

MINUTE OF MEETING OF THE SCOTLAND EXCEL EXECUTIVE SUB-COMMITTEE HELD ON 24 AUGUST 2018

PRESENT

Councillor A Craik (Fife Council); Bailie N MacLeod (Glasgow City Council); and Councillor J Shaw (Renfrewshire Council).

BY VIDEOLINK

Provost W Howatson (Aberdeenshire Council).

CHAIR

Councillor J Shaw, Convener, presided.

APOLOGIES

Councillors A Douglas (Angus Council); and G Hutchison (City of Edinburgh Council); Provost N A Macdonald (Comhairle Nan Eilean Siar); Councillors S Thompson (Dumfries & Galloway Council); A Mackinnon (Highland Council); P Di Mascio (North Lanarkshire Council); C Stevenson (South Lanarkshire Council) and A Westlake (Shetland Islands Council).

IN ATTENDANCE

J Welsh, Director, H Carr, Head of Strategic Procurement, S Brannagan, Head of Customer & Business Services, J Baxter, Senior Procurement Specialist, K Carlin, Procurement Co-ordinator, S Irvine, Senior Procurement Specialist, G Montgomery, Category Manager and G Mooney, Category Analyst(all Scotland Excel) and M Conaghan, Legal and Democratic Services Manager, E Currie, Senior Committee Services Officer, K O'Neill, Assistant Democratic Services Office,; L Dickie, Finance Manager and K Crawford, Accountant (all Renfrewshire Council).

DECLARATIONS OF INTEREST

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

ORDER OF BUSINESS

The Convener advised that Item number 3(c) of the Agenda, Contract for Approval – Domestic Gas Boiler Maintenance, had been withdrawn and would be considered at a future meeting of the Executive Sub-committee.

1. **MINUTE**

There was submitted the Minute of the meeting of the Executive Sub-committee held on 29 June 2018.

DECIDED: That the Minute be approved.

2. **REVENUE BUDGET MONITORING REPORT**

There was submitted a joint revenue budget monitoring report by the Treasurer and the Director of Scotland Excel for the period 1 April to 20 July 2018.

The report intimated that gross expenditure was £2,000 under budget and income was currently break even which had resulted in a net underspend of £2,000.

DECIDED: That the report be noted.

3(a) **CONTRACT FOR APPROVAL: PROVISION AND DELIVERY OF WASHROOM SOLUTIONS AND SANITARY PRODUCTS**

There was submitted a report by the Director of Scotland Excel relative to the award of a renewal framework agreement for Provision and Delivery of Washroom Solutions and Sanitary Products which would be effective from 1 October 2018 until 30 September 2022.

The report intimated that the framework, which supported the Scottish Government's commitment of promoting dignity to women by providing free sanitary products to students in educational establishments, would provide councils with a mechanism to procure a range of products and services which included, but was not limited to, disposal of sanitary waste, nappy waste, sharps and medical waste, and the provision of sanitisers; air fresheners and sanitary products. Users of the framework were likely to include schools, nurseries, leisure centres, community centres, social work, council buildings and civic centres.

The framework had been divided into two lots as detailed in table 1 of the report and had been advertised at an estimated value of £3.5 million per annum.

It was noted that 29 Councils had confirmed their intention to participate in the framework, these were detailed in Appendix 1. Tender responses had been received from six suppliers and a summary of offers received was detailed in Appendix 2 to the report.

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

DECIDED: That the award of the framework agreement for the Provision and Delivery of Washroom Solutions and Sanitary Products, as detailed in Appendix 3 to the report, be approved.

3(b) **SUPPLY & DELIVERY OF FIRST AID MATERIALS**

There was submitted a report by the Director of Scotland Excel relative to the award of a new framework agreement for the Supply and Delivery of First Aid Materials which would be effective from 1 October 2018 until 30 September 2021 with the option to extend for up to an additional one-year period until 30 September 2022.

The requirement for this procurement had arisen due to the forthcoming expiration of two regional contracts led by North Lanarkshire and Midlothian Councils. It was estimated that around two-thirds of local authorities currently procured first aid materials through these existing frameworks, whilst the rest were procuring these products through their own individual arrangements. It was intended that this Scotland Excel framework would consolidate and replace these, offering a national collaborative solution for first aid materials.

The report intimated that the framework had been developed by the Operational Supplies and Services (OSS) Team with a fast-tracked approach which had been divided into two lots as detailed in figure 1 of the report and had been advertised at an estimated value of £8 million over the four-year period.

Tender responses had been received from six suppliers detailed in Appendix 1 and a summary of offers received for each lot was detailed in Appendix 2 to the report.

DECIDED: That the award of the framework agreement for the Supply and Delivery of First Aid Materials, as detailed in Appendix 2 to the report, be approved.

3(c) **SUPPLY & DELIVERY OF ROAD MAINTENANCE MATERIALS**

There was submitted a report by the Director of Scotland Excel relative to the award of a renewal framework agreement for the Supply and Delivery of Road Maintenance Materials which would be effective from 17 September 2018 until 31 August 2022.

The framework covered the supply and delivery of an extensive range of commonly purchased road maintenance materials which included pedestrian safety barriers, drainage products, kerbstones, bollards and traffic cones to support councils' roads departments.

The framework had been divided into seven lots as detailed in table 1 of the report and had been advertised at an estimated value of £2.5 million per annum.

It was noted that all 32 Councils and Tayside Contracts had confirmed their intention to participate in the framework, these were detailed in Appendix 1. Tender responses had been received from 23 suppliers and a summary of offers received was detailed in Appendix 2 to the report.

Based on the criteria and scoring methodology set out within the tender document, a full evaluation of the compliant offers had been completed and Appendix 3 to the report detailed the scoring achieved by each of the 19 successful bidders.

DECIDED: That the award of the framework agreement for the Supply and Delivery of Road Maintenance Materials, as detailed in Appendix 3 to the report, be approved.

3(d) **SUPPLY & DELIVERY OF STREET LIGHTING MATERIALS**

There was submitted a report by the Director of Scotland Excel relative to the award of a renewal framework agreement for the Supply and Delivery of Street Lighting Materials from 1 August 2018 until 31 July 2021 with an option to extend for a further 12-month period until 31 July 2022 (effective date 1 October 2018).

The framework covered a range of products from traditional street lighting materials such as steel and aluminium lighting columns to the latest generation high technology Light Emitting Diode (LED) Lanterns.

The renewal framework would assist councils in the maintenance of their street lighting infrastructure and delivery of the LED street lighting replacement programmes which supported the Scottish Government's climate change targets and the transition to a low carbon economy.

The framework had been divided into eight lots as detailed in table 1 of the report and had been advertised at an estimated value of £35 million per annum.

It was noted that all 32 Councils had confirmed their intention to participate in the framework, these were detailed in Appendix 1. Tender responses had been received from 31 suppliers and a summary of offers received was detailed in Appendix 2 to the report.

Based on the criteria and scoring methodology set out within the tender document, a full evaluation of the compliant offers had been completed and Appendix 3 to the report detailed the scoring achieved by each of the 25 successful bidders.

DECIDED: That the award of the renewal framework agreement for the Supply and Delivery of Street Lighting Materials, as detailed in Appendix 3 to the report, be approved.

3(e) **TREATMENT AND DISPOSAL OF RECYCLABLE AND RESIDUAL WASTE**

There was submitted a report by the Director of Scotland Excel which informed the Executive Sub Committee that the Scotland Excel Environment Category Team (within Transport, Roads and Environment) intended to introduce a Dynamic Purchasing System (DPS) for the Treatment and Disposal of Recyclable and Residual Waste. This DPS would replace the recently expired Recyclable and Residual Waste Framework (14/13).

This would involve following a route to market that was new to Scotland Excel and was intended to secure the provision of assorted services for the treatment and disposal of various waste related materials collected by councils. This route to market had been chosen for a number of reasons that were outlined within the report. The definition of a DPS and key differences to a framework agreement were detailed together with the desired outcomes that the team and the User Intelligence Group (UIG) hoped to achieve with its creation. An explanation was provided on how DPS aligned with guidance/legal tests in terms of its validity as an option and how it would operate and the next steps going forward. were also detailed.

The DPS would seek legally compliant service providers, capable of delivering the treatment of material(s), whilst allowing for a small level of tailoring for operational requirements at an individual council level.

Councils required a simple method to contract award for treatment (and disposal) services from appropriately qualified contractors, assured of regulatory compliance and ideally, with as much choice as possible in terms of capacity to contract. It was considered that a DPS was more likely to satisfy this need than the traditional framework model. A matrix of desired outcomes and the likelihood of these being achieved each under the framework model versus the DPS was detailed in Appendix 1.

The Scottish Government's Procurement Journey provided guidance which detailed when a DPS could be an appropriate route to market. Whilst much of the guidance was subject to interpretation, based upon knowledge of the market area, Scotland Excel believed that the needs related to this service area met the majority of the defined criteria. The key criteria presented by the guidance and a summary of Scotland Excel's interpretation of how it aligned was listed in Appendix 2.

Scotland Excel would provide template terms and conditions and a template evaluation methodology that councils could opt to use or tailor to their own operational needs. Awarding contracts under the DPS would ensure councils achieved bespoke pricing based upon their own material content and quality as well as individual operational requirements.

The introduction of a Dynamic Purchasing System was a first for Scotland Excel as an organisation and provided an alternative to a framework model that in relation to this particular service area, offered a number of key benefits that would help councils meet their operational service needs within a landscape of policy change and market uncertainty. As Scotland's leading procurement organisation for local authorities, it was considered that this particular contract area provided an opportunity to be at the forefront in terms of introducing a procurement tool that could offer benefits across the organisation's contract portfolio as a whole, whilst securing a service delivery option for councils that would be relatively easy to use and would cover needs at a national level.

DECIDED:-

- (a) That the use of the Dynamic Purchasing System procurement tool for the Treatment and Disposal of Recyclable and Residual Waste be approved; and
- (b) That it be noted that a report would be submitted to a future meeting of the Executive Sub Committee on progress with the tender to set up the Dynamic Purchasing System.

4. REQUEST FOR ASSOCIATE MEMBERSHIP OF SCOTLAND EXCEL: THE WISE GROUP

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

DECIDED: That the application by The Wise Group to become an associate member of Scotland Excel, at an annual membership fee of £1,000, be approved subject to completion and signing of the agreement documentation.

5. EMPLOYEE ABSENCE MANAGEMENT REPORT

There was submitted a report by the Director of Scotland Excel relative to employee absence statistics for Scotland Excel. The report advised of the absence levels for the period to 31 July 2018, the previous six and 12 months and provided information relating to the absence statistics and reasons.

DECIDED: That the report be noted.

9. DATE OF NEXT MEETING

DECIDED: That it be noted that the next meeting of the Executive Sub-committee would be held at 10.45 am on 28 September 2018 in Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley.