

## **Minute of Meeting Scotland Excel Executive Sub-committee**

<b>Date</b>	<b>Time</b>	<b>Venue</b>
Friday, 28 January 2022	09:30	Remotely by MS Teams,

### **Present**

Provost Bill Howatson (Aberdeenshire Council); Councillor Bob Myles (substitute for Councillor Angus Macmillan Douglas) (Angus Council); Provost Norman A Macdonald (Comhairle Nan Eilean Siar); Councillor Stephen Thompson (Dumfries & Galloway Council); Councillor Altany Craik (Fife Council); Councillor Ruairi Kelly (Glasgow City Council); Councillor Jimmy Gray (Highland Council); and Councillor John Shaw (Renfrewshire Council).

### **Chair**

Councillor Shaw, Convener, presided.

### **In Attendance**

J Welsh, Chief Executive, H Carr, Head of Strategic Procurement, S Brannagan, Head of Customer and Business Services, L Campbell, Corporate Services Manager, L Richard, Strategic Procurement Manager, K Nugent, S Nixon and L Cairns, all Senior Procurement Specialists, S Ferracutti, Procurement Co-ordinator, S Christie, Commercial Manager, K Forrest, Office Manager, L McIntyre, Senior Communications Specialist, P Barnes, Project and Account Manager, L Muir, Category Manager, and M Boyle, Senior Business Service Specialist (all Scotland Excel); and M Conaghan, Legal & Democratic Services Manager, C McCourt, Finance Business Partner and P Shiach, Senior Committee Services Officer (all Renfrewshire Council).

### **Apologies**

Councillor Angus Macmillan Douglas (Angus Council); Councillor Andrew Johnston (City of Edinburgh Council); Councillor Joe Cullinane (North Ayrshire Council); Councillor Paul Di Mascio (North Lanarkshire Council); Councillor Amanda Hawick (Shetland Islands Council); and Councillor Josh Wilson (South Lanarkshire Council).

### **Declarations of Interest**

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

## 1 **Minute**

There was submitted the Minute of the meeting of the Executive Sub-committee held on 10 December 2021.

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

## 2 **Revenue Budget Monitoring**

There was submitted a joint revenue budget monitoring report by the Treasurer and the Chief Executive of Scotland Excel for the period 1 April to 10 December 2021.

The report intimated that at the end of period 9, Scotland Excel was projecting a break-even position by year-end in its core activities and a £31,000 drawdown from project reserves by year-end within projects. It was noted that both core and projects would be monitored closely in order to mitigate any significant variances. Further detail was provided in section 3 of the report.

Appendix 1 to the report provided an analysis of the actual spend to date along with projected net expenditure for 2021/22 and included a summary of movement in the revenue reserve. Appendix 2 to the report provided an analysis of the actual spend to date along with projected net expenditure for 2021/22 and included a summary of movement in the project reserves.

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

## 3(a) **Contract for Approval: Energy Efficiency Contractors**

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of the renewal energy efficiency contractors' framework for the period 1 February 2022 until 31 January 2025, with the option to extend for up to 12 months until 31 January 2026. It was noted that, subject to approval and completion of a standstill period, it was intended that the framework would commence on or around 14 February 2022.

The framework would provide members with an effective and efficient method of upgrading existing housing stock with innovative energy efficiency measures to reduce carbon output and thereby household bills. It was noted that there had been several enhancements to the framework which included a new lotting structure designed to enable retrofitting housing stock by the inclusion of a professional services lot.

The report summarised the outcome of the procurement process for the framework which consisted of four lots, broken into sub-lots, as detailed in table 1 of the report.

The report advised that the framework had been advertised with an estimated spend of £200 million per annum and Appendix 1 to the report detailed the participation, spend and savings summary of those councils participating in the framework. All 32 councils and associate members had been included in the contract notice as Scotland Excel would liaise with non-participating members before the expiry of existing agreements to discuss options for transition to the framework.

Tender responses had been received from 49 suppliers and Appendix 2 to the report provided a summary of the offers received. Two responses were deemed non-compliant for all sub-lots tendered and one response was deemed partially non-compliant. In each case the tenderers had failed to complete the required schedule of rates. Tenderers who were non-compliant for all sub-lots tendered had been advised that their offer would not be considered further and the tenderer who was partially non-compliant had been advised that their offer would not be considered further for the relevant sub-lots and had been recommended for partial award to the framework. One contractor had been unsuccessful for award as they did not submit a response to the technical method statements.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the 47 compliant offers had been carried out and Appendix 3 to the report detailed the scoring achieved by each bidder for each sub-lot per council area. Appendix 3 also indicated all non-compliant offers.

Based on the evaluation undertaken, and in line with the criteria and weightings set out in the report, it was recommended that a multi-contractor framework arrangement be awarded to 46 contractors across the four lots, as outlined in Appendix 3 to the report.

Appendix 4 to the report detailed the approach taken by contractors in relation to fair work practices and their position on the payment of the Real Living Wage.

The report intimated that, in accordance with Scotland Excel's established contract and supplier management programme, the framework had been classified as class A in terms of risk and spend, as detailed in Appendix 5 to the report.

**DECIDED:** That the award of the multi-contractor framework, to those contractors detailed in Appendix 3 to the report, be approved.

### 3(b) **Contract for Approval: Supply Only and Supply and Distribution of Frozen Foods**

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of a renewal framework for the supply only and supply and distribution of frozen food which would operate from 1 April 2022 until 31 March 2026.

The framework would provide councils with a mechanism to procure a range of frozen goods and users of the framework were likely to include schools, nurseries, leisure centres, community centres, social work, council buildings and civic centres.

The report summarised the outcome of the procurement process for the framework which had been divided into three lots, as detailed in table 1 of the report.

The report advised that the framework had been advertised with a potential value of £25 million per annum to allow increased participation from councils and associate members. Appendix 1 to the report detailed the participation, spend and savings summary of those councils participating in the framework together with Tayside Contracts. It was noted that Orkney Islands Council had confirmed that they would not participate as they currently had an arrangement in place.

Tender responses had been received from 14 suppliers and Appendix 2 to the report provided a summary of the offers received.

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

Based on the evaluation undertaken, and in line with the criteria and weightings set out in the report, it was recommended that a multi-supplier framework arrangement be awarded to 14 suppliers across the three lots, as outlined in Appendix 3 to the report.

It was noted that there were two minor name corrections to the names shown in table B of Appendix 3 to the report, in that any reference to 'Downies of Whitehills' should read 'Downies of Whitehills (A Partnership)' and any reference to 'Unilever U.K. Central Resources T/A Unilever UK Ltd' should read 'Unilever UK Limited'. Members were advised that these were typographical errors, with no impact on the outcome of the report.

Appendix 4 to the report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage.

The report intimated that, in accordance with Scotland Excel's established contract and supplier management programme, the framework had been classified as class B in terms of risk and spend, as detailed in Appendix 5 to the report.

**DECIDED:** That the award of the multi-supplier framework for the supply only and supply and distribution of frozen food, as detailed in Appendix 3 to the report, noting the name changes referred to above, be approved.

### 3(c) **Contract for Approval: Supply and Delivery of Heavy and Municipal Vehicles**

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of a fourth-generation framework for the supply and delivery of heavy and municipal vehicles which would operate from 1 January 2022 until 31 December 2023 with an option to extend to up to two 12-month periods. It was noted that, subject to approval and completion of a standstill period, it was intended that the framework would commence on or around 18 February 2022.

The framework was for the supply and delivery of various vehicle types, including, but not limited to, chassis, refuse collection vehicles, winter maintenance vehicles, road sweeping vehicles and more general use vehicles for all 32 member councils as well as associate members and Tayside Contracts. The framework also included specialist body building services as well as options for alternative fuelled vehicles.

The report summarised the outcome of the procurement process for the framework which had been divided into sixteen lots, as detailed in table 1 of the report.

The report advised that the forecast annual spend for participating councils and associate members, with contingency for any unprojected spend, was £25 million per annum, which equated to an estimated spend of £100 million over the full four-year term of the framework. Appendix 1 to the report detailed the participation, spend and savings summary of those councils participating in the framework. It was noted that East Ayrshire Council had an agreement in place and had confirmed that they would not be purchasing from the Scotland Excel framework.

Tender responses had been received from 38 suppliers and Appendix 2 to the report provided a summary of the offers received.

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

Based on the evaluation undertaken, and in line with the criteria and weightings set out in the report, it was recommended that a multi-supplier framework arrangement be awarded to 36 suppliers across the sixteen lots, as outlined in Appendix 3 to the report. It was noted that no bids had been received from lot 15, Aerial Platforms.

Appendix 4 to the report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage.

The report intimated that, in accordance with Scotland Excel's established contract and supplier management programme, the framework had been classified as class D in terms of risk and spend, as detailed in Appendix 5 to the report.

**DECIDED:** That the award of the multi-supplier framework for the supply and delivery of heavy and municipal vehicles, as detailed in Appendix 3 to the report, be approved.

### 3(d) **Contract for Approval: Tyres for Vehicles and Plant**

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of a fourth-generation framework for the supply only or supply and fitment of tyres which would operate from 1 January 2022 until 31 December 2025. It was noted that, subject to approval and completion of a standstill period, it was intended that the framework would commence on or around 14 February 2022.

The framework was for the supply only or supply and fitment of tyres for an extensive range of light, commercial or heavy vehicles as well as grounds maintenance equipment and plant. The associated services included fitting, inspection, compliant tyre disposal, fleet tyre management as well as emergency roadside assistance.

The report summarised the outcome of the procurement process for the framework which had been divided into six lots, as detailed in table 1 of the report.

The report advised that the forecast annual spend for participating councils and associate members, with contingency for any unprojected spend, was £25 million per annum, which equated to an estimated spend of £100 million over the full four-year term of the framework. Appendix 1 to the report detailed the participation, spend and savings summary of those councils participating in the framework together with Tayside Contracts. It was noted that South Ayrshire, Shetland Islands and Western Isles Councils had indicated that they would likely participate once arrangements they currently had in place expired, if the supply base allowed.

Tender responses had been received from 13 suppliers and Appendix 2 to the report provided a summary of the offers received.

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

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

Appendix 4 to the report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage.

The report intimated that, in accordance with Scotland Excel's established contract and supplier management programme, the framework had been classified as class D in terms of risk and spend, as detailed in Appendix 5 to the report.

**DECIDED:** That the award of the multi-supplier framework for the supply only or supply and fitment of tyres, as detailed in Appendix 3 to the report, be approved.

#### 4 **Operating Plan Update 2021/22**

There was submitted a report by the Chief Executive of Scotland Excel providing an update on the progress made in the three months between October and December 2021 towards delivering the commitments contained in the operating plan 2021/22.

The report intimated that a new operating plan, covering the fifteen-month period from January 2021 to March 2022, had been approved at the meeting of the Scotland Excel Joint Committee held on 11 December 2020. To simplify reporting, the number of commitments in the plan had reduced from 68 detailed commitments to 30 broader commitments and these aligned to more than 120 specific actions cascaded to staff as part of Scotland Excel's Performance Review and Development Programme.

The report highlighted that 26 of the operating plan commitments were progressing in line with plans and were indicated as green; three commitments were indicated as amber; and one commitment had been completed and was indicated as black.

It was noted that progress reports were produced quarterly to track Scotland Excel's activity against operating plan commitments and at the end of each quarter reports were submitted to the Executive Sub-committee with half-yearly and annual reports submitted to the Joint Committee. Due to the continuing uncertainty in relation to COVID-19 and Brexit, reporting against key performance indicators was currently on hold pending a review of appropriate measures.

**DECIDED:** That Scotland Excel's progress in delivering the commitments contained within the operating plan 2021/22 be noted.

#### 5 **Employee Absence Management Report**

There was submitted a report by the Chief Executive of Scotland Excel relative to employee absence statistics for Scotland Excel.

The report advised of the absence levels for the period ending 31 December 2021 and provided a breakdown of the current month, the last six months and 12 months absence figures, together with an illustration of 12 months in days and the last 12 months in percentages.

The report noted that the rate of absence across the organisation had generally been maintained at or below the 4% target, with the exception of March 2021, where the absence rate rose to 5.1% due to long-term absences. The rolling six months and 12 months average absence rates had maintained at or below 2.9%.

The report highlighted that in the first quarter of 2021, the COVID-19 pandemic had had an adverse impact on the average sickness days per employee figure compared to the same period in 2020. The COVID-19 pandemic appeared to have had an adverse impact on the mental wellbeing of staff with the predominant cause of long-term sickness absence being reported as mental ill health. While the pandemic had not been the primary cause of absence, it had been identified as a contributory factor in a number of cases.

It was noted that, in addition to supporting members of staff absent through ill health, Scotland Excel continued positive early intervention practices including working with occupational health and other support services to maintain employee attendance and to support members of staff who might be experiencing difficulties whilst remaining at work.

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

6 **Date of Next Meeting**

**DECIDED:** That it be noted that the next meeting of the Executive Sub-committee would be held at 9.30 am on 18 February 2022.