finally agreed specifications.

Scotland Excel will develop with partners, the framework structure and access procedures, framework terms and commercial and evaluation methodologies. A flexible framework will be developed that incorporates core requirements, but offers commissioners the ability to work with providers to tailor specific needs to local commissioning objectives and the personal needs of people.

Scotland Excel will continue to work closely with relevant partners on all aspects of the planned procurement.

## **6 Recommendation**

Members are asked to note this update on activities associated with care and support services.





## **Scotland Excel**

**To: Executive Sub Committee**

**On: 27 April 2018**

**Report  
by  
Director Scotland Excel**

### **Employee Absence Management Report**

#### **1. Introduction and purpose of the report**

In response to the Renfrewshire Council Internal Audit team recommendation, the Joint Committee has requested that a report on organisational sickness absence be submitted on a quarterly basis highlighting the absence rate in the organisation. The absence rate is also a key performance indicator within the business plan section on organisational development and as such is monitored closely.

#### **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 and full-time equivalent (FTE)

The report includes the latest absence details for period to March 2018. 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 below 2%.

The absence rates for the reporting periods are:

- previous 1 month to 0.7% (10 days / 0.23 FTE)
- previous 6 months to 1.4% (121 days / 1.6 FTE)
- previous 12 month period to 1.3% (217 days / 0.96 FTE)

Scotland Excel will continue its positive practices, including working with Occupational Health and other support services, to maintain attendance and in particular to support the members of staff who have significant health issues and will work to maintain the absence rate below the 4% target.

#### **4. Recommendation**

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

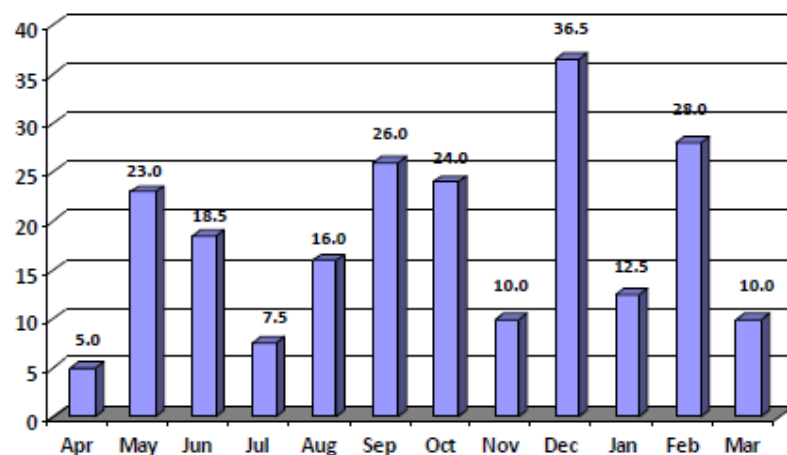
# Absence Report

## Organisation Level

Month Ending: 31 March 2018

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: 10	0	10	0.7%	5	88	33	121	1.4%	45	116.5	100.5	217	1.3%	68
No of Employees (Permanent and Temporary): 87					Average no of Sickness Absence Days per Employee: 2.5									
No of Leavers included: 11														

Total Sickness Absence Days by Month for Last 12 Months



Monthly YTD Absence Rate

