

Minute of Meeting

Scotland Excel Executive Sub-Committee

Date	Time	Venue
Friday, 17 November 2017	10:45	Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley

PRESENT

Provost Norman A Macdonald (Comhairle Nan Eilean Siar); Councillor Stephen Thompson (Dumfries and Galloway Council); Bailie Norman MacLeod (Glasgow City Council); Councillor Paul Di Mascio (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council); Councillor Collette Stevenson (South Lanarkshire Council) and Councillor Amanda Westlake (Shetland Islands Council).

CHAIR

Councillor John Shaw, Convener, presided.

IN ATTENDANCE

J Welsh, Director, H Carr, Head of Strategic Procurement, S Brannagan, Head of Customer and Business Services, D Benstead, Principal Procurement Specialist, S Irvine, Procurement Co-ordinator; and C Gibson Procurement Co-ordinator (Policy); (all Scotland Excel); and M Ball, Senior Accountant, D Low, Senior Committee Services Officer and K O'Neill, Assistant Democratic Services Officer (all Renfrewshire Council).

APOLOGIES

Provost Bill Howatson (Aberdeenshire Council); Councillor Angus Macmillan Douglas (Angus Council); Councillor Graham Hutchison (City of Edinburgh Council); Councillor Altany Craik (Fife Council); Councillor Alister Mackinnon (Highland Council) and Councillor Todd Ferguson (North Ayrshire Council).

DECLARATIONS OF INTEREST

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

ORDER OF BUSINESS

The Convener advised that Item number 3(b) of the Agenda, Contract for Approval – Pest Control Services and Associated Products, had been withdrawn and would be considered at a future meeting of the Executive Sub-committee.

1 MINUTES OF EXECUTIVE SUB COMMITTEE

There were submitted the Minutes of the meetings of the Executive Sub Committee held on 30 June, 25 August, 15 September and 13 October 2017.

DECIDED: That the Minutes 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 13 October 2017.

The report intimated that gross expenditure was £21,000 under budget and income was currently £37,000 over-recovered which resulted in a net underspend of £58,000.

DECIDED: That the report be noted.

3a CONTRACT FOR APPROVAL - SUPPLY AND DELIVERY OF HEAVY AND MUNICIPAL VEHICLES

There was submitted a report by the Director of Scotland Excel relative to the award of a renewal framework agreement for supply and delivery of heavy and municipal vehicles which would be effective from 1 January 2018 until 31 December 2021.

The report intimated that the framework covered a range of heavy vehicle chassis and body types, including the full project management of building completed vehicles to support councils' delivery of various public services.

The framework had been divided into 13 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 £37 million per annum with the framework advertised at a value of £40 million per annum equating to an estimated value of £160 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. 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 13 lots as detailed in Appendix 3 to the report.

DECIDED: That the award of the framework agreement, as detailed in Appendix 3 to the report, be approved.

3b CONTRACT FOR APPROVAL - PEST CONTROL SERVICES AND ASSOCIATED PRODUCTS

This item was withdrawn.

3c **CONTRACT FOR APPROVAL - PROVISION OF STEEPLEJACKS AND ASSOCIATED SERVICES**

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 steeplejacks and associated services which would be effective from 8 December 2017 until 30 November 2019, with the option to extend for up to two one-year periods until 30 November 2021.

The report intimated that the framework would provide councils with a mechanism to purchase a range of steeplejack services including statutory inspection work and high level building inspections (including reports) plus reactive repairs and maintenance. The framework was advertised at £7 million over the four-year period. The commercial user intelligence group – steering group endorsed the inclusion of a single lot as summarised 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.

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

4a **REQUEST FOR ASSOCIATE MEMBERSHIP OF SCOTLAND EXCEL BY WEST OF SCOTLAND HOUSING ASSOCIATION LIMITED**

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

DECIDED: That the application by West of Scotland Housing Association Limited to become an associate member of Scotland Excel, at an annual membership fee of £5,120 be approved subject to completion and signing of the agreement document.

4b **REQUEST FOR ASSOCIATE MEMBERSHIP OF SCOTLAND EXCEL BY KINGDOM HOUSING ASSOCIATION**

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

DECIDED: That the application by Kingdom Housing Association to become an associate member of Scotland Excel, at an annual membership fee of £5,652 be approved subject to completion and signing of the agreement document.

4c **REQUEST FOR ASSOCIATE MEMBERSHIP OF SCOTLAND EXCEL BY OAK**

TREE HOUSING ASSOCIATION LIMITED

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

DECIDED: That the application by Oak Tree Housing Association Limited to become an associate member of Scotland Excel, at an annual membership fee of £2,630 be approved subject to completion and signing of the agreement document.

5 RISK REGISTER UPDATE

There was submitted a report by the Director of Scotland Excel providing an update on the risk register maintained to assess threats and risks that could impact on the delivery of Scotland Excel's organisational objectives and the actions identified to mitigate such risks.

DECIDED:

(a) That members provide feedback on the risk register and actions identified to manage risks to the Director of Scotland Excel; and

(b) That the report be noted.

6 INITIAL OPTIONS ON THE FUTURE GOVERNANCE STRUCTURE OF SCOTLAND EXCEL

There was submitted a report by Director of Scotland Excel relative to initial options on the future governance structure of Scotland Excel. In July 2017, the Senior Management Team of Scotland Excel began to consider initial options for the future governance structure of Scotland Excel, with a view to generating sustainable future revenue streams to support new service development, and allow member requisitions to be protected from inflationary increases.

The report identified four possible options for the future governance structure: maintaining the current model; widening the powers available under the current model; adding a trading company to the current or amended model; and converting the current model into an arm's length external organisation ("ALEO") of Scotland Excel's local authority members with a trading subsidiary. It was emphasised that these options were at the early stages of consideration, and as such no conclusions had been made.

The options presented in the report sought to address various limitations arising from the organisation's current structure and provide Scotland Excel with more freedom of action (within limits set by the 32 local authorities) to respond flexibly, dynamically and quickly to the consultancy services market and access grant funding.

DECIDED:

(a) That further investigation into the future governance structure by Senior Management Team of Scotland Excel be approved;

(b) That a further report be presented to a future Joint Committee meeting in either December 2017 or June 2018; and

(c) That the contents of the report be noted.

7 AUDIT ACTIONS PROGRESS REPORT

There was submitted a report by Director of Scotland Excel relative to the Audit Actions Progress Report. Audit Scotland's 2016/17 Annual Audit Report identified that Scotland Excel's internal audit reports were not provided to members and

recommended that internal audit reports be taken to Joint Committee/Executive Sub-committee meetings.

In June 2017 Renfrewshire Council's internal audit team carried out a review of Scotland Excel's governance arrangements. A report thereon was attached as Appendix 1. The report identified one recommendation in relation to joint committee attendance. An audit tracker where Scotland Excel's audit actions were tracked and completed was attached as Appendix 2 to the report.

DECIDED:

- (a) That the area for improvement identified and the action taken be noted; and
- (b) That future internal audit reports and tracked recommendations be brought to members on a regular basis.

8 MEETINGS OF SCOTLAND EXCEL EXECUTIVE SUB COMMITTEE IN 2018

There was submitted a report by the Clerk relative to proposed dates and venues for meetings of the Executive Sub-committee in 2018.

DECIDED: That the dates and venues for meetings of the Executive Sub-committee in 2018 as detailed in the report, be approved.

9 DATE OF NEXT MEETING

DECIDED: That it be noted that the next meeting of the Executive Sub-committee would be held at 9.45 am on 8 December, 2017 in Glasgow City Chambers.