

Notice of Meeting and Agenda Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 22 November 2019	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); Vacant position (North Ayrshire Council); Councillor Paul Di Mascio (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council); Councillor Amanda Hawick (Shetland Islands Council) and Councillor Collette Stevenson (South Lanarkshire Council)

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

Video Conferencing

Should any member wish to participate using video conferencing please contact Karen Forrest on 0141 618 7444.

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 <http://renfrewshire.cmis.uk.com/renfrewshire/CouncilandBoards.aspx>

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

Members of the Press and Public

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

Items of business

Apologies

Apologies from members.

Declarations of Interest

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

- | | | |
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| 1 | Minute | 5 - 10 |
| | Minute of meeting of the Executive Sub-committee held on 25 October 2019. | |
| 2 | Draft Revenue Estimates 2020/21 | 11 - 20 |
| | Report by Treasurer and Director of Scotland Excel. | |
| 3(a) | Contract for Approval: Supply of Social Care Case Management Solutions Software (including Installation and Maintenance) | 21 - 28 |
| | Report by Director of Scotland Excel. | |
| 3(b) | Contract for Approval: Supply and Delivery of Plumbing and Heating Materials | 29 - 44 |
| | Report by Director of Scotland Excel. | |
| 4 | Project Review | 45 - 50 |
| | Report by Director of Scotland Excel. | |
| 5 | Request for Associate Membership: Parkhead Housing Association Limited | 51 - 52 |
| | Report by Director of Scotland Excel. | |
| 6 | Operating Plan Update | 53 - 70 |
| | Report by Director of Scotland Excel. | |
| 7 | Risk Register Update | 71 - 84 |
| | Report by Director of Scotland Excel. | |
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| | Report by Clerk. | |

9 Date of Next Meeting

Note that the next meeting of the Executive Sub-committee will be held at 9.45 am on 6 December 2019 in Glasgow City Chambers, George Square, Glasgow.



Minute of Meeting Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 25 October 2019	10:45	Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley

Present

Councillor Charles Buchan (substitute for Provost Bill Howatson) (Aberdeenshire Council); Bailie Norman MacLeod (Glasgow City Council); Councillor Paul Di Mascio (North Lanarkshire Council); and Councillor John Shaw (Renfrewshire Council).

Chair

Councillor Shaw, Convener, presided.

In Attendance

H Carr, Head of Strategic Procurement, S Brannagan, Head of Customer and Business Services, C Taylor, Affordable Housing Project Manager, L Campbell, Corporate Services Manager, E McCluskie, Procurement Co-ordinator and C Richardson, Senior Procurement Specialist (all Scotland Excel); and M Conaghan, Legal and Democratic Services Manager, C McCourt, Finance Business Partner and E Currie, Senior Committee Services Officer (all Renfrewshire Council).

Apologies

Provost Bill Howatson (Aberdeenshire Council); Councillor Angus MacMillan Douglas (Angus Council); Councillor Graham Hutchison (City of Edinburgh Council); Provost Norman Macdonald (Comhairle Nan Eilean Siar); Councillor Stephen Thompson (Dumfries and Galloway Council); Councillor Altany Craik (Fife Council); Councillor Alister MacKinnon (Highland Council); and Councillor Amanda Hawick (Shetland Islands Council).

Declarations of Interest

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

1 Minute

There was submitted the Minute of the meeting of the Executive Sub-committee held on 20 September 2019.

DECIDED: That the Minute be approved.

2 Revenue Budget Monitoring

There was submitted a revenue budget monitoring report by the Treasurer and the Director of Scotland Excel for the period 1 April to 13 September 2019.

The report intimated that Scotland Excel was projecting an overspend of £14,000 by year-end in its core activities and that it was anticipated that projects would contribute £173,000 to core.

DECIDED: That the report be noted.

3(a) Contract for Approval: Provision of Debt Recovery and Sheriff Officer Services

There was submitted a report by the Director of Scotland Excel relative to the award of a new framework for the provision of debt recovery and sheriff officer services which would operate from 1 December 2019 until 30 November 2022, with the option to extend for up to an additional 12 months until 30 November 2023.

The report intimated that the expiry of the regional contract, led by Comhairle nan Eilean Siar, to procure these requirements with Clackmannanshire, East Dunbartonshire and Highland Councils, as collaborative partners, presented an opportunity for Scotland Excel to provide a national collaborative solution that would drive value through consolidation of the spend.

The report summarised the outcome of the procurement process for this national framework agreement and intimated that the framework would provide a mechanism for local authorities to procure a range of debt recovery and sheriff officer services. It was anticipated that these services would be predominately utilised by revenue and budget departments within local authorities who did not have the capacity to retrieve outstanding debt in-house.

The framework had been divided into two lots as detailed in the report and had been advertised at a value of £4.4 million over the four-year period.

Tender responses had been received from six suppliers and Appendix 1 to the report outlined the location of the service providers with all six being based in Scotland supporting the Scottish economy.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of compliant offers had been carried out and Appendix 2 to the report detailed the scoring achieved by each service provider.

Based on the evaluation undertaken, and in line with the criteria and weightings set out in the report, it was recommended that a multi-supplier framework agreement be awarded to the service providers as outlined in Appendix 2 to the report.

Appendix 3 to the report detailed the Scottish Living Wage status of bidders.

DECIDED: That the award of the framework agreement for provision of debt recovery and sheriff officer services, as detailed in Appendix 2 to the report, be approved.

3(b) Contract for Approval: Security Services and Cash Collection

There was submitted a report by the Director of Scotland Excel relative to the award of a renewal framework for the provision of security services and cash collection which would operate from 16 September 2019 until 15 September 2023, effective from 1 December 2019.

The report summarised the outcome of the procurement process for this national framework agreement and intimated that the framework would provide councils and other participating associate members with a mechanism to procure a range of security services, including guarding, stewarding, marshalling, key holding and mobile patrols and included cash collect services.

The framework had been divided into four lots as detailed in table 1 of the report and Appendix 1 to the report detailed the participation and spend summary of those participating in the framework.

It was noted that 18 candidates were brought forward to the ITT stage and one candidate did not submit an offer. Tender responses had been received from 17 suppliers by the closing date then one supplier subsequently withdrew their offer.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the 16 compliant offers had been carried out and Appendix 3 to the report detailed the scoring achieved by each tenderer in each lot per council area.

Based on the evaluation undertaken, and in line with the criteria and weightings set out in the report, and to secure best value, capacity and coverage, it was recommended that a multi-supplier framework agreement be awarded to 14 suppliers across the 32 geographical areas and four lots as outlined in Appendix 3 to the report.

Appendix 4 to the report detailed the Scottish Living Wage status of suppliers.

DECIDED: That the award of the framework agreement for provision of security services and cash collection, as detailed in Appendix 2 to the report, be approved.

4(a) Request for Associate Membership: Loreburn Housing Association Limited

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

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

DECIDED: That the application by Loreburn Housing Association Limited to become an associate member of Scotland Excel, at an annual membership fee of £3,564, be approved subject to completion and signing of the agreement documentation.

4(b) Request for Associate Membership: Scottish Legal Aid Board

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

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

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

4(c) Request for Associate Membership: University of Strathclyde

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

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

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

5 Scotland Excel Conference and Supplier Excellence Awards 2020

There was submitted a report by the Director of Scotland Excel relative to Scotland Excel's Conference and Supplier Excellence Awards 2020.

The report outlined the work being undertaken to deliver the conference and awards ceremony which would be held in the Radisson Blu Hotel, Glasgow on 20 and 21 February 2020.

It was noted that this event contributed to the delivery of a range of commitments within Scotland Excel's operating plan relating to procurement capability, contract management, supplier engagement and business growth. The report detailed the objectives of the event and the project status

DECIDED:

(a) That the progress made towards delivery of the Conference and Supplier Awards be noted; and

(b) That members note this date in their diaries.

6 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 22 November 2019 in Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley.

Scotland Excel

To: Executive Sub-Committee

On: 22 November 2019

Report by The Treasurer and Director

Draft Revenue Estimates 2020/21

1. Summary

The following report has been prepared by the Treasurer, in consultation with the Director, to present the Revenue Estimates of Scotland Excel including the requisition of the constituent authorities for the financial year 2020/21 along with indicative planning figures for 2021/22 and 2022/23.

2. Recommendations

2.1 It is recommended that members:

- note the Revenue Estimates of Scotland Excel for the financial year 2020/21 as shown in Table 1 of Appendix 1;
- note the requisitions from constituent authorities detailed in Appendix 2; and
- note the indicative estimates for 2021/22 and 2022/23

3. Background

3.1 The Annual Revenue Estimates process each year outlines the summary revenue budget position for the organisation. The budget estimates provided in the attached Appendix 1 outline the projected position and proposed requisitions for 2020/21 and outline an indicative projected position for 2021/22 and 2022/23. The assumptions used in developing these projections are outlined in section 4 below.

3.2 Members will note that for this and future financial or budgetary reports, income figures will be reported in line with the Funding Model Review paper presented to and approved by the Joint Committee in June 2018. The Funding Model Review paper, which aimed to reduce the reliance on requisition income, advised that future funding for Scotland Excel core operating services would be funded by council requisitions, Associate fees, rebates and income from Projects, namely New Build Housing, Consultancy Services and Learning and Development (The Academy).

3.3 Reporting income under these headings should provide members with improved clarity on financial progress against each income stream. The Project

Review Report included within these papers will provide members with a further update on progress against each project.

- 3.4 The financial environment in which Scotland Excel and its member authorities operate continues to be characterised by significant demand and cost pressures, compounded by reducing levels of grant support in real terms. It is anticipated that the Scottish Budget and local government settlement will continue to present significant challenges.
- 3.5 It is further recognised that over the medium term, local government in Scotland is likely to face further contraction in available resources, relating predominantly to the provision of revenue grant from the Scottish Government. In this context, Scotland Excel will continue to seek operational efficiencies, to manage its financial position flexibly in order to maintain its aim of minimising the level of requisition required, and also to develop value propositions for member authorities to ensure that best value is achieved.

4. **Budget Assumptions**

- 4.1 Expenditure - The expenditure budget is based on the following assumptions:
- 4.2 A budget provision of 3% in relation to the agreed 2020/21 pay award has been included in the budget forecast. An estimated 3% has also been added to the Employee Costs element of the indicative figures shown for 2021/22 and 2022/23. These are estimates only, used to provide indicative figures for 2021/22 and 2022/23.
- 4.3 In line with previous years practice, no inflationary adjustment has been made to most non-salary expenditure lines. Any adjustments made are detailed in paragraph 4.4 below.
- 4.4 Adjustments have been made to specific expenditure lines to reflect operational demand in relation to:
- Employee Costs – a budgeted staffing turnover assumption of 5% has been applied; the Adult Supported Living project has been absorbed into the Core operating budget as approved at the Joint Committee in December 2018 (£157,000); the Associates Team has been absorbed into the Core operating budget (£111,000); Marketing and Corporate Support budgets have been enhanced, reflecting increasing demand on these business areas (£83,500); employee increment payments have been recognised (£30,000); and the agreed 3% increase in relation to the 2020/21 pay award has been included (£90,000).
 - Property Costs – rent and service charge costs have been updated to reflect the current lease agreement.
 - Supplies and Services - ICT costs have increased due to the continuing migration to an agile working environment, as identified within the organisational operating plan and risk register; the introduction of virtual servers, the organisational move to Microsoft Office 365 and the continuing

development of data access systems for suppliers, councils and Scotland Excel.

- Administration Costs – Administration costs have increased due to anticipated recruitment and telephony costs.
- Transport Costs – budgetary provision has been reduced to reflect the increased use of Video Conferencing and Skype for Business

4.5 Income budget estimates have been created taking into consideration the following,

- Member Requisitions – At the Joint Committee in December 2018, members noted indicative 3% increases for 2020/21 and 2021/22. Members approved the overall financial strategy and the 2019/20 requisition increase of 2%.
- Temporary Use of Reserves – A temporary drawdown of Project reserves of £120k was approved, but not taken during 2019/20 due to the receipt of a one-off Scottish Government grant – this drawdown will now be taken in 2020/21.
- Associate Income – Provision has been added to reflect anticipated increased income via Associate Memberships as a result of consolidation of the Associates Team into Core.
- Income from Projects – Includes anticipated income from projects including New Build Housing, Consultancy Services and Learning and Development (Academy)
- Rebates – Income provision relating to anticipated rebates accruing during 2020/21 has been included in line with the Funding Review proposal approved by the Joint Committee in December 2018.

4.6 The projected outturn position for 2019/20 is an overspend on core activities of £14,000 against the approved budget. This agreed overspend reflects a shortfall in approved funding following the 3% budget provision for pay inflation made in 2018/19 and the subsequent 3.5% pay agreement.

5. Financial Overview

5.1 As outlined above, the financial outlook in the medium term continues to be characterised by uncertainty. At this point, areas of financial risk for the Joint Committee include the increasing levels of pay inflation and the continuing uncertainty in local authority grant settlement figures.

5.2 Members will be aware that, there has been a change in the approach to that adopted in previous years where revenue estimates had been developed to ensure that Core operations are fully funded by requisition income. Members are aware that a new funding model was approved at the June 2018 Joint Committee which means that core operations will be funded from both requisitions and income generated from a range of other sources. This move to

a more commercial funding model does increase the overall level of financial risk to the organisation, which requires to be appropriately mitigated through a prudent level of reserves. It is estimated that uncommitted reserves will amount to £227,141 at the end of the 2019/20 financial year, which represents 5.6% of anticipated operating income in that year. This balance will be held to protect against any unforeseen costs or financial risks that may arise. The minimum level of uncommitted reserves balance recommended by the Treasurer is 5%.

- 5.3 The information provided in Appendix 1 outlines the forecast year-end financial position for 2019/20 and estimates for 2020/21, 2021/22 and 2022/23. The funding streams, set out within the Funding Model Review approved by members at the June 2018 Joint Committee, have been incorporated into these estimates. These include the use of Associate income; the temporary use of project reserves built up by the Small Value Procurement Team; and income that is expected to be earned and generated by Projects during 2020/21. A 3% requisition increase has therefore been recommended for financial year 2020/21 in line with the figure noted by the Joint Committee in December 2018.
- 5.4 Indicative figures have also been included for 2021/22 and 2022/23. These figures, which include an estimated inflationary increase in each year of 3%, show that, with a 3% requisition increase in 2020/21 and 2021/22, Scotland Excel can forecast a zero percent (0%) increase in council requisitions in 2022/23. In this year, non-requisition income is forecast to generate 19% of income required to cover core operating costs.
- 5.5 Members will note that a memorandum section is detailed in Appendix 1 (Table 2) relating to the projects that Scotland Excel operates. The funding relating to these projects is not covered by requisition income and the income and expenditure shown are for information purposes only. Project expenditure and income will vary each financial year and are generally short-term in nature, therefore only the 2020/21 figures, as known at this time, are provided. As outlined above, each project is forecast to contribute income towards Core activities during the forthcoming financial year.

6 Scotland Excel Funding Model

Work continues on the review of the financial sustainability of Scotland Excel since the Joint Committee in June 2018 and on developing the funding solutions set out at that point. The organisation has made good progress in developing each of the potential offerings set out in the report. The Project Review Report within these papers provides an update on each area. Within the financial estimates for Scotland Excel for financial year 2020/21, 14% of required income to deliver core services will be generated through income streams, identified within the Project Review Report, other than council requisitions. In 2019/20 project activity is budgeted to contribute £173k to core operations and this income is anticipated to be achieved in full.

7 2020/21 Member Authority Requisitions

- 7.1 An increase of 3% has been recommended for 2020/21 for member authority requisitions, as detailed in Appendix 2 of this report. As per the Minute of Agreement, member requisitions are calculated by aggregating a fixed annual membership fee, which is 20% of net operating expenditure, with the remainder based on each member council's population as a proportion of total member population. For 2020/21, population numbers have been sourced from the 2017 mid-year population estimates published by NRS. It should be noted that the requisitions outlined do not include amounts payable by councils in relation to the National Care Home Contract.
- 7.2 Any future events that may materially affect these finances will be the subject of a report to the Joint Committee.
- 7.3 The requisition funding drawdown will be invoiced annually during October, in accordance with arrangements made by the Treasurer.

Appendix 1

Table 1: Core Operating Budget

	2019/20	2019/20	2020/21	2021/2022	2022/23
	Revised	Forecast Outturn	Proposed	Indicative	Indicative
Core Operational Expenditure					
Employee Costs	3,107,580	3,141,000	3,591,300	3,753,800	3,866,400
Property Costs	217,800	217,000	217,500	217,500	217,500
Supplies & Services	254,060	251,000	295,200	295,200	295,200
Administration Costs	220,740	222,000	224,000	224,000	224,000
Transport Costs	35,000	35,000	30,000	30,000	30,000
Transfer Payments	11,320	11,000	13,500	13,500	13,500
Supported Living/Care at Home	169,400	169,000			
Total Core Operating Costs	4,015,900	4,046,000	4,371,500	4,534,000	4,646,600
Core Operational Income					
Council Requisitions	3,553,900	3,554,000	3,660,500	3,770,300	3,770,300
Temporary Reserve Use	120,000	0	120,000	0	0
Scottish Government Grant	0	150,000	0	0	0
18/19 Associate Income	80,000	80,000	0	0	0
Associate Income	75,000	75,000	210,000	225,000	240,000
Income from Projects	173,000	173,000	315,000	395,200	326,700
Rebates	0	0	66,000	143,500	309,600
Total Core Operating Income	4,001,900	4,032,000	4,371,500	4,534,000	4,646,600
Cored Operating Deficit/(Surplus)	14,000	14,000	0	0	0

Table 2: Project Budgets

	2019/20	2019/20	2020/21
	Revised	Forecast Outturn	Proposed
Project Operating Expenditure			
Employee Costs	1,311,000	1,234,400	1,302,500
Property Costs	0	0	0
Supplies and Services	27,000	39,100	28,000
Contractors	0	0	0
Administration Costs	18,500	12,900	28,500
Payments to Other Bodies	291,500	288,000	299,000
Transport	30,000	28,000	22,600
Total Projects Operating Expenditure	1,678,000	1,602,400	1,680,600
Projects Operating Income			
Project Income	1,851,000	1,775,400	1,995,600
Total Projects Operating Income	1,851,000	1,775,400	1,995,600
Project Surplus	173,000	173,000	315,000
<i>Comprising:</i>			
New Build Housing	0	0	30,000
Consultancy Services	70,000	80,000	217,000
Learning and Development (Academy)	53,000	53,000	53,000
New Associate Income	50,000	40,000	0
Other Income	0	0	15,000
	173,000	173,000	315,000

Table 3: Reserves

Scotland Excel Reserves					
Unrestricted Reserves					
Opening Uncommitted Reserves	241,141	241,141	227,141	227,141	227,141
Use of Reserves	(14,000)	(14,000)	0	0	0
Closing Uncommitted Reserves	227,141	227,141	227,141	227,141	227,141
% of Operating Income	5.7%	5.6%	5.2%	5.1%	5.0%
Restricted Reserves					
Opening Project Reserves	636,924	436,924	356,924	TBC	TBC
Use of Reserves	(200,000)	(80,000)	(120,000)		
Closing Project Reserves	436,924	356,924	236,924		
% of Operating Income	23.6%	23.3%	16.0%		

Appendix 2

Member Requisitions

Requisition by Authority	2019/20	2020/21	Movement
Aberdeen City	£ 142,125	£ 146,388	£ 4,263
Aberdeenshire	£ 159,420	£ 164,202	£ 4,782
Angus	£ 83,153	£ 85,648	£ 2,495
Argyll and Bute	£ 67,709	£ 69,740	£ 2,031
Clackmannanshire	£ 49,176	£ 50,652	£ 1,476
Dumfries and Galloway	£ 100,407	£ 103,419	£ 3,012
Dundee City	£ 100,150	£ 103,154	£ 3,004
East Ayrshire	£ 86,120	£ 88,703	£ 2,583
East Dunbartonshire	£ 78,882	£ 81,249	£ 2,367
East Lothian	£ 77,158	£ 79,473	£ 2,315
East Renfrewshire	£ 71,874	£ 74,031	£ 2,157
City of Edinburgh	£ 291,182	£ 299,918	£ 8,736
Eilean Siar	£ 36,335	£ 37,426	£ 1,091
Falkirk	£ 106,135	£ 109,319	£ 3,184
Fife	£ 216,865	£ 223,372	£ 6,507
Glasgow City	£ 347,684	£ 358,116	£ 10,432
Highland	£ 145,468	£ 149,832	£ 4,364
Inverclyde	£ 63,489	£ 65,394	£ 1,905
Midlothian	£ 69,427	£ 71,510	£ 2,083
Moray	£ 72,409	£ 74,582	£ 2,173
North Ayrshire	£ 93,378	£ 96,180	£ 2,802
North Lanarkshire	£ 200,383	£ 206,394	£ 6,011
Orkney Islands	£ 33,742	£ 34,754	£ 1,012
Perth and Kinross	£ 101,402	£ 104,444	£ 3,042
Renfrewshire	£ 114,911	£ 118,334	£ 3,423
Scottish Borders	£ 82,493	£ 84,968	£ 2,475
Shetland Islands	£ 34,308	£ 35,337	£ 1,029
South Ayrshire	£ 81,266	£ 83,705	£ 2,439
South Lanarkshire	£ 188,962	£ 194,632	£ 5,670
Stirling	£ 71,477	£ 73,621	£ 2,144
West Dunbartonshire	£ 69,175	£ 71,251	£ 2,076
West Lothian	£ 117,235	£ 120,752	£ 3,517
Total	£ 3,553,900	£ 3,660,500	£ 106,600

To: Executive Sub Committee

On: 22 November 2019

**Report
by
Director Scotland Excel**

Tender: The Supply of Social Care Case Management Solutions Software (including Installation and Maintenance)

Schedule: 0519

Period: 20th November 2019 – 19th November 2023

1. Introduction and Background

This recommendation is for the award of Scotland Excel's collaborative framework for the Supply of a Social Care Case Management Solutions Software (including Installation & Maintenance) which will operate from 1st January 2020 until 19th November 2023.

The project to consider a collaborative approach to procuring a renewed Social Care Case Management system was identified by the Local Government Digital Office in 2017, primarily in response to the status of the current system used by Councils, which will no longer be supported. Scotland Excel undertook to determine the level of Council interest in collaboration relating to provision of a replacement Social Care Case Management System.

The requirement for this procurement has been identified through consultation with commodity User Intelligence Groups (UIGs). This presents an opportunity for Scotland Excel to provide a national collaborative solution which will drive value through the consolidation of spend, whilst alleviating the resource challenge associated with this type of procurement exercise for local authorities.

The framework was advertised at an estimated maximum value of £28 million over the four-year period, and this report summarises the outcome of the procurement process for the national framework agreement.

2. Scope, Participation and Spend

As part of the strategy development, the User Intelligence Group (UIG) and technical panel approved an open procedure consisting of one lot for a Social Care Case Management Solution.

The framework will allow councils to call off directly or use a mini competition process if required.

Suppliers that are awarded onto the framework will be asked to support councils in securing approval by providing case studies of current customers and identifying efficiencies and service improvements to staff and clients that could be achieved with a new solution.

There is an awareness that social care systems used across Councils in Scotland may be considered as legacy or outdated from a technological perspective. Consequently, it is anticipated that a number of Councils would be able to use this framework as a route to market. All Councils are able to access the framework as advertised.

There are currently a number of councils that have established project teams to review current processes and procedures involved in social care service delivery. These councils anticipate that a new case management system will be an integral component to support and deliver improved ways of working.

During the evaluation process for this framework, six councils have expressed an interest with Scotland Excel with regard to timeline of delivery and intimated this may be their most likely route to market.

3. Procurement Process

A Prior Information Notice (PIN) was published on 11 October 2018 with 12 companies expressing an interest in the opportunity. Market engagement had previously taken place to provide an understanding of the marketplace as well as existing solution roadmaps.

The requirements specification was developed using a collaborative process with councils from small, medium and large authorities. A technical panel was formed, consisting of individuals from both IT and Social Services backgrounds.

To ensure maximum competition, an open tender process was used, and this was advertised on the Official Journal of the European Union and the Public Contracts Scotland portal on 04 July 2019. The tender process was conducted using the Public Contracts Scotland Tender (PCS-T) system.

The procurement process followed a two-stage tendering procedure. Stage one, Qualification, was conducted using the European Single Procurement Document (ESPD). Within the ESPD, service providers were required to answer a set of exclusionary questions along with providing details and/or acknowledgement of insurance, financial standing, quality management and health and safety policies and/or procedures.

At the second stage of the process, offers were evaluated against the undernoted criteria and weightings set against the framework lot.

Social care case management solutions.

Technical 70%

Commercial 30%

TR	Subject	Max Score
1	Case Management including Demonstration	10.00
2	Finance including Demonstrations (1,2,3)	9.00
3	Building Business Processes including System Admin Demonstration	9.00
4	Analytics including Demonstration	9.00
5	Notification/Alerts	3.00
6	Service Level Agreements	2.00
7	Diary Management	3.00
8	Portals	6.00
9	Groups (Family/Network) including Demonstration	4.00
10	Chronology	3.00
11	Case Notes	3.00
12	Genograms	3.00
13	Read Codes/SNOMED	1.00
14	Bed/Ward Management	2.00
15	Technical	6.00
16	Delivery	3.00
17	Mobile	5.00
18	Support	3.00
19	Supporting the System	3.00
20	Document management	3.00
21	Telecare	2.00
22	Implementation	3.00
23	Fair Work Practices/Community Benefits	5.00
	Total Marks Scored	100.00
	Technical Evaluation Score	70.00
	Commercial Evaluation Score	30.00

4. Report on Offers Received

The tender document was accessed by 33 organisations with 6 of those submitting an offer before the closing date.

A summary of offers received from service providers and their SME status is outlined within Appendix 1 of the report.

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

5. Recommendations

Based on the evaluation undertaken, and in line with the criteria and weightings set out above, and to secure best value, capacity and coverage, it is recommended that a multi supplier framework is awarded to three suppliers as outlined in Appendix 2.

These three recommended suppliers offer nationwide coverage under the framework with all three being classed as SME status of medium.

These suppliers provide the solutions and services required by local authorities, most closely matching the specification of requirements published in the procurement documents as evaluated by the technical panel and they offer the most economically advantageous tenders in terms of the advertised award criteria.

6. Benefits

Savings

Benchmarking has not been possible within this procurement exercise as this is a first-generation framework, and Scotland Excel are unable to benchmark against current arrangements within Councils as contractual information is not fully known. This has also been further exacerbated by the different versions of systems involved, different customisations resulting in additional maintenance charging and the fact that some systems are currently developed by council ICT staff. As such, it is anticipated that a key benefit of this framework will be the ability to facilitate more effective like-for-like comparisons across Councils to enable savings identification and realisation.

Price Stability

The Social Care Case Management Solutions Software (including Installation & Maintenance), comprises a series of number of one-time services that include right to use licences, configuration, delivery, implementation, knowledge transfer and training. Annual recurring costs cover support and maintenance of the system including upgrades, patches and any appropriate bug fixes.

The commercial bid prices will be fixed for the four-year term of the framework.

7. Sustainable Procurement Benefits

Community Benefits

Service providers were asked to commit to the delivery of community benefit initiatives, per local authority, against pre-agreed spend threshold levels outlined within the community benefits method statement. The benefits aim to be reflective of the National Indicators outlined within the Scottish Government's National Performance framework, and their underlying vision and goals. Local authorities will accrue community benefit points based on their level of spend with a supplier. Accrued points correlate to a benefit that the local authority can elect to receive at any given point throughout the lifetime of the framework. All service providers have committed to delivering these benefits.

Within the published tender documents, service providers were given a list of indicative community benefits that could be agreed with local authorities. Examples of the indicative benefits which were conveyed to providers were:-

- Employability Workshop;
- Community Volunteering;
- Sponsorship
- Donation – Materials, labour or vouchers;
- Work Experience
- Recruitment -SME
- Recruitment - Apprentice.
- Recruitment - Graduate.
- Recruitment – Experienced Employee.

Scotland Excel will support delivery of these commitments during the lifetime of the framework and this will also be reported through ongoing contract management returns. Results reported on community benefits will be disseminated to councils on a bi-annual basis.

8. Fair Work Practices including the Scottish Living Wage

Service providers were also asked to confirm their approach to fair work practices and payment of the Scottish Living Wage – details of which can be found in Appendix 3. The below references living wage status of those recommended for award:-

- One is not an accredited Scottish Living Wage employer but currently pays above the Scottish Living Wage to all employees and commits to attaining accreditation over the initial two-year period of the framework;
- One is not an accredited Scottish Living Wage employer but pays above the Scottish Living Wage to all employees; and

- One is not accredited Scottish Living Wage employers but pays the Scottish Living Wage to all employees (except volunteers, apprentices and interns).

There has been no declaration of supported business status from any of the bidders, we will monitor this position throughout the lifespan of the framework.

Scotland Excel will continue to monitor fair work practices including the Scottish Living Wage status as part of the contract management process.

9. Contract Mobilisation and Management

Both service providers and participating member Councils 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.

Scotland Excel will provide further support to councils interested in accessing the framework by assisting with supplier engagement and acting as a contact point for technical questions & queries.

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. As such, Scotland Excel will review the framework with the service providers as appropriate, whilst monitoring management information and community benefits associated with this framework. Additionally, Scotland Excel will ensure that suppliers are aware of the wider Scottish Government Health & Social Care strategic direction and assist in the communication of supplier technical roadmap changes to councils.

10. Summary

This framework aims to maximise collaboration, consolidate demand and deliver best value. Softer benefits can be reported in relation to this procurement exercise such as reassurance to councils that a robust evaluation has been carried out, with service users being satisfied that this procurement and outcome will meet the requirements of councils in dealing with essential and sensitive information.

The Executive Sub Committee is requested to approve the recommendation to award this framework to the recommended service providers as detailed within Appendix 2.

Appendix 1 – Offers Received & Status

SERVICE PROVIDER	STATUS	LOCATION
Azeus UK Limited	Micro	London
CareWorks Limited	Medium	Dublin
Deloitte LLP	Large	London
Liquidlogic Ltd	Medium	Leeds
OLM Systems Limited	Medium	Teddington
Servelec Social Care Ltd (Trading as Servelec)	Medium	Sheffield

Appendix 2 - Scoring and Recommendations

Social Care Case Management Solutions (including support & maintenance)		
Service Provider	Score	Awarded
CareWorks Limited	95.18	Yes
Servelec Social Care Ltd (Trading as Servelec)	80.63	Yes
Liquidlogic Ltd	72.37	Yes
Azeus (UK) Limited	67.00	No
OLM Systems Limited	63.46	No
Deloitte LLP	56.54	No

Appendix 3 – Recommended Service Providers with Scottish Living Wage Status

Service Provider	Accredited	Currently progressing through Scottish Living Wage accreditation process	Pay Scottish Living Wage to all employees, and committed to gaining accreditation over the initial 2 years of framework	Pay Scottish Living Wage to all employees, but not accredited
CareWorks Limited			Yes	
Liquidlogic Ltd				Yes
Servelec Social Care Ltd (Trading as Servelec)				Yes

Scotland Excel

To: Executive Sub Committee

On: 22 November 2019

**Report
by
Director Scotland Excel**

Tender: Supply and Delivery of Plumbing and Heating Materials

Schedule: 2318

Period: 1 December 2019 until 30 November 2022 with the option to extend for up to 12 months until 30 November 2023 (effective from 10 December 2019)

1. Introduction and Background

The current framework for Plumbing and Heating Materials has been in place since 1 December 2015 and will expire on 30 November 2019 at the conclusion of its one-year extension. Further to User Intelligence Group (UIG) discussions and based upon the high level of satisfaction with the current framework, it was agreed that a renewal framework should be established.

This framework will provide councils and other participating bodies with a mechanism to procure a range of plumbing and heating materials in support of construction projects, ongoing maintenance schedules and ad hoc repairs. Council departments likely to use the framework include stores and housing maintenance.

This fourth-generation framework delivers flexibility and choice for members through the inclusion of multi-offer lots. Key enhancements delivered in the renewal include an amended lot structure to facilitate ease of call-off and the addition of a specialist lot for adapted products. Furthermore, a revised approach to community benefits will maximise the delivery of local outcomes.

2. Scope, Participation and Spend

As part of strategy development, the UIG approved the inclusion of six lots as summarised in Table 1. This lotting approach was designed to align with council requirements while recognising the structure of the supply chain. The multi-offer approach maximised the opportunity for small and medium enterprises (SMEs) to bid, thereby increasing competition and offering a range of options for members.

Table 1: Lotting Structure

Lot Title	Number of products	Estimated % of spend
Lot 1 – Solder Ring, DZR, Brass, Cast Iron and Copper & Lead	125	19%
Lot 2 – External and Internal Plastic Pipe	116	8%
Lot 3 – Boilers	43	22%
Lot 4 – Radiators	35	6%
Lot 5 – Sanitary Ware, Sink Tops & Taps and Showers & Accessories	167	40%
Lot 6 – Adaptations	90	5%

As detailed in Appendix 1, 28 councils have confirmed their intention to participate. East Ayrshire, Stirling, West Lothian and Scottish Borders councils have confirmed they will not be participating as they have their own arrangements in place.

In addition to councils, the NHS, River Clyde Homes, Rossie Secure Accommodation Services, Edinburgh Leisure, Dunedin Canmore Housing Association and Scottish Prison Service (SPS) have also confirmed an intention to participate in the framework. City Building (Glasgow) who purchase plumbing and heating materials for Glasgow City Council, have confirmed they will transition to the framework in year three, at the expiry of their local arrangements.

Taking into consideration forecast annual spend for participating councils and associate members, with contingencies, the projected annual contract value of the renewal is £22.5 million.

Procurement Process

A UIG consisting of representatives from participating members agreed the procurement strategy. In addition, a working group consisting of technical and procurement representatives was formed to review technical specifications and the core product list.

Engagement with the market was carried out via a Prior Information Notice (PIN) which was published on 21 December 2018 whereby suppliers were invited to meet with Scotland Excel. Meetings were held with potential bidders including both incumbent and new suppliers to inform the strategy.

This framework was advertised in the Official Journal of the European Union (OJEU) and the Public Contracts Scotland (PCS) portal on the 23 August 2019. The tender process was conducted using the Public Contracts Scotland Tender (PCS-Tender) system.

The procurement process followed an open tender process to ensure maximum competition and the inclusion for all potential suppliers to service the framework. All bidders were examined against selection criteria, using the European Single Procurement Document (ESPD) and award criteria, concurrently. The award criteria included technical and commercial sections that were evaluated against the following criteria and weightings:

All Lots

Technical 20%

Commercial 80%

Within the technical section, bidders were required to evidence their knowledge and experience by responding to method statements. These statements covered service and delivery, sustainability, management of non-core spend/contract management and fair work practices. Bidders were also assessed in relation to their conformance to an updated community benefit approach and additional fixed pricing.

Within the commercial section, bidders' commercial offers were assessed on a lot-by-lot basis. Retrospective rebates were also scored. Bidders were invited to offer a range of unscored discounts including non-core items, collection, single source and delivery to central stores and contract support for gas spares for the boiler lot (Lot 5).

3. Report on Offers Received

Offers were received by 12 bidders; however, one bidder rejected the terms and conditions and subsequently withdrew their offer. A summary of the offers received is provided in Appendix 2.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the offers received was completed. Appendix 3 confirms the scoring achieved by each bidder.

4. Recommendations

Based on the evaluation undertaken, and in line with the criteria and weightings set out above, it is recommended that a multi-supplier framework arrangement is awarded to nine suppliers across six lots as outlined in Appendix 3.

These nine recommended suppliers can meet the full geographical coverage and represent a mix of small, medium and large organisations, with four of the recommended suppliers classified as SMEs.

5. Benefits

Benchmarking

Scotland Excel conducted a benchmarking exercise for members, the results are detailed in Appendix 1. The projected average saving across members equates to 2.1%, an annual total saving of £449,764 based on forecast spend levels. This is a conservative figure as further savings may be achieved where members opt to amend branding.

In addition to the projected average savings, the current framework efficiency is 3.5% below market indices. A range of discounts were also offered such as single source, delivery to central stores, early settlement, non-core, collection and sole supply. Five of the nine recommended suppliers have offered retrospective rebates across all lots they have been awarded to ranging from 0.5% to 2%.

Price Stability

The framework applies fixed pricing periods of six months for all lots (1-6) excluding all items under the 'Copper and Lead' product grouping within Lot 1. A fixed pricing period of three months will be applied for all items under the 'Copper and Lead' product grouping due to the volatility of items in this lot. In addition to the mandatory fixed pricing periods, four of the recommended suppliers offered an additional six months fixed pricing on all lots (1-6) and one of the recommended suppliers offered an additional three months fixed pricing on all items under the 'Copper and Lead' product grouping. Thereafter, price reviews are possible once every six months for all lots and every three months for all items under the 'Copper & Lead' product grouping in lot 1. All requests for price increases will be evaluated against prevailing market conditions and require to be supported by documentary evidence.

Sustainable Procurement Benefits

Within the technical section of the tender, the sustainability method statement assessed bidders in relation to their activities undertaken to comply with relevant legislation and regulations. This statement assessed how to minimise environmental impacts of the framework supply chain, promote the reduction of waste, contribute to the reduction of Scotland's carbon footprint, reuse materials and waste reduction programs (circular economy). Bidders were also assessed on how they would support the delivery of relevant national outcomes and indicators as identified in the procurement strategy.

A range of sustainable measures were outlined by bidders such as adopting route plans and identifying efficient, fuel reducing distribution routes to decrease emissions. Technology used to monitor the efficiency of fleet transportation and help contribute to the reduction of fuel consumption, miles travelled and reduce Scotland's carbon footprint was mentioned by multiple suppliers. Other submissions offered both exploration and piloting of electric vehicles, the recycling of off cuts to contribute to the reduction of waste to landfill and the conversion of site waste into fuel energy. Suppliers continue to deliver alternative packaging solutions by sourcing packaging from recycled materials, the use of acetone recycling machines to increase the volumes and efficiency of recycling materials and packaging.

Community Benefits

As part of an updated approach and to improve the economic, social or environmental wellbeing of members, all recommended suppliers have committed to delivering community benefits for the duration of the framework. This will improve any member area meeting required spend thresholds.

The community benefits approach was designed to ensure community benefits are delivered by suppliers to members in an innovative and collaborative way at a local level. This approach will be monitored as part of Scotland Excel's contract management procedures.

Fair Work Practices including the Scottish Living Wage

Scotland Excel recognise that part of the delivery of high-quality public services depends on a workforce that is well-rewarded, well-motivated, well-led, has access to appropriate opportunities for training and skills development, are diverse and is

engaged in decision making. Within the technical section of the tender, this method statement assessed bidders on how they will commit to fair work practices.

Bidders were asked to describe how they would commit to Fair Work Practices for staff employed in the delivery of this framework. All bidders support equal opportunities and actively support flexible working patterns. Other benefits included training and development opportunities, healthcare and commitments to modern apprenticeships and development of young, unemployed and underprivileged people.

For information, bidders were also asked to confirm their Scottish Living Wage status which is set out in Appendix 4. One supplier is an accredited Scottish Living Wage Employer and another supplier is not an accredited Scottish Living Wage Employer but is committing to gaining accreditation over the initial two year period of the framework. Three suppliers stated they are not an accredited Scottish Living Wage Employer but pay the Scottish Living Wage to all employees (except volunteers, apprentices and interns) and the remaining four suppliers do not currently pay the Scottish Living Wage to all employees.

Scotland Excel will continue to monitor Fair Work Practices including the Scottish Living Wage status during contract and supplier management.

Other Benefits

Other benefits of this fourth-generation framework include the introduction of a lot for adaptations in recognition of the need for this in housing to promote independent living. Five of the nine recommended bidders offered the utilisation of a palletised delivery and uplift process to be arranged between the council and supplier. The framework will facilitate e-auctions, supporting members to increase competition and cost savings.

6. Contract Mobilisation and Management

As part of the mobilisation process, all suppliers will be invited to a contract mobilisation meeting to outline the operation of the framework, including roles and responsibilities, management information and community benefits. Both suppliers and participating members will be issued with a mobilisation pack containing all required details to utilise the framework.

Scotland Excel will explore demand for a framework launch event to provide new suppliers with an introduction to key stakeholders. Scotland Excel will monitor commitments given as part of the tender submission, for example, the Scottish living wage and community benefits.

In accordance with Scotland Excel's established contract and supplier management segmentation tool, in terms of both risk and spend, this framework is classified as class D. As such, it will require annual supplier and user group reviews as appropriate. Within the first year of the framework it is envisaged that more frequent meetings may be required to embed standard contract management procedures and expectations. Scotland Excel will collect, analyse and review detailed supplier management information on a quarterly basis.

Following on from the core product review undertaken as part of this tender development this framework will be added to the spend data repository from contract start date to increase core spend and inform ongoing purchasing patterns.

7. Summary

This fourth-generation framework for the supply and delivery of plumbing and heating materials delivers key enhancements and continues to add value for members. A range of benefits can be reported including savings, price stability and sustainable procurement outcomes including a revised approach to community benefits. Positive efficiencies have been achieved through close working relationships with an already established UIG and technical panel to rationalise and develop the core list. A revised lotting structure and a new lot for adaptations has been introduced to promote ease of call-off.

The Executive Sub Committee is requested to approve the recommendations to award lots one to six of this framework agreement as detailed in Appendix 3

Appendix 1 – Participation, Spend and Savings Summary

Member Name	Participation in Contract	Participation Entry Date	Estimated Annual Spend (£)	Source of Spend Data	Indexation (%)	% Estimated Forecast Savings	Estimated Annual Savings (£)	Basis of Savings Calculation
Aberdeen City Council*	YES	Dec-19	£1,792,316	Validated by council	3.5%	3.5%	£62,557	Benchmarked current framework
Aberdeenshire Council	YES	Dec-19	£250,000	Validated by council	3.5%	6.6%	£16,470	Benchmarked current framework
Angus Council	YES	Dec-19	£0	From SXL Management Information	3.5%	2.1%	£0	Benchmarked current framework
Argyll & Bute Council	YES	Dec-19	£79	Validated by council	3.5%	2.1%	£0	Benchmarked current framework
City of Edinburgh Council	YES	Dec-19	£3,683	Validated by council	3.5%	2.1%	£0	Benchmarked current framework
Clackmannanshire Council	YES	Dec-19	£350,000	Validated by council	3.5%	11.3%	£39,409	Benchmarked current framework
Comhairle nan Eilean Siar	YES	Dec-19	£7,666	Validated by council	3.5%	4.5%	£347	Benchmarked current framework
Dumfries & Galloway Council	YES	Dec-19	£62,483	Validated by council	3.5%	0.0%	£0	Benchmarked current framework
Dundee City Council	YES	Dec-19	£1,098,159	Validated by council	3.5%	5.4%	£59,346	Benchmarked current framework
East Ayrshire Council	NO	N/A	N/A	N/A	3.5%	2.1%	£0	Benchmarked current framework
East Dunbartonshire Council	YES	Dec-19	£100,675	Validated by council	3.5%	-0.2%	-£213	Benchmarked current framework
East Lothian Council	YES	Dec-19	£669,688	Validated by council	3.5%	0.2%	£1,146	Benchmarked current framework
East Renfrewshire Council	YES	Dec-19	£109,530	Validated by council	3.5%	4.8%	£5,229	Benchmarked current framework
Falkirk Council	YES	Dec-19	£950,000	Validated by council	3.5%	2.1%	£19,950	Benchmarked current framework
Fife Council	YES	Dec-19	£3,500,000	Validated by council	3.5%	0.4%	£14,837	Benchmarked current framework
Glasgow City Council	YES	Dec-21	£0	From SXL Management Information	3.5%	2.1%	£0	Benchmarked current framework
Highland Council	YES	Dec-19	£500,000	Validated by council	3.5%	0.6%	£2,829	Benchmarked current framework
Inverclyde Council	YES	Dec-19	£34,425	Validated by council	3.5%	0.7%	£253	Benchmarked current framework
Midlothian Council	YES	Dec-19	£210,110	Validated by council	3.5%	0.3%	£703	Benchmarked current framework
North Ayrshire Council	YES	Dec-19	£1,179,319	Validated by council	3.5%	0.1%	£813	Benchmarked current framework
North Lanarkshire Council	YES	Dec-19	£0	From SXL Management Information	3.5%	2.1%	£0	Benchmarked current framework
Orkney Islands Council	YES	Dec-19	£2,628	Validated by council	3.5%	0.3%	£0	Benchmarked current framework
Perth & Kinross Council	YES	Dec-19	£272,889	Validated by council	3.5%	5.5%	£15,090	Benchmarked current framework
Renfrewshire Council	YES	Dec-19	£1,066,985	Validated by council	3.5%	0.1%	£1,108	Benchmarked current framework
Scottish Borders Council	NO	N/A	N/A	N/A	3.5%	2.1%	£0	Benchmarked current framework
Shetland Islands Council	YES	Dec-19	£95,881	Validated by council	3.5%	0.1%	£105	Benchmarked current framework
South Ayrshire Council	YES	Dec-19	£1,474,436	Validated by council	3.5%	1.9%	£27,639	Benchmarked current framework
South Lanarkshire Council	YES	Dec-19	£4,386,289	Validated by council	3.5%	1.3%	£56,622	Benchmarked current framework
Stirling Council	NO	N/A	N/A	N/A	3.5%	2.1%	£0	Benchmarked current framework
The Moray Council	YES	Dec-19	£530,000	Validated by council	3.5%	0.8%	£4,220	Benchmarked current framework
West Dunbartonshire Council	YES	Dec-19	£695,369	Validated by council	3.5%	8.9%	£61,627	Benchmarked current framework
West Lothian Council	NO	N/A	N/A	N/A	3.5%	2.1%	£0	Benchmarked current framework
Totals			£19,342,610			1.9%	£390,088	
Associate Members	YES	Dec-19	£568,219	Validated by Associate members	3.5%	10.5%	£59,676	
Totals			£19,910,829			2.1%	£449,764	

*validation of reported savings with member ongoing

Appendix 2 – Summary of Offers Received

Name of Tenderers	SME Status	Location	Lots Tendered
Adaptocare Ltd	Small	Motherwell	Lot 6
AKW Medi-Care Limited	Medium	Droitwich Spa	Lot 6
City Plumbing Supplies Holdings Limited	Large	Northampton	Lots 1,2,3,4,5 and 6
Coram UK Holding Limited	Medium	Bridgnorth	Lots 5 and 6
Flame Heating Spares Limited	Small	Boldon	Lots 1,2,3 and 4
Grafton Merchanting GB Limited	Large	Birmingham	Lots 1,2,3,4,5 and 6
Jewson Limited	Large	Coventry	Lots 1,2,3,4,5 and 6
Pro Care Shower and Bathroom Centre Limited	Medium	Wigan	Lots 5 and 6
Travis Perkins Trading Company Limited	Large	Northampton	Lots 1,2,4 and 5
William Wilson Ltd	Medium	Aberdeen	Lots 1,2,3,4,5 and 6
Wolseley UK Limited	Large	Warwick	Lots 1,2,3,4,5 and 6

Appendix 3 – Scoring and Recommendations

For multi-offer lots, where a bidder appears more than once in the tables below this means a bidder offered twice for the same brand.

Lot 1 (Single Offer) - Solder Ring/ DZR/ Cast Iron; Copper & Lead		
Bidder	Score	Awarded (Yes/No)
Wolseley UK Limited	93.00	YES
Jewson Limited	84.90	YES
City Plumbing Supplies Holdings Limited	82.46	YES
Travis Perkins Trading Company Limited	66.05	YES
William Wilson Ltd	65.62	YES
Grafton Merchanting GB Limited	48.72	NO
Flame Heating Spares Limited	45.23	NO

Lot 2 (Multi Offer) - External and Internal Plastic Pipe		
Brand - Hunter Plastics		
Bidder	Score	Awarded (Yes/No)
William Wilson Ltd	93.00	YES

Lot 2 (Multi Offer) - External and Internal Plastic Pipe		
Brand - Marley		
Bidder	Score	Awarded (Yes/No)
Wolseley UK Limited	90.37	YES
Grafton Merchanting GB Limited	90.00	YES

Lot 2 (Multi Offer) - External and Internal Plastic Pipe		
Brand - Osma		
Bidder	Score	Awarded (Yes/No)
Jewson Limited	92.75	YES

Lot 2 (Multi Offer) - External and Internal Plastic Pipe		
Brand - Polypipe		
Bidder	Score	Awarded (Yes/No)
Wolseley UK Limited	90.64	YES
Grafton Merchanting GB Limited	90.00	YES
City Plumbing Supplies Holdings Limited	82.71	YES
Jewson Limited	78.77	NO
City Plumbing Supplies Holdings Limited	76.17	NO

Lot 2 (Multi Offer) - External and Internal Plastic Pipe		
Brand - Wavin		
Bidder	Score	Awarded (Yes/No)
Wolseley UK Limited	93.00	YES
Travis Perkins Trading Company Limited	87.62	YES
City Plumbing Supplies Holdings Limited	85.19	YES

Lot 3 (Multi Offer) - Boilers		
Brand - Ariston		
Bidder	Score	Awarded (Yes/No)
William Wilson Ltd	94.00	YES

Lot 3 (Multi Offer) - Boilers		
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Brand - Baxi		
Bidder	Score	Awarded (Yes/No)
Wolseley UK Limited	94.00	YES
City Plumbing Supplies Holdings Limited	81.87	YES

Lot 3 (Multi Offer) - Boilers		
Brand - Bosch		
Bidder	Score	Awarded (Yes/No)
Wolseley UK Limited	94.00	YES
City Plumbing Supplies Holdings Limited	88.68	YES

Lot 3 (Multi Offer) - Boilers		
Brand - Direct Heating Spares		
Bidder	Score	Awarded (Yes/No)
City Plumbing Supplies Holdings Limited	91.00	YES

Lot 3 (Multi Offer) - Boilers		
Brand - Ideal		
Bidder	Score	Awarded (Yes/No)
Wolseley UK Limited	94.00	YES
Grafton Merchanting GB Ltd	84.82	YES
Jewson Limited	83.53	YES
Flame Heating Spares Limited	74.02	NO

Lot 3 (Multi Offer) - Boilers		
Brand - Interpart		

Bidder	Score	Awarded (Yes/No)
Jewson Limited	93.75	YES

Lot 3 (Multi Offer) - Boilers		
Brand - Vokera		
Bidder	Score	Awarded (Yes/No)
Jewson Limited	93.75	YES

Lot 4 (Multi Offer) - Radiators		
Brand - Caradon		
Bidder	Score	Awarded (Yes/No)
Wolseley UK Limited	93.00	YES

Lot 4 (Multi Offer) -Boilers		
Brand - Myson		
Bidder	Score	Awarded (Yes/No)
Wolseley UK Limited	93.00	YES
Jewson Limited	80.47	YES
Wolseley UK Limited	73.14	NO
City Plumbing Supplies Holdings Limited	72.38	NO
Flame Heating Spares Limited	56.19	NO

Lot 4 (Multi Offer) - Radiators		
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Brand - Purmo		
Bidder	Score	Awarded (Yes/No)
Grafton Merchanting GB Limited	90.00	YES

Lot 4 (Multi Offer) - Radiators		
Brand - Rettig		
Bidder	Score	Awarded (Yes/No)
William Wilson Ltd	93.00	YES

Lot 4 (Multi Offer) -Boilers		
Brand - Stelrad		
Bidder	Score	Awarded (Yes/No)
Jewson Limited	92.75	YES
City Plumbing Supplies Holdings Limited	80.47	YES
Travis Perkins Trading Company Limited	73.14	YES
Travis Perkins Trading Company Limited	72.38	NO

Lot 5 (Single Offer) - Sanitary Ware; Sink Tops & Taps; Showers & Accessories		
Bidder	Score	Awarded (Yes/No)
William Wilson Ltd	93.00	YES
Wolseley UK Limited	70.32	YES
PRO Care Shower & Bathroom Centre Limited	68.32	YES
Jewson Limited	62.02	YES
Travis Perkins Trading Company Limited	60.31	YES
City Plumbing Supplies Holdings Limited	58.85	YES
Grafton Merchanting GB Limited	55.39	NO
Coram UK Holding Limited	44.14	NO

Lot 6 (Multi Offer) - Adaptations		
Brand - AKW Medicare		
Bidder	Score	Awarded (Yes/No)
City Plumbing Supplies Holdings Limited	91.00	YES

Lot 6 (Multi Offer) - Adaptations		
Brand - Contour		
Bidder	Score	Awarded (Yes/No)
Jewson Limited	92.15	YES
Wolseley UK Limited	86.69	YES

Lot 6 (Multi Offer) - Adaptations		
Brand - Coram		
Bidder	Score	Awarded (Yes/No)
William Wilson Ltd	92.40	YES
Jewson Limited	75.4	NO

Lot 6 (Multi Offer) - Adaptations		
Brand - Impey		
Bidder	Score	Awarded (Yes/No)
Coram UK Holding Limited	87.60	YES
City Plumbing Supplies Holdings Limited	82.84	YES
Grafton Merchanting GB Limited	77.52	YES

Lot 6 (Multi Offer) - Adaptations		
Brand - Own Brand		
Bidder	Score	Awarded (Yes/No)
AKW Medi-care Limited	93.75	YES
Adaptocare Ltd	54.68	NO

Lot 6 (Multi Offer) - Adaptations		
Brand - Procare		
Bidder	Score	Awarded (Yes/No)
PRO Care Shower & Bathroom Centre Limited	92.00	YES

Appendix 4 – List of Recommended Suppliers with Scottish Living Wage Status

Supplier	Accredited	currently going through the process of becoming an accredited Scottish Living Wage Employer.	Committed to gaining accreditation over the initial two years of framework	Pay Scottish Living Wage to all employees (except, volunteers, apprentices and interns) but not accredited	Not accredited and do not currently pay the Scottish Living Wage to all employees, but will commit to paying the Scottish Living Wage to all employees (except volunteers, apprentices & interns) within initial two years of framework	Neither accredited nor paying the Scottish Living Wage
AKW Medicare Ltd				YES		
City Plumbing Supplies Holdings Limited				YES		
Coram UK Holding Limited				YES		
Grafton Merchating GB Limited						YES
Jewson Ltd						YES
PRO Care Shower and Bathroom Centre Limited			YES			
Travis Perkins Trading Company Limited	YES					
William Wilson Ltd						YES
Wolseley UK Limited						YES

Scotland Excel

To: Executive Sub Committee

On: 22 November 2019

**Report
by
Director Scotland Excel**

Project Review Report

1. Introduction

This paper provides members with an update on the progress made on generating additional funding through a series of income generating projects.

2. Background

The Revenue Estimates 2018-19 report presented at the Joint Committee on 8th December 2017 and the Funding Model Review at the 29th June 2018 Joint Committee highlighted the challenging future financial landscape for local government, and the impact on Scotland Excel. It was recognised that over the medium term, local government in Scotland is likely to face further contraction in available resources. In this context, Scotland Excel continues to seek operational savings to manage its financial position flexibly to maintain the aim of minimising the level of requisition required, and also to develop value propositions for member authorities to ensure that best value is achieved. A number of funding opportunities were also identified by Scotland Excel and approved by the Joint Committee. These were:

1. Consultancy Services
2. Learning and development
3. Associate Membership Expansion
4. New Build Housing
5. Rebates

All five funding opportunities are progressing, with three projects contributing targeted surpluses within the current financial year.

3. Project Updates

All funding opportunities are now being progressed with an emphasis on the projects that are scheduled to deliver income in the current financial year (FY 19/20).

1. Consultancy Services

Scotland Excel is working on several consultancy projects.

The June 2018 Joint Committee approved a surplus target of £70k for Consultancy Services in 2019/20. Based on current and scheduled projects we expect to meet this target and anticipate that there may be the opportunity to exceed this in the event that other funding opportunities fail to meet current and future planned expectations.

The following projects are currently underway:

Fife Transformation Programme: The programme is now in its second year of operation. The programme consists of a number of projects across many aspects of the council's operation. At the request of the council, the team have increased its focus on the identification and delivery of savings by pushing other projects until later within the programme. In addition to savings, the programme continues its prioritisation of skills development to support handover from Scotland Excel to the Fife procurement team in late 2020. The programme has seen success in a number of areas which will benefit the council covering financial and non financial benefits.

Tayside Procurement: Scotland Excel have been commissioned to deliver a Tayside wide project to enhance procurement and commissioning capability. Angus Council, Dundee City Council, Perth and Kinross Council and Tayside Contracts will participate in the change programme, including the current shared team which makes up the Tayside Procurement Consortium. An option appraisal to support a choice of future operating model for procurement and commissioning in Tayside is underway. Scotland Excel are supporting the partner organisations to create a robust model which will take public services into the coming years with a strong professional approach to managing external relationships. These include arrangements for delivery of social care services, construction contractors and support industries which enable delivery of frontline services. The approved business case identified opportunities for more effective joint working, realising savings, process enhancement and greater support for evolving services. The target agreed was £18m of benefit for the Tayside area; some of which is likely to be achieved through enhancing the social impact achieved when councils spend externally. Examples of this would be in support for local employment opportunities, targeted training and supply chain management.

City Property (Glasgow) LLP: Scotland Excel was engaged by this organisation to operate a mini competition within Crown Commercial Service's Estates Professional Services framework. This initial project was completed in

June 2019. Scotland Excel continues to work with City Property and is currently scoping a piece of work around waste management services which is scheduled to start in January 2020.

East Renfrewshire Council: Following on from previous consultancy work undertaken for East Renfrewshire council, Scotland Excel initiated a 12-month project in July 2019. The project is focussed on supporting a number of foundation elements across procurement including; stakeholder engagement, and relationships, team development, workload planning, identification of savings opportunities and strategic direction of procurement.

East Lothian Council: Scotland Excel is at the early stages of a two-year programme working with East Lothian Council to support the development of its Procurement services across the organisation. In mid-October the programme recruited a Commercial Programme Manager who will lead the corporate procurement team. The programme will encompass a number of projects including; contract optimisation, contract and supplier management, systems review, collaborative working and strategic direction of procurement.

Cycling Scotland: The project is now complete. It was designed to put in place a Dynamic Purchasing System (DPS) which is an electronic procurement process, similar to a framework agreement, but remains open to allow new suppliers to join. The DPS provides members with a list of training suppliers which can be engaged to provide cycling proficiency training at a professional level within the local authority or school. The DPS was approved by the Executive Sub committee on the 21st June 2019.

A number of other consultancy projects are at an early stage with organisations such as Dumfries & Galloway Council, Scottish Borders Council, Midlothian Council and Perth & Kinross Council.

2. Learning & Development – The Academy

The June 2018 Joint Committee approved a surplus target of £53k for The Academy in 2019/20. Scotland Excel continues to develop a wide range of programmes to customers including:

- Two further groups in the SQA-accredited Professional Development Awards (“PDA”) in Project Management (co-delivered between The Academy and the Improvement Service) have been completed, with 4 groups on-going;
- MCIPS Practitioner group 2 has now completed, with 4 Practitioner and Advanced Practitioner groups in progress;
- Four Chartered Management Institute (CMI) accredited Leadership and Management programmes at levels 5, 6 and 7 (operational and strategic levels) are also on-going;

- Business Analysis, Decision Making & Innovation: one new programme, accredited by the Scottish Qualification Authority (SQA), has been launched in co-delivery with the Improvement Service.
- Launching Coaction, in collaboration with Scottish Government, to enable collaboration and innovation across the wider public sector; and
- One learner has attained Charter Management status after completing the CMI level 5 and 6 Leadership and Management courses.

In addition, numerous day workshops in technical procurement skills have been completed. Classes have been either a mix of attendees from various Councils or attendees from a single Council.

Scotland Excel continues to invest in the Academy to develop the longer-term opportunity and provide a more holistic service for local government and the wider public sector. Examples of current activity include:

- developing the growing demand within the public sector for one-day technical workshops in procurement and leadership and management;
- on-going investment in continued development of the Academy portal;
- continuing delivery of accredited procurement and leadership and management courses;
- investigating the potential for Scotland Excel to become a SCQF-registered credit rating body.

Scotland Excel continues to work to achieve the target set by the Joint Committee.

3. Associate Member - Expansion

The June 2018 Joint Committee approved a surplus target of £50k for Associate Member expansion in the current financial year. At the December 2018 Joint Committee, members approved Scotland Excel's recommendation of a continued focus and dedicated resourcing into the growth of Associate membership.

Prior to April 2019, associate member growth mainly came from housing associations participating in the Scottish Government Affordable Housing project known as the Procurement Commercial Improvement Programme (PCIP). The development of the new associate member strategy continues to target the housing sector and a new focus on the third sector. Further engagement has taken place with council arms length organisations to encourage free membership and the use of Scotland Excel contracts to help deliver best value back into the community.

The PCIP programme and the award of the Scotland Excel new build framework continues to attract housing association membership. The associate's team have engaged with the third sector by attending targeted events and by meeting with appropriate third sector support organisations. The initial aim is to raise awareness of Scotland Excel and associate membership.

Achieving the agreed income target will continue be challenging although it is anticipated that the work underway will support this goal. Scotland Excel intends to take a prudent approach within the current year's budget and is reviewing the 2020/21 target.

4. New Build Housing

The New Build Residential Construction framework is scheduled to deliver its first contribution of £93k in financial year 2020/21.

Following an extensive development period and a restricted procurement exercise, 19 contractors have been award to the framework which commenced on 26th August 2019. The new framework comprises five lots for different project sizes and includes provisions which encourage sustainable and energy efficient housing, advertising of sub-contracting opportunities, delivery of community benefits and use of supported businesses and social enterprises.

Extensive engagement has been undertaken with individual contractors and purchasers, as well as a number of other key stakeholder groups. The framework was formally launched at an event in Edinburgh in October 2019 which brought together contractors and Scotland Excel members, and the keynote address was delivered by Derek MacKay, cabinet secretary for finance, economy and fair work.

Individual and bespoke mobilisation sessions are now being undertaken by the Scotland Excel team with member councils and housing associations.

It is anticipated that the contribution to surplus for the New Build project in the 2020/21 budget will fall short of the planned amount. The initial annual estimates derived two years previously are still anticipated to be delivered but over a later time period.

5. Rebates

The Rebates project is scheduled to deliver a contribution of £55k to planned surpluses in financial year 2020/21.

The use of volume rebates within appropriate contracts was approved at the June 2018 Joint Committee. As part of the internal contract governance process, the applicability of the inclusion of rebates is now standard practice.

A number of framework opportunities been identified and are being considered for future rebates. It is anticipated that the 2020/21 target will be achieved.

4. **Supporting Projects**

Scotland Excel has implemented a number of internal processes and practices to guide and support income generating projects. These range from processes to ensure consistency and transparency to methods of collecting and sharing good practice. These include:

- A standard and transparent costing model which is shared with prospective customers.
- Staff charged at a fully burdened cost (including standard overheads and IT) to ensure the core budget is not impacted by the growth in projects.
- Agreed internal project reporting and the tracking of all project related costs.
- A periodic income review board is conducted to monitor project financial performance and identify issues and potential obstacles to success.
- Consultation with members to identify future areas of interest and benefit.

The organisation is currently also developing methods or generating further innovation within Scotland Excel, proposing future projects and sharing good practice with the wider Scotland Excel membership.

5. **Recommendations**

Members are asked to note the progress made in this area. Further updates will be presented to future Joint Committees and Executive Sub committees on funding projects including delivery against income targets.

Scotland Excel

To: Executive Sub Committee

On: 22 November 2019

**Report
by
Director Scotland Excel**

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

1 Introduction

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

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

2 Application

Parkhead Housing Association Ltd has 1,643 properties based in Glasgow and is an Industrial and Provident Society and a charity. It is also a Registered Social Landlord.

Parkhead Housing Association Ltd is an accredited Scottish Living Wage employer.

To ensure the efficient and cost-effective delivery of these services it has approached Scotland Excel and requested approval to become an associate member with access to our contracts and other chargeable services.

3 Legislative Position

Before any application is submitted for approval, a number of validation checks on the organisation are carried out. These include a review of the Memorandum & Articles of Association, the financial position and the type of contracts that the organisation is likely to access.

Scotland Excel monitors all requests from arm's length and other organisations to become associate members to ensure that any legal requirements are met. In this case, Parkhead Housing Association Ltd qualifies for membership in accordance with the Local Authorities (Goods and Services) Act 1970 section 1 (1B) (c). Namely, that it has functions that are public in nature or engages in activities of that nature so long as the purpose or effect of access to Scotland Excel's services is to facilitate its discharge of those functions or activities.

4 Recommendation

It is recommended to committee that Parkhead Housing Association Ltd application to join Scotland Excel as an associate member be approved, at a £2,465 annual fee, subject to the agreement document.














Operating Plan







2019 – 2020







Q1 Progress Report



Goal 1: Shaping the delivery of innovative public services

Strategic Objective	Commitment	RAG status	Progress summary
1.1 Deliver a programme of collaborative procurement to support early intervention and the delivery of public services	<ul style="list-style-type: none"> Continue to engage directly with local authority services to identify new collaborative procurement opportunities 		<ul style="list-style-type: none"> Scotland Excel is continuing to engage directly with local authority service stakeholders, particularly in relation to the development of the new build residential housing and care and support frameworks. Regular engagement is also continuing with local authority procurement leads through Commercial User Intelligence Group (CUIG) meetings. Discussions at these meetings in May and June focused on opportunities for restructuring renewal contracts to better reflect evolving service needs.
	<ul style="list-style-type: none"> Complete the tender process for a new build residential housing framework on behalf of participating local authorities and market this effectively to local authorities and housing associations 		<ul style="list-style-type: none"> The tender for the new build residential housing framework is being evaluated and is due to be awarded in August 2019.
	<ul style="list-style-type: none"> Embed ownership for the National Care Home Contract (NCHC) within Scotland Excel and refresh the approach to this contract based on the implementation of the NCHC Cost Model © 		<ul style="list-style-type: none"> Scotland Excel took ownership of the National Care Home Contract (NCHC) on 01 April 2019, and work is underway to implement contract management arrangements.
	<ul style="list-style-type: none"> Complete the delivery of a framework for adult care and support services and secure sustainable funding for ongoing management of this contract 		<ul style="list-style-type: none"> Work to develop the adult care and support framework is continuing. A remedial review and report of progress has been completed to ensure that delivery of the framework remains on track.
	<ul style="list-style-type: none"> Complete the Scottish Government funded project to deliver guidance, procurement templates, and terms and conditions to support the expansion of early learning and childcare provision 		<ul style="list-style-type: none"> Guidance documents for purchasing early learning and childcare services have been completed and were published on Scottish Government website on 29 April 2019. Work has begun on the first draft of procurement templates and terms & conditions which are to be provided to Scottish Government by September 2019.






	<ul style="list-style-type: none"> Continue to develop and deliver contract and supplier management (CSM) and key supplier management (KSM) programmes which monitor and enhance the performance of Scotland Excel contracts 		<ul style="list-style-type: none"> A revised approach to contract and supplier management has now been rolled out across the portfolio. Contracts are being managed within five classifications, with scores against key criteria providing additional guidance on the level of oversight required. Work is continuing with the CUIG steering group on the development of a key supplier management programme.
	<ul style="list-style-type: none"> Continue to identify opportunities to lead and/or participate in national cross-sector procurement opportunities and initiatives with partners in health, further and higher education, and central government 		<ul style="list-style-type: none"> Scotland Excel is continuing to engage with national procurement partners to identify opportunities for cross-sector initiatives, including an invitation to participate in the development of a key supplier management programme.
	<ul style="list-style-type: none"> Continue to inform and support national procurement policy in consultation with the local government procurement community 		<ul style="list-style-type: none"> Scotland Excel is continuing to provide regular reports to the Scottish Government to inform their decisions on Brexit preparations. Brexit planning has been undertaken with suppliers, and reports are being issued to councils every two weeks.
1.2 Deliver programmes which lead and develop professional, organisational and commercial capability	<ul style="list-style-type: none"> Complete the second cycle of Procurement & Commercial Improvement Programme (PCIP) assessments for all local authorities 		<ul style="list-style-type: none"> Procurement & Commercial Improvement Programme (PCIP) assessments have now been completed with 30 councils. The final two assessments will be completed by September 2019.
	<ul style="list-style-type: none"> Develop and deliver a targeted programme of sector-wide change projects based on development needs identified by the second cycle of PCIP assessments 		<ul style="list-style-type: none"> Three sector-wide change programmes are currently in progress for contract and supplier management, demand management and developing councils. Further projects will be considered following completion of the PCIP cycle.
	<ul style="list-style-type: none"> Continue to deliver the chargeable consultancy projects and transformation programmes for Fife Council, East Renfrewshire Council and the Tayside councils, and respond to any further requests for these types of services 		<ul style="list-style-type: none"> The transformation programme for Fife Council is continuing to meet milestones, with some projects reprofiled at the council's request to focus on savings. The Tayside transformation programme and the third phase of the East Renfrewshire Council consultancy project began in June. A consultancy proposal has been submitted to East Lothian Council.









	<ul style="list-style-type: none"> Continue to develop and deliver accredited work-based learning programmes through the Scotland Excel Academy 		<ul style="list-style-type: none"> The Academy currently has 206 learners across 14 procurement, leadership and management, and project management programmes. Qualifications range from Higher National Certificate (HNC) to degree level equivalents.
	<ul style="list-style-type: none"> Develop and deliver a programme of non-accredited practice workshops through the Scotland Excel Academy 		<ul style="list-style-type: none"> Scotland Excel delivered two practice workshops in Q1. A further 16 workshops have been scheduled to the end of the fiscal year, subject to demand.
	<ul style="list-style-type: none"> Continue to develop Scotland Excel Academy online resources to support learning programmes and create a community platform for sharing best practice 		<ul style="list-style-type: none"> Academy online resources are continually evolving as new programmes and cohorts are introduced. Content from events and practitioner workshops is shared with the wider procurement community.
1.3 Harness the potential of digital technology and data insight to support the delivery of public services	<ul style="list-style-type: none"> Continue to provide ICT procurement services for the Digital Office for Scottish Local Government, engaging proactively with stakeholders to accelerate a collaborative approach to the adoption of digital technologies 		<ul style="list-style-type: none"> The Scotland Excel and Digital Office partnership has now entered its third year, and a further scoping exercise has been completed to prioritise local government activity over the next 12 -18 months. The tender for a social work case management system is in the final stages, and ICT and social work professionals from councils will be involved in its evaluation. The framework is expected go live early in the new year.
	<ul style="list-style-type: none"> Continue to develop data analytic tools and resources to support the expansion of the contract portfolio and provide management information to the sector 		<ul style="list-style-type: none"> Requirements have been defined for the next phase of Scotland Excel's new spend data repository system which is expected to be completed by the end of Q3. Two further phases of development will be required to complete the system which will be implemented during 2020-21.
	<ul style="list-style-type: none"> Complete negotiations with providers on rates of return to enable implementation of the NCHC Cost Model © which supports the delivery of affordable and sustainable social care services 		<ul style="list-style-type: none"> Discussions to finalise the NCHC Cost Model are ongoing, with agreement on aspects such as commercial return still to be agreed. The model's benchmarking and assumptions were updated following a meeting with stakeholders in April.


	<ul style="list-style-type: none"> Continue to develop and share access to Indexation Modelling to track market influences on costs 		<ul style="list-style-type: none"> Scotland Excel is continuing to use Indexation Modelling across its contract portfolio, and will deliver workshops on the model as part of the Tayside transformation programme and East Renfrewshire Council consultancy project later in the year.
	<ul style="list-style-type: none"> Develop plans to roll out data analytic tools to staff across the organisation 		<ul style="list-style-type: none"> Power BI data analytics tools will be rolled out to staff once the development of data resources has been completed in 2020-21.
1.4 Use our insight and experience to shape policy and meet the challenges of future public service delivery	<ul style="list-style-type: none"> Continue to work with the Scottish Government, COSLA and other partners to support the development and/or delivery of national policy in social care 		<ul style="list-style-type: none"> Scotland Excel is working with the Scottish Government, COSLA and other social care partners as a member of the Leadership Alliance for the reform of adult social care. In May, Scotland Excel presented at a 'Contracting for Sustainability' event at the invitation of the Coalition of Care Providers in Scotland (CCPS).
	<ul style="list-style-type: none"> Continue to work with the Scottish Government and other partners to support the development and/or delivery of education policies such as early learning provision, pupil attainment funding, and food procurement for school meals 		<ul style="list-style-type: none"> Scotland Excel has been working with the Scottish Government and other public sector colleagues to identify and mitigate any Brexit risks relating to food supply. Scotland Excel has also been helping councils respond to the increase in early learning provision, resulting in a higher spend on food and education frameworks.
	<ul style="list-style-type: none"> Continue to work with the Scottish Government, Association of Local Authority Chief Housing Officers (ALACHO) and other partners to support the development and/or delivery of national policy in affordable housing 		<ul style="list-style-type: none"> Scotland Excel is working with the Scottish Government, Scottish Federation of Housing Associations (SFHA) and West of Scotland Housing Association to agree options for embedding procurement policy within the affordable housing sector.
	<ul style="list-style-type: none"> Continue to work with the Scottish Government, Zero Waste Scotland and other partners to support the development and/or delivery of national environmental policy 		<ul style="list-style-type: none"> Scotland Excel is continuing to engage with Zero Waste Scotland on environmental issues across the procurement portfolio. Adrian Bond, the Programme Manager for Recycling at Zero Waste Scotland, presented at the Scotland Excel Annual Conference in April 2019.

	<ul style="list-style-type: none"> • Develop and deliver a calendar of communications activities which promotes our knowledge and experience in support of our policy and public affairs goals 		<ul style="list-style-type: none"> • Discussions are taking place with the Scottish Government on opportunities for the Cabinet Secretary for Finance, Economy & Fair Work to raise the profile of Scotland Excel's work with housing associations. A round table event in conjunction with Holyrood magazine is also in development to promote Scotland Excel's efforts to support the sustainable future delivery of social care services.
	<ul style="list-style-type: none"> • Explore the feasibility of becoming a Scottish Credit & Qualifications Framework (SCQF) Credit Rating Body to support the expansion of the Scotland Excel Academy and position it as a future provider of Graduate Apprenticeships 		<ul style="list-style-type: none"> • Following meetings with the Scottish Credit & Qualifications Framework (SCQF) Partnership, the Scotland Excel Academy team are now working on a proposal to become a credit rating body.





Goal 2: Being sustainable in everything we do








Strategic Objective	Commitment	RAG status	Progress summary
2.1 Deliver positive and measurable social value through our contracts and services	<ul style="list-style-type: none"> Continue to monitor the proportion of Scotland Excel suppliers paying their staff the Scottish Living Wage and identify any opportunities to increase this 		<ul style="list-style-type: none"> Information is captured in all tenders and monitored as part of on-going contract management. Around 80% of Scotland Excel's suppliers have confirmed payment of the Scottish Living Wage.
	<ul style="list-style-type: none"> Continue to embed community benefit models which enable councils to achieve direct benefits for their areas 		<ul style="list-style-type: none"> Community benefits reporting for the 2018-19 financial year was completed and submitted to the Joint Committee in June. A sector-wide community benefits forum is scheduled for August 2019, and around 15 councils are planning to attend.
	<ul style="list-style-type: none"> Continue to support opportunities for disabled/disadvantaged workers through community benefits and/or the participation of supported businesses and the third sector within our supply chain 		<ul style="list-style-type: none"> A requirement for contractors to work with supported businesses and/or social enterprises has been embedded within the new build residential housing tender. Scotland Excel is engaging with Partnership for Procurement (P4P), an organisation which supports third sector participation in public procurement, to discuss options for delivering against this requirement. Work to develop a strategy for engaging with supported businesses and third sector organisations will begin in Q2.
2.2 Deliver positive and measurable local economic impact through SME and third sector participation in our contracts	<ul style="list-style-type: none"> Continue to work with the Supplier Development Programme (SDP) to raise awareness of public procurement opportunities and encourage participation among Scottish SMEs 		<ul style="list-style-type: none"> Scotland Excel delivered a webinar for Scottish SMEs on behalf of the Supplier Development Programme (SDP) during Q1.
	<ul style="list-style-type: none"> Continue to increase direct and supply chain opportunities for Scottish SMEs and contractors within Scotland Excel contracts, particularly within the construction portfolio 		<ul style="list-style-type: none"> Opportunities to encourage Scottish SMEs participation continue to be considered during strategy development for all contracts. The forthcoming new build residential framework includes a requirement for suppliers to advertise all sub-contracting opportunities through the Public Contracts Scotland portal.



	<ul style="list-style-type: none"> Continue to encourage housing associations to consider the local economic impact they can deliver through the use of Scotland Excel contracts 		<ul style="list-style-type: none"> Housing associations which become associate members of Scotland Excel are being encouraged to use Scotland Excel contracts to access community benefits for their area.
2.3 Deliver positive and measurable environmental benefits through our contracts	<ul style="list-style-type: none"> Continue to encourage suppliers to Scotland Excel contracts to consider opportunities to increase recycling of their products and packaging and/or reduce their carbon footprint 		<ul style="list-style-type: none"> All Scotland Excel tender documents incorporate appropriate environmental considerations including, where appropriate, the weighting and scoring of emissions.
	<ul style="list-style-type: none"> Continue to consider 'whole life' costing within tender evaluations 		<ul style="list-style-type: none"> All Scotland Excel tender documents include appropriate cost evaluation to ensure that overall value is assessed.
	<ul style="list-style-type: none"> Develop plans for assessing and mitigating the environmental impact of Scotland Excel's activities 		<ul style="list-style-type: none"> Scotland Excel has introduced environmentally friendly office practices across the organisation including recycling and agile working.
2.4 Lead and develop sustainable procurement knowledge and practice	<ul style="list-style-type: none"> Produce an annual report on 2018-19 procurement activity in line with the requirements of the Procurement Reform (Scotland) Act 2014 		<ul style="list-style-type: none"> An Annual Procurement Report for 2018-19 has been published in line with the requirements of the Procurement Reform (Scotland) Act 2014.
	<ul style="list-style-type: none"> Monitor the progress and publication of annual procurement reports within the local government sector, providing support and guidance to councils as required 		<ul style="list-style-type: none"> Scotland Excel has distributed Scottish Government updates and best practice guidance to councils to support their completion of their Annual Procurement Report.
	<ul style="list-style-type: none"> Continue to work with national partners on the development of sustainable procurement guidance and tools 		<ul style="list-style-type: none"> Scotland Excel continues to engage with national partners through the Scottish Government's Best Practice Working Group. Current focus is on developing practical, proportional guidance on sustainable procurement.
	<ul style="list-style-type: none"> Continue to develop opportunities to increase the local government sector's sustainable procurement knowledge and capability through the Scotland Excel Academy 		<ul style="list-style-type: none"> Sustainable procurement principles and practices are embedded throughout the Chartered Institute of Procurement & Supply (CIPS) accredited programmes offered by the Scotland Excel Academy, and are incorporated into procurement practitioner workshops. Sustainable procurement was also a key theme at this year's Scotland Excel Annual Conference which took place in April 2019.

	<ul style="list-style-type: none"> • Develop and implement plans to promote sustainable procurement to elected members and senior officers to support a 'whole organisation' approach 		<ul style="list-style-type: none"> • Plans to promote sustainable procurement to elected members and senior officers will form part of senior stakeholder engagement plans which will be developed in Q4. In the meantime, senior officers and elected members are being invited to Scotland Excel conferences and events which include presentations on sustainable procurement.
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Goal 3: Placing people at the heart of our business






Strategic Objective	Commitment	RAG status	Progress summary
3.1 Ensure our customers continue to receive maximum value from our services	<ul style="list-style-type: none"> Continue to develop Scotland Excel's account management services to ensure they deliver value to local authority procurement teams and support a positive customer experience for councils 		<ul style="list-style-type: none"> Scotland Excel has restructured its account management function to integrate the project management team. Staff now have a dual project and account management role and provide a wide range of support to council procurement teams including quarterly business reviews, change projects, PCIP assessments and workshops.
	<ul style="list-style-type: none"> Continue to explore further opportunities to use digital technologies to engage with and/or provide online 'self-service' to customers, incorporating the findings into Scotland Excel's ICT strategy and roadmap 		<ul style="list-style-type: none"> Scotland Excel has developed two new interactive business intelligence reports for nominated council staff. The reports enable users to quickly and easily view their participation in Scotland Excel's contract portfolio along with estimated contract spend and savings, and the ability to drill down to supplier level detail. Data in the reports can be exported to allow users to undertake their own analysis.
	<ul style="list-style-type: none"> Explore the feasibility of providing additional services requested by customers, incorporating the findings into future operational plans 		<ul style="list-style-type: none"> Scotland Excel will begin to identify and evaluate opportunities for new services from Q2. Customer feedback will be used to inform opportunities, and an internal innovation forum is being established to support the development of new services.
	<ul style="list-style-type: none"> Embed the outputs of Scotland Excel's stakeholder engagement project into all engagement plans and activities, ensuring that these reflect the organisation's expanding customer base 		<ul style="list-style-type: none"> Work to expand and refresh customer and stakeholder mapping and engagement plans across the organisation commenced in Q1. The mapping exercise is expected to be completed in July, and the outputs will be reviewed to inform the development of stakeholder plans later in the year.



3.2 Engage stakeholders in the delivery of effective local solutions	<ul style="list-style-type: none"> Continue to incorporate community engagement, where appropriate, into the development of procurement strategies 		<ul style="list-style-type: none"> Scotland Excel's sustainable procurement strategy is being updated with an enhanced focus on community engagement. Opportunities for stakeholder participation, including wider community engagement, are considered within all procurement strategies.
	<ul style="list-style-type: none"> Continue to engage directly with service users, where appropriate, to ensure their needs are considered within service design 		<ul style="list-style-type: none"> In May 2019, Scotland Excel held tasting sessions for older people to incorporate their views into the evaluation of the community meals tender.
	<ul style="list-style-type: none"> Continue to work with educational partners and/or suppliers to promote the benefits of procurement to pupils 		<ul style="list-style-type: none"> Scotland Excel is continuing to work with educational charity, Founders4Schools, and attended three educational events to encourage young people into procurement careers during Q1.
3.3 Represent the collective views of stakeholders at a national level	<ul style="list-style-type: none"> Review Scotland Excel's representation activities to ensure that these are targeted where they can have the greatest impact 		<ul style="list-style-type: none"> A review of Scotland Excel's engagement with the wider public sector landscape will take place in July 2019 as part of the stakeholder mapping exercise.
	<ul style="list-style-type: none"> Establish a model for undertaking representation activities, including a clear feedback loop for customers and/or communities 		<ul style="list-style-type: none"> The model will be developed on completion of the review of national engagement activity. Outputs will be discussed with key stakeholders including the Scottish Local Government Procurement Forum (SLGPF).
	<ul style="list-style-type: none"> Continue to build on relationships with the Convention of Scottish Local Authorities (COSLA) and/or elected members to represent customers and communities in appropriate policy and political matters 		<ul style="list-style-type: none"> Scotland Excel is continuing to meet regularly with COSLA at a strategic and operational level, particularly in relation to social care. The findings of the stakeholder mapping exercise will be used to ensure that relationships are in place with COSLA across all relevant areas.
3.4 Implement policies which develop, empower, value and engage our workforce	<ul style="list-style-type: none"> Refresh Scotland Excel's organisational development strategy to incorporate feedback from Investors in People, involving staff in the development of plans, policies and initiatives where appropriate 		<ul style="list-style-type: none"> Scotland Excel will begin a refresh of its organisational development strategy in Q3. The strategy will be informed by the recent Investors in People report and will incorporate working groups for staff development and innovation.






	<ul style="list-style-type: none"> • Develop and implement talent management initiatives to inspire and develop staff, increase Scotland Excel's capability, and support succession planning 		<ul style="list-style-type: none"> • A working group has been established to enhance Scotland Excel's approach to staff development. The group's first task is to integrate the national procurement competency and development framework into the organisation's performance review and development (PRD) activities. Implementation of this framework will support staff development, workforce planning , organisational development, succession planning and wider talent management.
	<ul style="list-style-type: none"> • Complete and embed plans for agile working to create a productive working environment that benefits staff, Scotland Excel, and customers 		<ul style="list-style-type: none"> • Scotland Excel now supports a fully agile workforce where employees can work remotely, with full access to email and files. Hot desking is also now available within the Scotland Excel offices in Paisley, allowing remote workers to base themselves there as required.

Goal 4: Delivering sustainable and scalable growth

Strategic Objective	Commitment	RAG status	Progress summary
4.1 Implement a new governance model which supports scalable business growth	<ul style="list-style-type: none"> Continue to implement appropriate funding models to support the delivery of new and existing services, monitoring income and providing regular reports to the joint committee 		<ul style="list-style-type: none"> Income is being accrued through Academy programmes, consultancy revenue and associate membership fees. The new build residential housing framework is expected to accrue income from 2020-21, and all new frameworks are now being reviewed for rebate potential. An income board has been established, and meets on a monthly basis to monitor revenue against targets.
4.2 Continue to maintain a robust business infrastructure to support our growth ambitions	<ul style="list-style-type: none"> Continue to monitor Scotland Excel's business infrastructure to ensure it can support the organisation's growth ambitions, developing plans for continuous improvement and to address any gaps in capacity and/or capability 		<ul style="list-style-type: none"> Work is underway on a refresh of Scotland Excel's ICT strategy. A refresh of the organisational development strategy is due to begin in Q3.
	<ul style="list-style-type: none"> Develop a risk model for evaluating new business opportunities to assess their impact on internal resources and/or existing customers 		<ul style="list-style-type: none"> Work to develop a new business evaluation model will begin in Q2. In the meantime, Scotland Excel is continuing to ensure that a sufficient level of commitment is secured for consultancy projects before detailed proposals are developed.
	<ul style="list-style-type: none"> Continue to implement technology solutions which increase efficiency, support agile working and offer scalability for business growth 		<ul style="list-style-type: none"> Significant work is currently being undertaken to assess and strengthen the organisation's cyber resilience. The ICT team are also working on a number of business apps which increase staff communication and/or efficiency.
4.3 Use our knowledge and insight to identify new services and/or sectors which provide growth opportunities	<ul style="list-style-type: none"> Review collaborative procurement and leading change solutions available in other public sector markets to identify potential business opportunities, reporting on the findings to inform future operational plans 		<ul style="list-style-type: none"> Scotland Excel is currently evaluating new growth opportunities through regular horizon scanning meetings and will undertake a competitive review of the markets for existing and potential new services during Q4.

	<ul style="list-style-type: none"> Continue to deliver procurement support to housing associations and implement plans to market additional services to this sector 		<ul style="list-style-type: none"> Scotland Excel is continuing to provide procurement support to housing associations on request. Discussions are underway with the Scottish Government on a second round of funding to support a further programme of work for the housing sector.
	<ul style="list-style-type: none"> Continue to develop and market Scotland Excel's associate membership programme to maximise its commercial potential for the organisation and the benefits it provides to members 		<ul style="list-style-type: none"> Two new associate members joined Scotland Excel in Q1, generating £2,730 in annual membership fees. Associate member income is also being generated through chargeable projects. A procurement project for Bikeability Scotland was concluded in June 2019 with the award of a dynamic purchasing system for training providers, and a similar project is ongoing for City Property.
	<ul style="list-style-type: none"> Continue to market Scotland Excel through traditional and social media, targeted communications activity and political engagement to support new business opportunities 		<ul style="list-style-type: none"> Scotland Excel has implemented a comprehensive marketing campaign to promote Academy courses which generated significant awareness and engagement from the target audience. An extensive marketing plan has been developed to promote the new build residential framework which will be implemented from Q2.
	<ul style="list-style-type: none"> Continue to identify opportunities arising for staff development through new business opportunities, fostering an understanding of commercial and entrepreneurial approaches across the organisation 		<ul style="list-style-type: none"> A number of staff are working on external consultancy projects as full-time team members while others are providing support for projects in specific areas.
4.4 Explore opportunities to work with partners on the development and delivery of new business opportunities	<ul style="list-style-type: none"> Continue to explore opportunities to work in partnership with other public sector bodies to increase internal efficiency and/or improve service delivery for customers, reporting on the findings to inform future operational plans 		<ul style="list-style-type: none"> Scotland Excel is continuing to work with the Improvement Service on the delivery of Academy programmes. Opportunities to work in partnership with other public sector organisations will be considered as part of the current stakeholder mapping exercise.

	<ul style="list-style-type: none"> Continue to manage Scotland Excel's partnership with Crown Commercial Services (CCS) to ensure it is delivering against customer expectations, and explore opportunities to extend this partnership 		<ul style="list-style-type: none"> Scotland Excel and Crown Commercial Service presented at Scottish Greenfleet events in Edinburgh and Aberdeen during Q1, and will present at a third event in Glasgow in August 2019. These events focus on the rapidly evolving Ultra Low Emission Vehicle (ULEV) and electric vehicle landscape.
	<ul style="list-style-type: none"> Continue to provide procurement support to SEEMiS in line with the partnership agreement 		<ul style="list-style-type: none"> Scotland Excel has supported SEEMiS with the procurement of a development partner for a management information system which supports the expansion of early learning and childcare. Further procurement activity in support of the Next Generation management information system for schools is expected once funding has been confirmed.

Report Key	
	Project not yet started
	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 is progressing in line with expected/agreed timelines and results
	Project completed

Key Performance Indicators

Outcomes	Key Performance Indicators	Q1 Status
Our services shape the effective and efficient delivery of public services	<ul style="list-style-type: none"> Number of contracts delivered v plan¹ Value of contract portfolio v target 	<ul style="list-style-type: none"> 4 of 38 contracts delivered £1.47bn against £1.9bn target
Our expertise leads continuous improvement in commercial performance	<ul style="list-style-type: none"> Number of PCIP assessments delivered v plan Number of Scotland Excel Academy courses v plan² 	<ul style="list-style-type: none"> 5 of 7 assessments delivered 27 of 88 courses delivered
Our services facilitate the delivery of national and local policy priorities	<ul style="list-style-type: none"> Tonnes of waste diverted from landfill through Scotland Excel contracts Number of Scottish suppliers & percentage SMEs 	<ul style="list-style-type: none"> 86,277 tonnes (Apr-Jun 2019) 531 Scottish suppliers of which 79% are SMEs
Our services enable positive and sustainable outcomes for people and communities	<ul style="list-style-type: none"> Number of community benefits realised to date Number of Scottish suppliers & percentage SMEs 	<ul style="list-style-type: none"> 629 jobs 254 apprenticeships 165 work placements 61,313 hours work experience 5,761 hours volunteering/mentoring £902k value of other initiatives
Our insight and knowledge underpins innovative solutions for our customers	<ul style="list-style-type: none"> Number of business change initiatives delivered v plan 	<ul style="list-style-type: none"> 3 of 6 initiatives in progress
Our activities are recognised as leading the way in public procurement	<ul style="list-style-type: none"> Media coverage v target Number of speaking engagements v target 	<ul style="list-style-type: none"> 9 of 60 media items published 6 of 20 speaking engagements
Our customers receive a measurable return on investment through savings	<ul style="list-style-type: none"> Percentage savings achieved across the portfolio v target³ Savings achieved in the last quarter 	<ul style="list-style-type: none"> 3.75% against 2.5% savings target £2.8m (Apr-Jun 2019)
Our customers are satisfied with our services and how we deliver them	<ul style="list-style-type: none"> Customer satisfaction scores v target⁴ 	<ul style="list-style-type: none"> 80% of respondents

Report issued: November 2019

¹ Contracts developed, renewed or extended

² Programmes, workshops and masterclasses

³ Average savings during the strategy period (2018-23) excluding social care contracts

⁴ Percentage of respondents reporting 'good' or 'very good' overall satisfaction in the most recent customer satisfaction survey (currently 2017)

Scotland Excel

To: Executive Sub-Committee

On: 22 November 2019

**Report
by
Director Scotland Excel**

Risk Register Update

1. Introduction

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

2. Background

The attached Risk Register was created in June 2018 when Scotland Excel carried out a full review of the organisation's Risk Register to reflect the new 5-year operating plan. It was agreed that the risk management plan would be reported to the Executive Sub Committee twice a year and the Joint Committee on an annual basis to give elected members visibility of the risks, and actions taken by the organisation to manage and mitigate these risks.

In response to a request made following the Exec Sub Committee in June 2019, Scotland Excel met with Laura Heggie (Head of Compliance) with Glasgow City Council to review risk management practice and committee reporting across both organisations.

Following this meeting, the risk register template used by Scotland Excel was adjusted to better reflect that used by Glasgow City Council. The revised template which is now in use can be seen at Appendix 2 of this document.

In addition to a revised risk register template, discussion also took place in relation to organisational reporting of risk to committees during which elements of best practice were shared resulting in the additional information provided within this report at Appendix 1.

3. Risk Management update

The risk register is maintained and continues to be a focus for the organisation; a process for regular review is in place including Senior Management Team meetings held quarterly to review, revise and update the register.

Currently there are 9 risks identified ranging in assessed residual risk score from 6 to 20. A summary of key statistics in relation to each identified risk is shown in appendix 1 to this report.

Brexit uncertainty has been a continuing theme throughout the year in relation to risk management. This uncertainty is reflected in the upwards trend showing against risk SXL001 - Organisational Sustainability; risk SXL002 - Managing Growth and Diversity; risk SXL003, which relates directly to Political Change and risk SXL005 concerning Supplier Failure.

Other factors taken into consideration when reviewing the risk register over the year included recruitment challenges within the procurement sector, continuing financial uncertainty across local government, the growing importance of Corporate Social Responsibility across our partners and suppliers and a similar growth in Environmental Awareness not only in relation to our partners and suppliers but also across society as a whole.

Another key factor taken into consideration when reviewing the risk register is the continuing growth of Scotland Excel as an organisation and the potential for increased risk in relation to this growth. Examples include monitoring an increasing number of suppliers engaged in a growing portfolio of frameworks; wider product ranges across which to manage organisational reputation, and the increasing number and scope of projects being delivered by Scotland Excel.

Following quarterly review of these and other factors, the Scotland Excel Risk Register as at 31st October 2019 is shown in appendix 2.

4. Recommendation

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

Appendix 1

Table 1 summarises risks identified within the Scotland Excel Risk Register and details the allocated residual risk score as at 31st October 2019.

The residual risk score represents the assessed risk score taking into consideration all risk controls and mitigations in place in relation to that specific risk.

Table 1

Risk Ref.	Risk Title	Risk Score 31/10/19
SXL001-19/20	Organisational Sustainability	12
SXL002-19/20	Managing Growth and Diversity	12
SXL003-19/20	Political Change	16
SXL004-19/20	Reputational Risk	8
SXL005-19/20	Supplier Failure	20
SXL006-19/20	Staff Recruitment and Retention	9
SXL007-19/20	Corporate Social Responsibility	6
SXL008-19/20	Risk of Not Performing/Delivering	8
SXL009-19/20	Environmental Impact	6

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

Table 2











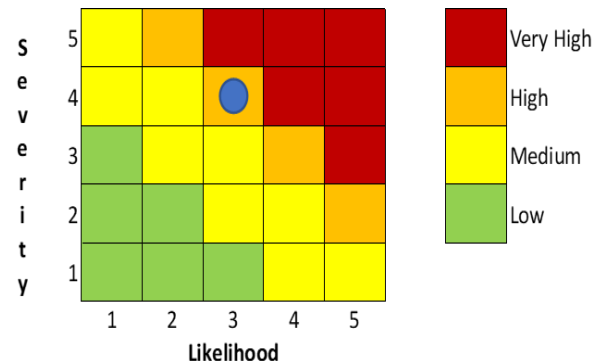
Risk Ref.	Q1	Q2	Q3	Q4	Trend
SXL001-19/20	8	8	12	12	
Growth in framework portfolio and value					
SXL002-19/20	8	12	12	12	
Challenges in relation to Business Development resource					
SXL003-19/20	12	12	12	16	
Residual risk maintained and increased due to Brexit uncertainty					
SXL004-19/20	8	8	8	8	
No change in risk score over the period					
SXL005-19/20	16	20	20	20	
Risk increase due to Care Home financial collapse					
SXL006-19/20	9	9	9	9	
Recruitment and Retention challenges across the sector					
SXL007-19/20	8	8	8	8	
No change in risk score over the period					
SXL008-19/20	12	12	12	12	
No change in risk score over the period					
SXL009-19/20	n/a	n/a	n/a	6	
					New Risk Added Oct '19


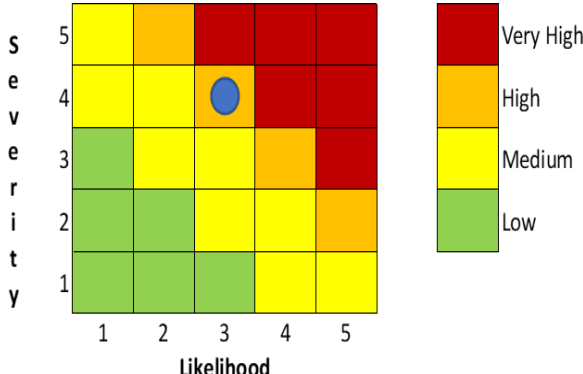
Diagram 1 below shows the Scotland Excel Risk Matrix detailing all identified risk and their relative position on the matrix.


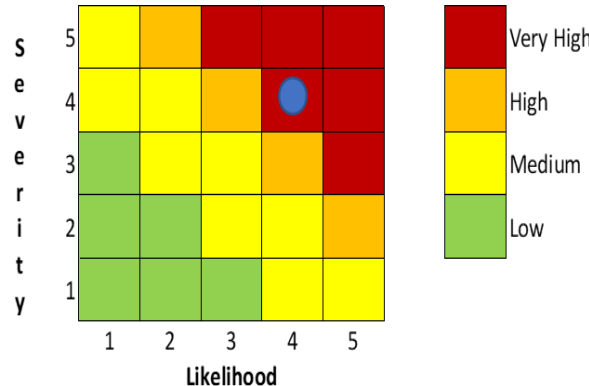
Diagram 1


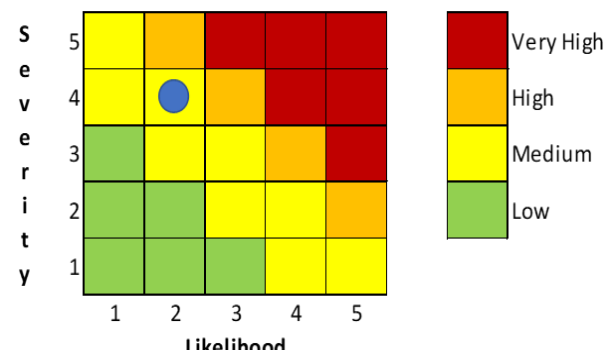
Severity	5				SXL005	
	4		SXL004 SXL008	SXL001 SXL002	SXL003	
	3		SXL007 SXL009	SXL006		
	2					
	1					
		1	2	3	4	5
		Likelihood				


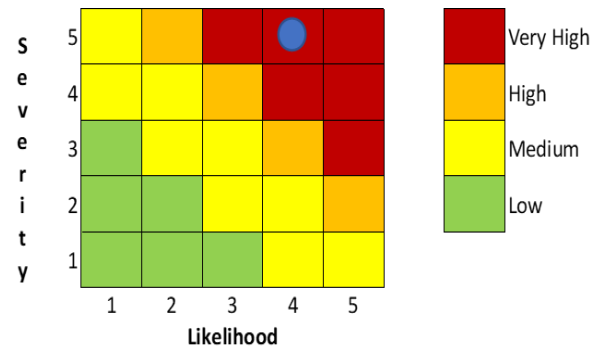
Appendix 2: - Scotland Excel Risk Register (October 2019)


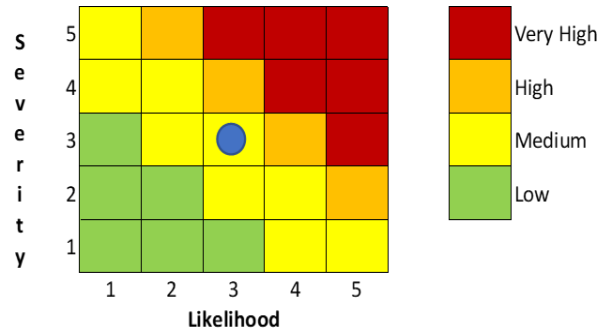
Reference:		SXL001-19/20		Organisational Sustainability					
Context		Risk Statement	Risk Owner	Current Risk Controls	Risk Score				
					Likelihood	Impact	Evaluation	Trend	Residual
<p>Potential for local government organisations withdrawing support.</p> <p>Requirement to attract additional resources.</p> <p>Council budget cuts impacting upon use of services provided.</p>		Membership of Scotland Excel is optional for all stakeholders and Scotland Excel must be alert to this and the impact of Councils or Associate Members resigning their membership.	JW	<p>Continuing focus on added Core Value delivered for all member councils.</p> <p>On-going development of projects offering new services and increasing benefits to stakeholders.</p> <p>Identification of new opportunities to provide additional chargeable services based on customer demand.</p> <p>Ongoing robust market testing of all new shared service propositions.</p> <p>Ongoing robust business model is in place for all new services (cost to serve, funding/uptake forecasts).</p> <p>Regular engagement with Chief Execs, Finance Directors, Corporate Procurement Leads and Elected Members demonstrating the value added by Scotland Excel</p>	3	4	12		12
									
Risk Register Review Updates									
Date	05/02/19	New risk control measure added around engagement. Evaluation and residual impact remain static (Likelihood 2/ Impact 4 for residual risk)							
	07/05/19	No changes							
	06/08/19	Linked Action added - New Stakeholder Mapping Exercise to be carried out; Risk score revised to 3 likelihood, 4 Severity							
	28/10/19	New linked action added re engagement exercise; Risk scores to be maintained at current levels							
Linked Actions									
Description				Assigned To:		Due Date	Status	Notes	
Stakeholder Mapping Exercise to be carried out				MR		31/12/19	On-going	Complete pending review by SMT	
Continuing Customer Engagement exercise with key partners				JW		31/12/19	On-going	Engagement plan in development	


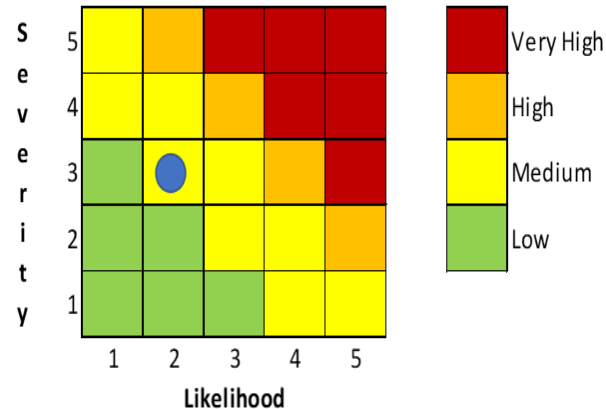
Reference: SXL002-19/20		Managing Growth and Diversity						
Context	Risk Statement	Risk Owner	Current Risk Controls	Risk Score				
Failure to identify and manage emerging opportunities Inability to evolve service offering in a changing landscape	There is a risk to the long-term future of the organisation if it fails to grow the portfolio of services offered to members	SB	Regular Horizon Scanning meetings help to identify market development opportunities and give the organisation time to plan for capability and capacity. OD strategy and workforce planning tools used to ensure that Scotland Excel has the right caliber of staff to deliver and grow a quality service offering. New project opportunities have been won across a number of councils and other public sector bodies. Employment of additional temporary marketing resource to ensure key projects/initiatives are adequately promoted.	Likelihood	Impact	Evaluation	Trend	Residual
				3	4	12		12
								
Risk Register Review Updates								
Date	05/02/19	Linked actions added - Evaluation and residual impact remain static (Likelihood 2/ Impact 4 for residual risk) Residual risk reduced from 12 to 8						
	07/05/19	Residual risk increased to 12 as a result of challenges around recruiting and retaining Business Development Resource (likelihood to 3)						
	06/08/19	Acknowledgement that time is moving quickly; addition of mitigating action – recruitment of additional temp marketing resource						
	28/10/19	New linked actions added relating to Business Development and General Procurement Services – No change to Risk scores						
Linked Actions								
Description			Assigned To:	Due Date	Status	Notes		
Innovation management process being developed.			IMN	31/03/21	On-going	Being led by SXL Academy		
Review of market competitors to be refreshed.			HC	31/03/20	On-going			
Review of Business Development Strategy			SB	31/03/20	On-going	Considering recruitment challenges		
Provision of General Procurement Services for Key Partner			HC	31/03/20	On-going	Emerging service delivery option being trialed		


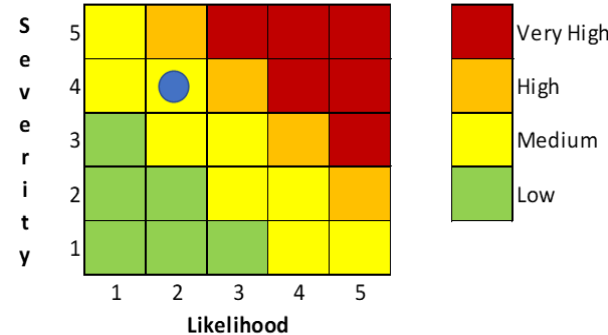
Reference: SXL003-19/20		Political Change						
Context	Risk Statement	Risk Owner	Current Risk Controls	Risk Score				
				Likelihood	Impact	Evaluation	Trend	Residual
Legislative changes impact upon the organisation and how it must operate. Political uncertainty created by, for example, Brexit create unknown challenges	Political change at local, national, UK and international levels which Scotland Excel must be aware of in order to respond to, and maintain services to stakeholders	JW	An effective and properly resourced public affairs strategy is in place. Through effective research, engagement, partnership working and briefings – for example Brexit white paper - this ensures that the organisation is aware of and able to respond to challenges and opportunities in the external environment. Active participation by the organisation in various groups and boards influencing policy and “direction of travel”.	4	4	16		16
								
Risk Register Review Updates								
Date	05/02/19	Residual risk increased to 12 due to Brexit uncertainty						
	07/05/19	No Change						
	06/08/19	Continuing uncertainty on “No Deal Brexit”; linked action added to revisit SXL White Paper on Brexit Impact; score change to 4 x 4						
	28/10/19	Due to continuing uncertainty around Brexit and the possibility of an election causing governance challenges, linked action added, score maintained						
Linked Actions								
Description			Assigned To:	Due Date	Status	Notes		
Carry out review of SXL White Paper on Brexit			HC	31/12/19	On-going			
Proposed General Election – Review Governance Challenges			JW	31/12/19	Complete	Governance committees unaffected by election		


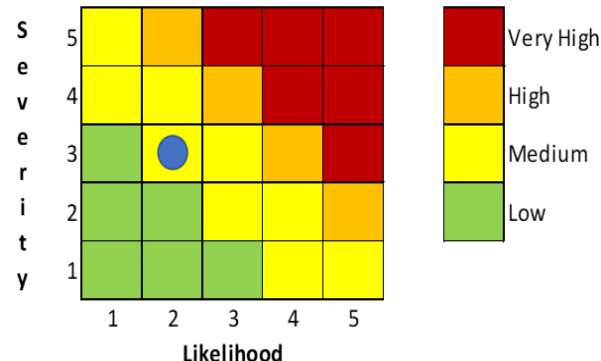
Reference:		SXL004-19/20		Reputational Risk					
Context		Risk Statement	Risk Owner	Current Risk Controls	Risk Score				
					Likelihood	Impact	Evaluation	Trend	Residual
Negative publicity or media coverage affects the organisation and impacts stakeholders. Negative media reports relating to a framework or service provider.		Scotland Excel is faced with negative publicity or a media crisis through a service issue or failure that compromises the organisation’s stakeholders	JW	Colleagues advise communications team of any potential issues to enable effective planning for “negative” media interest. Pro-active monitoring of press coverage carried out by marketing team and wider organisation. Pro-active and robust engagement with press organisations to ensure positive relationships and coverage.	3	4	12		8
									
Risk Register Review Updates									
Date	05/02/19	1 new Linked Action added around media training.							
	07/05/19	No Change							
	06/08/19	Discussed heightened risk due to increasing portfolio size. To be reviewed at October meeting.							
	28/10/19	Linked action added relating to Brexit uncertainty – risk scores are maintained							
Linked Actions									
Description				Assigned To:	Due Date	Status	Notes		
Media Training Refresher to be arranged for SMT				MR	31/12/19	Complete	Delivered to SMT 20/11/19		
Carry out review of SXL White Paper on Brexit				HC	31/12/19	On-going			

Reference: SXL005-19/20		Supplier Failure						
Context	Risk Statement	Risk Owner	Current Risk Controls	Risk Score				
				Likelihood	Impact	Evaluation	Trend	Residual
<p>Financial (and other) factors impacting on resilience of suppliers.</p> <p>Negative reputational results across the portfolio from potential breach of contract and / or supplier failure.</p> <p>Focus required in areas which have a direct impact on delivery as a result of business failure.</p>	The failure of a service provider could have significant implications for service provision within member council areas.	HC	<p>Effective risk management is in place during development and management of contracts.</p> <p>Robust processes for monitoring the financial stability of suppliers is carried out prior to award and throughout the life of a contract, utilising external advice as required.</p> <p>Specific measures are in place to meet the management of Social Care contracts and these key areas of risk.</p> <p>Scotland Excel has a range of measures for monitoring supplier resilience in addition to the external financial monitoring tools used.</p> <p>A new tailored approach to financial risk for high risk contracts has been implemented</p> <p>“Step-in Right” within relevant and appropriate contracts maintained</p>	4	5	20		20
								
Risk Register Review Updates								
Date	05/02/19	2 new linked actions added to source additional support for forensic accounting, and review ‘Step-in Right’ terms within relevant contracts.						
	07/05/19	1 new risk control measure added around monitoring financial risks in care. Residual risk increased to 20 as a result of care home financial sustainability risks considering Four Seasons position						
	06/08/19	No Change						
	28/10/19	Linked action added in relation to Market Analysis – risk scored maintained						
Linked Actions								
Description			Assigned To:	Due Date	Status	Notes		
Review “Step-in Right” within relevant and appropriate projects			HC	30/06/19	Complete	Added to Current Controls.		
Develop robust Market Analysis Strategy across procurement categories			HC	31/03/2020	On-going			

Reference: SXL006-19/20		Staff Recruitment and Retention						
Context	Risk Statement	Risk Owner	Current Risk Controls	Risk Score				
				Likelihood	Impact	Evaluation	Trend	Residual
Demand in the market for staff makes recruiting and retaining staff problematic.	Scotland Excel encounters problems in recruiting and retaining staff of suitable skill, quality and experience to deliver the operating plan	SB	Recruitment processes reviewed and updated. PRD process reviewed and updated in consultation with the Scotland Excel staff. Successful recruitment campaigns including events to be replicated. Retention measures improved including secondment opportunities and projects to enrich roles. Enhanced organisational reputation through events, partnerships and marketing. Retain Investors in People accreditation	3	3	9		9
								
Risk Register Review Updates								
Date	05/02/19	2 new linked actions added – a review of the exit interview process, and a need to better monitor staff turnover figures. Residual risk increases from 6 to 9 in light of retention challenges throughout the sector.						
	07/05/19	New risk linked action added – a review of job specs and person profiles. Work underway to implement actions from Investors in People process						
	06/08/19	No Change						
	28/10/19	Linked actions added in relation to Investors in People and Organisational credibility beyond procurement – No change to risk score						
Linked Actions								
Description			Assigned To:	Due Date	Status	Notes		
Exit interview process to be reviewed and issues escalated			LC	31/03/2020	On-going	Collection and reporting process development		
Staff turnover figures to be collated and monitored			LC	31/03/2020	On-going	Will be presented to SMT by March 2020		
Review of job specs and person profiles to be completed			LC	31/03/2020	On-going	Reviewed in conjunction with PRD process		
Increase Investors in People grade from Silver to Gold			JW	31/03/2021	On-going	Work is continuing with Staff Engagement Group		
Build credibility beyond procurement professionals to cover other areas including the Academy.			IMN	31/03/2020	On-going	Being led by SXL Academy		

Reference:	SXL007-19/20	Corporate Social Responsibility							
Context		Risk Statement	Risk Owner	Current Risk Controls	Risk Score				
					Likelihood	Impact	Evaluation	Trend	Residual
Ensure that, where possible, community benefits are delivered as part of the contract portfolio. Ethical sourcing of products and supplies in the whole supply chain.		Scotland Excel may not be seen as an industry leader in how it addresses key aspects of corporate social responsibility with an associated negative impact upon our reputation and stakeholder perceptions.	HC	Management and Reporting of Community Benefits has been developed and embedded. Community benefit requirements issued to suppliers at tender stage. Active promotion of community benefits in delivered through our contracts. Living Wage Employer accreditation secured, used to raise awareness with stakeholders. Workforce matters and living wage considerations are built in at strategy stage. Ethical sourcing strategies provided by suppliers as part of the tender process. Co-ordination of Community Benefits Forum for partner local authorities Staff have become mentors for children in schools under MCR Pathways Partnership with Founders 4 Schools supporting CV writing, mock interviews etc.	2	4	8		6
									
Risk Register Review Updates									
Date	05/02/19	No Change							
	07/05/19	Two new control measures added – work with MCR pathways and Founders 4 Schools							
	06/08/19	No Change							
	28/10/19	Addition of Community Benefits Forum risk control and “Fair Work First” linked action – No change to risk score.							
Linked Actions									
Description				Assigned To:	Due Date	Status	Notes		
Carry out review of how “Fair Work First” initiative can be incorporated into Scotland Excel frameworks				BM	31/03/2020	On-going	Being led by the Procurement Development Team		

Reference: SXL008-19/20		Risk of Not Performing/Delivering							
Context		Risk Statement	Risk Owner	Current Risk Controls	Risk Score				
					Likelihood	Impact	Evaluation	Trend	Residual
<p>Failure to deliver in line with member council expectation.</p> <p>System failures impact on the ability of the organisation to deliver services.</p> <p>Increasing member expectations as financial challenges increase</p>		Scotland Excel fails to perform in line with customer expectations.	SB	<p>Approved 5 years strategy and one-year operating plan in place.</p> <p>A range of KPIs currently exist at contract and organisational level. These are regularly reviewed.</p> <p>Regular operating plan updates to Executive subcommittee to ensure robust governance.</p> <p>Regular financial period review and reporting across core and projects.</p> <p>Business continuity approach ensures that the organisation and its systems can operate effectively remotely</p> <p>Scotland Excel are providing new and improved services to member councils on an ongoing basis.</p>	3	4	12		8
									
Risk Register Review Updates									
Date	05/02/19	New risk control measure included to recognise new and improved services offered to member councils. Residual risk remains static at 8 (likelihood 2/ Impact 4)							
	07/05/19	New linked action added – review of SXL infographic							
	06/08/19	No Changes							
	28/10/19	Linked actions added - Cyber Security, Stakeholder Mapping, Customer Engagement – No change to risk score							
Linked Actions									
Description				Assigned To:	Due Date	Status	Notes		
Review of Member Infographic				SB/HC	31/03/20	On-going	Project team in place		
Carry Out Cyber Security Review and Training for all staff				SB	31/12/19	On-going	All staff trained by 30 November '19		
Stakeholder Mapping Exercise to be carried out				MR	31/12/19	On-going	Complete pending review by SMT		
Continuing Customer Engagement exercise with key partners				JW	31/12/19	On-going	Engagement plan in development		

Reference: SXL009-19/20		Environmental Impact						
Context	Risk Statement	Risk Owner	Current Risk Controls	Risk Score				
				Likelihood	Impact	Evaluation	Trend	Residual
Impact of organisational activity of Scotland Excel on the Environment.	Reputational/legal Risk in relation to the organisation having an adverse impact on the Environment.	JW	Adoption of environmentally aware office practices within Scotland Excel i.e. recycling, agile working, double sided printing etc.	2	3	6		6
Impact of Scotland Excel frameworks on the Environment			Requirement for Environmental Policy, ISO certificate or equivalent for access to certain frameworks					
Influence of Scotland Excel on environmentally friendly public service delivery	Reputational/legal Risk in relation to Scotland Excel frameworks having an adverse impact on the Environment		Actions in relation to reducing carbon footprint scored in assessment for certain frameworks					
	Failure to champion Environmentally friendly practices via SXL frameworks	Information in relation to environmental practices and plans requested across all frameworks						
Risk Register Review Updates								
Date	05/02/19	n/a						
	07/05/19	n/a						
	06/08/19	n/a						
	28/10/19	Environmental Change and Policy Impact Risk added to Scotland Excel Risk Register, Initial Risk Score 6 (likelihood 2, Severity 3)						
Linked Actions								
Description			Assigned To:	Due Date	Status	Notes		
Review of what further actions can be taken by Scotland Excel to impact organisational, supplier and partner carbon footprint reduction activity			HC	31/03/20	On-going			



Scotland Excel

To: Executive Sub-committee

On: 22 November 2019

**Report
by
The Clerk**

Meetings of Scotland Excel Executive Sub-committee in 2020

1. Summary

- 1.1 The purpose of this report is to seek approval for the proposed dates for meetings of the Scotland Excel Executive Sub-committee in 2020.

2. Recommendation

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

Date	Time	Venue
31 January 2020	10.45 am	Scotland Excel Meeting Room 1, Renfrewshire House
28 February 2020	10.45 am	Scotland Excel Meeting Room 1, Renfrewshire House
27 March 2020	10.45 am	Scotland Excel Meeting Room 1, Renfrewshire House
24 April 2020	10.45 am	Scotland Excel Meeting Room 1, Renfrewshire House
29 May 2020	10.45 am	Scotland Excel Meeting Room 1, Renfrewshire House
19 June 2020	9.45 am	City Chambers, Glasgow City Council (prior to meeting of Scotland Excel Joint Committee)
28 August 2020	10.45 am	Scotland Excel Meeting Room 1, Renfrewshire House
18 September 2020	10.45 am	Scotland Excel Meeting Room 1, Renfrewshire House

23 October 2020	10.45 am	Scotland Excel Meeting Room 1, Renfrewshire House
27 November 2020	10.45 am	Scotland Excel Meeting Room 1, Renfrewshire House
11 December 2020	9.45 am	City Chambers, Glasgow City Council (prior to meeting of Scotland Excel Joint Committee)

3. Background

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

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

3.2 One of the main functions of the Executive Sub-committee is to consider reports on the award of contracts being let on behalf of Scotland Excel, therefore, the dates for the Executive Sub-committee meetings require to be fixed by referral to the planned award dates for these contracts. It is expected that all contract awards planned for 2020 can be accommodated within the timetable of meetings detailed in this report.