

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

| <b>Date</b>             | <b>Time</b> | <b>Venue</b>   |
|-------------------------|-------------|--|
| Friday, 13 October 2017 | 10:45       | Scotland Excel Meeting Room 1,<br>Renfrewshire House, Cotton Street, Paisley |

### **Present**

Councillor Angus Macmillan Douglas (Angus Council); Councillor Stephen Thompson (Dumfries and Galloway Council); Bailie Norman MacLeod (Glasgow City Council); Councillor Todd Ferguson (North Ayrshire Council); Councillor Paul Di Mascio (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council) and Councillor Collette Stevenson (South Lanarkshire Council).

### **By Videolink**

Councillor Graham Hutchison (City of Edinburgh Council).

### **Chair**

Councillor John Shaw, Convener, presided.

### **Apologies**

Provost Bill Howatson (Aberdeenshire Council); Provost Norman A Macdonald (Comhairle Nan Eilean Siar); Councillor Altany Craik (Fife Council); Councillor Alister Mackinnon (Highland Council) and Councillor Amanda Westlake (Shetland Islands Council).

### **In Attendance**

J Welsh, Director, H Carr, Head of Strategic Procurement, S Brannagan, Head of Customer and Business Services, G Mooney, Category Analyst, L Cairns, Procurement Co-ordinator, Z Brawn, Procurement Co-ordinator and D Benstead, Principal Procurement Specialist (all Scotland Excel); and A MacArthur, Head of Finance, E Currie, Senior Committee Services Officer and K O'Neill, Assistant Democratic Services Officer (all Renfrewshire Council).

## **Declarations of Interest**

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

Prior to the start of the meeting Bailie MacLeod referred to the amended reports issued in relation to items 3(a) and 3(c) of the agenda and requested that consideration be given as to the best way to deal with disseminating this information to members. He also raised the issue of Minutes of the Executive Sub-committee being submitted to the next meeting of the Executive Sub-committee for approval prior to submission to the Joint Committee.

### **DECIDED:**

(a) That any amended reports issued to members detail the amendments made; and

(b) That Minutes of the Executive Sub-committee be submitted to the next meeting of the Executive Sub-committee for approval prior to submission to the Joint Committee.

## **1 Update on the cost incurred to defend the legal challenge on the framework agreed for Demolition Services**

Under reference to item 2(a) of the Minute of the meeting of the Executive Sub-committee held on 15 September 2017 there was submitted a report by the Director of Scotland Excel providing an update on the final cost incurred defending the legal challenge against the award of the framework for demolition services.

The report intimated that this legal challenge had been successfully defended at the Court of Session in September 2016. The pursuer challenged the award of costs to Scotland Excel and when this failed both parties were unable to reach agreement in the value of costs to be recovered. This resulted in proceeding to a taxation hearing following which a net payment of £29,900 was received by Scotland Excel. Scotland Excel's insurance company agreed to underwrite the claim but the policy excess was £50,000 and as such the net cost incurred was £20,100.

In terms of clause 10.3 of Scotland Excel's terms and conditions of membership, additional costs incurred would be recovered from all member councils on a pro-rata basis. However, on the basis that there was less of a draw on reserves during 2016/17, primarily due to efficiencies made, the report proposed that the net cost be covered by current reserves.

**DECIDED:** That the concluded position of the successfully defended challenge be noted.

## **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 15 September 2017.

The report intimated that gross expenditure was £52,000 under budget and income was currently £6,000 over-recovered which resulted in a net underspend of £58,000.

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

## **Sederunt**

Councillor Graham Hutchison joined the meeting by video conference prior to consideration of the following item of business.

### **3(a) Contract for Approval: Supply and Delivery of Recycle and Refuse Containers**

There was submitted an amended report by the Director of Scotland Excel relative to the award of a renewal framework agreement for recycle and refuse containers which would be effective from 3 November 2017 until 2 November 2020, with an option to extend until 2 November 2021.

The report intimated that the framework facilitated the purchase, supply and delivery of various container types to support councils in the delivery of waste and environmental services.

The framework had been divided into seven lots as detailed in table 1 of the report. Appendix 1 to the report detailed the participation, spend and savings summary of the 32 councils participating in the framework.

The forecast annual spend for participating councils was circa £9 million per annum equating to an estimated value of £50 million over the term of the contract. Tender responses had been received from 22 suppliers and a summary of offers received was provided in Appendix 2 to the report. It was noted that the last column of Appendix 2 should refer to 'Lots Tendered'. 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.

Based on the evaluation undertaken and in line with the criteria and weightings detailed within the report it was recommended that a multi-supplier framework agreement be awarded to 22 suppliers across the seven lots as detailed in Appendix 3 to the report.

#### **DECIDED:**

(i) That it be noted that the last column of Appendix 2 should refer to 'Lots Tendered'; and

(ii) That the award of the framework agreement, as detailed in Appendix 3 to the report, be approved.

### **3(b) Contract for Approval: Vehicle and Plant Hire**

There was submitted a report by the Director of Scotland Excel relative to the award of a renewal framework agreement for vehicle and plant hire which would be effective from 1 November 2017 until 31 October 2021.

The report intimated that the framework covered the hire of vehicles and plant equipment on a daily, weekly, monthly, six-monthly or annual basis to support the requirement of councils' fleet and roads departments.

The framework had been divided into 12 lots as detailed in table 1 of the report. Appendix 1 to the report detailed the participation, spend and savings summary of the 30 councils participating in the framework. It was noted that Tayside Contracts would also be participating in the framework.

The forecast annual spend for participating councils was circa £15 million per annum equating to an estimated value of £60 million over the term of the contract. Tender responses had been received from 79 suppliers and a summary of offers received was provided 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.

Based on the evaluation undertaken and in line with the criteria and weightings detailed within the report it was recommended that a multi-supplier framework agreement be awarded to 69 suppliers across the 12 lots as detailed in Appendix 3 to the report.

It was noted that the Director of Scotland Excel would provide an update on progress related to the Living Wage as part of the community benefits report being submitted to the next meeting of the Joint Committee to be held on 8 December 2017.

**DECIDED:**

(i) That the award of the framework agreement, as detailed in Appendix 3 to the report, be approved; and

(ii) That it be noted that the Director of Scotland Excel would provide an update on progress related to the Living Wage as part of the community benefits report being submitted to the next meeting of the Joint Committee to be held on 8 December 2017.

**3(c) Contract for Approval: Supply and Delivery of Bottled Gas**

There was submitted an amended report by the Director of Scotland Excel relative to the award of a new framework agreement for the supply and delivery of bottled gas which would be effective from 6 November 2017 until 5 November 2019, with the option to extend for up to two one-year periods until 5 November 2021.

The report intimated that the framework would provide councils with a mechanism to purchase bottled gas and bulk gas requirements and the products covered within the framework would include industrial, food and beverage, medical and balloon gas.

The framework, advertised at £8 million over the four-year period, had been divided into six lots as detailed in table 1 of the report. Tender responses had been received from five suppliers, two of which were not evaluated as the offers were non-compliant. A summary of offers received and their SME status was provided in Appendix 1 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 2 to the report detailed the scoring achieved by each bidder.

Based on the evaluation undertaken and in line with the criteria and weightings detailed within the report it was recommended that a multi-supplier framework agreement be awarded to three suppliers across the six lots as detailed in Appendix 2 to the report.

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

### **3(d) Contract for Approval: Supply, Installation and Maintenance of Commercial Laundry Equipment**

There was submitted a report by the Director of Scotland Excel relative to the award of a new framework agreement for the supply, installation and maintenance of commercial laundry equipment which would be effective from 6 November 2017 until 5 November 2019, with the option to extend for up to two one-year periods until 5 November 2021.

The report intimated that the framework would provide councils with a mechanism to purchase laundry equipment, including installation and services such as preventative maintenance and ad-hoc repairs.

The framework, advertised at £4.4 million over the four-year period, had been divided into two lots as detailed in table 1 of the report. Tender responses had been received from three suppliers and a summary of offers received and their SME status was provided in Appendix 1 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 2 to the report detailed the scoring achieved by each bidder.

Based on the evaluation undertaken and in line with the criteria and weightings detailed within the report it was recommended that a multi-supplier framework agreement be awarded to three suppliers across the two lots as detailed in Appendix 2 to the report.

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

## **4 Request for Associate Membership of Scotland Excel by Viewpoint Housing Association Ltd**

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

**DECIDED:** That the application by Viewpoint Housing Association Limited to become an associate member of Scotland Excel, at an annual membership fee of £2,170, be approved subject to completion and signing of the agreement document.

## **5 Operating Plan 2017/18 Update**

There was submitted an update report by the Director of Scotland Excel relative to the projects and activities undertaken by the organisation in quarter 1 of the 2017/18 Operating Plan.

**DECIDED:** That the progress made be noted.

## **6 Adult Supported Living/Care at Home Update**

There was submitted a report by the Director of Scotland Excel relative to the expansion of Scotland Excel's social care procurement shared service.

The report intimated that Scotland Excel had approached the Scottish Government for financial investment to expand its social care procurement shared service. This funding had allowed Scotland Excel to commence on an ambitious work programme that ensured procurement played its part in supporting the Scottish Government's flagship reform of health and social care. The project team was established in May 2017 with the aim of extending the benefits of collaborative procurement to two key areas of social care expenditure, Adult Supported Living and Care at Home, and the objectives of the project were detailed in the report.

Scotland Excel had now established two subgroups, one for Supported Living Services and one for Care at Home. These subgroups comprised both commissioner and provider representation. As well as co-producing requirements with providers via the subgroups, Scotland Excel planned to engage with providers via regional forums and drop-in sessions.

The report detailed the benefits that would be delivered as a result of this project.

**DECIDED:** That the progress made in the procurement of social care services project be noted.

## **7 Conference and Supplier Awards Project Update**

There was submitted a report by the Director of Scotland Excel relative to Scotland Excel's Annual Conference and Supplier Awards which would be held as a single event on 20 and 21 February 2018 in the Radisson Blu, Glasgow.

The report intimated that the supplier awards would provide an opportunity to recognise suppliers supporting the delivery of effective public services in partnership with Scotland Excel and Scottish local authorities. The conference offered the opportunity to share and shape best practice in the community fostering further innovation and collaboration across stakeholder groups which would be reflected in the content over the two days.

The report detailed the project deliverables and the four key work streams, being communications; events management; supplier awards and conference; and working together to develop and deliver the conference. This ambitious project aimed to deliver an event that would meet the identified project deliverables, raise Scotland Excel's profile to new and existing suppliers and deliver a relevant, valuable experience to partners.

It was proposed that the Director of Scotland Excel submit a report to the next meeting of the Executive Sub-committee to be held on 17 November 2017 providing an update on the gross expenditure for this event and the funding received from sponsors. This was agreed.

**DECIDED:**

(a) That the report and the date of the Annual Conference and Supplier Awards be noted; and

(b) That the Director of Scotland Excel submit a report to the next meeting of the Executive Sub-committee to be held on 17 November 2017 providing an update on the gross expenditure for this event and the funding received from sponsors.

**8 Date of Next Meeting**

**DECIDED:**

(a) That it be noted that the next meeting of the Executive Sub-Committee would be held at 10.45 am on 17 November 2017 in Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley; and

(b) That it be noted that a training and information session for members would be held immediately following this meeting.