

Minute of Meeting

Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday 23 August 2019	10:45	Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley

Present

Councillor Altany Craik (Fife Council); Bailie Norman MacLeod (Glasgow City Council); Councillor Alister Mackinnon (Highland Council); Councillor John Shaw (Renfrewshire Council) and Councillor Collette Stevenson (South Lanarkshire Council).

By Video Conference

Provost Norman Macdonald (Comhairle Nan Eilean Siar) and Councillor Stephen Thompson (Dumfries and Galloway Council).

Chair

Councillor Shaw, Convener, presided.

In Attendance

J Welsh, Director, H Carr, Head of Strategic Procurement, S Brannagan, Head of Customer & Business Services, E Kidd and S Brydson, Senior Procurement Specialists and K Copland, Procurement Coordinator (all Scotland Excel); M Conaghan, Legal & 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); Councillor Paul Di Mascio (North Lanarkshire 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 2 August 2019.

It was proposed that item 2 – Contract for Approval: New Build Residential Construction – be amended by the addition of the words ‘of the Executive Sub-committee’ following the word ‘members’ in the last paragraph and decision (b) of the Minute. This was agreed.

DECIDED: That the Minute, as amended, be approved.

2. Revenue Budget Monitoring

There was submitted a joint revenue budget monitoring report by the Treasurer and the Director of Scotland Excel for the period 1 April to 19 July 2019.

The report intimated that at the end of period 4, Scotland Excel was projecting a break-even position in its Core activities and Projects were anticipated to contribute £173,000 to Core, as per the approved budget.

The 2019/20 budget had included a temporary drawdown from Project reserve balances carried forward of £120,000 to fund Supported Living/Care at Home activity. The Scottish Government had provided grant funding of £150,000 for this activity and this reserve funding was no longer required in 2019/20.

To better align to the reporting structure, budget adjustments between budget headings had been processed. In addition, a £14,000 reserve drawdown was now budgeted to cover the further 0.5% pay inflation awarded in 2028/19, as approved but not quantified in the 2019/20 budget report.

At 19 July 2019, the year-to-date net expenditure for Core was £694,000, which comprised gross expenditure of £927,000, less gross income of £233,000. The projection for the end of 2019/20 was a break-even position for Core.

The Projects year-to-date net expenditure was £59,000, which comprised gross expenditure of £341,000, less gross income of £282,000. Projects were expected to contribute £173,000 funding to Core Operations during 2019/20, as per the approved budget.

The table appended to the report provided an analysis of the actual spend to date along with projected net expenditure for 2019/20 and included a summary of movement in the Revenue Reserve, as well as a glossary of terms.

It was proposed that ‘other income’ be detailed in the glossary of terms in future revenue budget monitoring reports and this was agreed.

DECIDED:

(a) That the report be noted; and

(b) That ‘other income’ be detailed in the glossary of terms in future revenue budget monitoring reports.

Declaration of Interest

Councillor Stevenson declared a financial interest in the following item of business and that she would take no part in the discussion and decision on this item, she remained in the meeting.

3. Social Care Flexible Frameworks Governance

There was submitted a report by the Director of Scotland Excel relative to the children's residential care and education services including short breaks flexible framework agreement and the social care agency workers flexible framework agreement.

The report intimated that the regulations relating to the procurement of social care services allowed for a more flexible approach of these services, in comparison to other goods or services, known as the 'light-touch' regime. This allowed Scotland Excel more scope to choose the procurement methodology most suited to the market whilst fundamentally adhering to the EU Treaty principles of non-discrimination, equal treatment, transparency and proportionality.

Scotland Excel had utilised the flexibility of the light-touch regime and developed the children's residential care and education services including short breaks flexible framework agreement which commenced on 1 May 2018 and the social care agency workers flexible framework agreement which commenced on 1 August 2018. These were similar to a Dynamic Purchasing System (DPS) but were not subject to the same restrictions. The operation of each flexible framework agreement could be varied to suit the specific market requirements and ultimately the needs of those utilising the services.

In order to ensure equal treatment of providers applying to join any flexible framework agreement and to confirm that any new provider met the required framework standards, Scotland Excel would replicate the initial procurement procedures at the point of application for new providers to ensure they were subject to the same minimum requirements and assessment as those who had participated from the commencement dates.

Following evaluation of offers received, a report detailing the recommendation to award would be submitted to the Director of Scotland Excel, or Head of Strategic Procurement in the Director's absence, for approval. In line with the agreed governance for DPS arrangements, the Executive Sub-committee would be updated on the addition of providers to flexible framework agreements on an annual basis in the annual procurement report.

DECIDED:

(a) That authority be delegated to the Director of Scotland Excel, or Head of Strategic Procurement, in the Director's absence, or their delegates, to approve award recommendations for any new entrants for both the children's residential care and education services including short breaks and social care agency workers flexible framework agreements; and

(b) That the Executive Sub-committee be updated on the addition of providers to both flexible framework agreements on an annual basis in the annual procurement report.

4(a) Contract for Approval: Care Homes for Adults with Learning Difficulties Including Autism

There was submitted a report by the Director of Scotland Excel relative to the award of a renewal framework agreement for care homes for adults with learning disabilities including autism which would operate from 16 September 2019 to 15 September 2023.

The report intimated that the framework had been based on the existing model whilst encompassing changes to policy, guidance and legislation and the refresh of the Keys to Life strategy. The framework sought to ensure that there continued to be sufficient choice of quality and value for money provision with the capability and capacity to deliver suitable services, as required, and sought to encourage innovative approaches to promoting choice and control, increasing life choices and improving lifestyles for adults with learning disabilities. A key element included supporting people to maintain or develop links with their preferred communities and Scotland Excel had responded to this by developing this renewal as a flexible framework agreement.

New providers and or services would be added to the framework at up to three points during the framework period and incumbent providers could have new services admitted to the framework at these points.

The framework had been advertised with an estimated value of £106 million over the four-year term and breakdown of the forecast formed Appendix 1 to the report. North Lanarkshire Council had intimated that it would not participate in this framework in line with the council's policy of not purchasing adult residential care. The framework would be open to the remaining 31 local authorities, NHS organisations and integrated bodies.

The report summarised the outcome of the procurement process for this framework. Tender responses had been received from 26 providers and 70 services. One provider could not commit to implementing the insurance requirements and withdrew their two services; another provider submitted a bid for a care home which did not meet the Care Inspectorate registration requirements and withdrew; and a further provider, who had 10 services, withdrew in the latter stages of evaluation.

Based on the criteria and scoring methodology set out in the tender documents, a full evaluation of the remaining compliant offers had been carried out and Appendix 1 to the report detailed the scoring achieved by each bidder.

The terms of the framework required that providers hold at least a grade 4 for the Care and Support criteria of a Care Inspectorate inspection. Care homes with lower grades were recommended for a deferred award which would be valid for 12 months, whereby the provider must evidence sufficient improvement and inspection grades which did meet the requirement.

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, both immediate and deferred, to 24 providers and 57 care homes as outlined in Appendix 1 to the report.

Appendix 2 to the report detailed the forecast spend; Appendix 3 to the report detailed the Scottish Living Wage status for suppliers at the point of tender; and Appendix 4 to the report detailed the SME status of providers.

It was noted that all awards to Cygnet Health Care Limited would be deferred awards and that Appendix 1 to the report would be amended to reflect this.

DECIDED:

(a) That the award of the framework agreement, as detailed in Appendix 1 to the report, as amended, be approved;

(b) That authority be delegated to the Director of Scotland Excel, or Head of Strategic Procurement, in the Director's absence, or their delegates, to approve award recommendations for any new entrants to the framework;

(c) That the Executive Sub-committee be updated on the addition of providers to the framework on an annual basis in the annual procurement report; and

(d) That it be noted that all awards to Cygnet Health Care Limited would be deferred awards and that Appendix 1 to the report would be amended to reflect this.

4(b) Contract for Approval: Supply and Delivery of Community Meals

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 community meals which would operate from 1 September 2019 until 31 August 2022, with the option to extend for up to 12 months until 31 August 2023.

The report summarised the outcome of the procurement process for this framework and intimated that the framework would provide a wide variety of nutritionally balanced, good quality, affordable meals which would be delivered to people in their own homes, community venues and council premises.

The framework had been divided into three lots as detailed in table 1 of the report and had been advertised with a forecast spend of approximately £4 million per annum across the three lots. It was noted that 16 councils had confirmed their intention to participate in the framework, however, all member councils had been listed in the contract notice as potential participants to enable them to access the framework in the future.

Tender responses had been received from two suppliers and a summary of the offers received was detailed in Appendix 2 to the report. The community meals marketplace was limited at present and the volume of bids received demonstrated this. Scotland Excel would continue to engage with SMEs to provide support and development to expand the marketplace and number of bidders who could provide these services in future.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of complaint 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 two suppliers as outlined in Appendix 3 to the report.

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

DECIDED: That the award of the framework agreement for supply and delivery of community meals, as detailed in Appendix 3 to the report, be approved.

4(c) Contract for Approval: Supply and Distribution of Fresh Bread, Rolls and Bakery Products

There was submitted a report by the Director of Scotland Excel relative to the award of a new framework agreement for the supply and distribution of fresh bread, rolls and bakery products which would operate from 1 October 2019 until 30 September 2022, with the option to extend for up to an additional 12-month period until 30 September 2023.

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 fresh bread, rolls and bakery products.

Tender responses had been received from eight suppliers. One supplier failed to upload their pricing schedule by the closing date and time and had therefore been deemed non-compliant and one supplier was deemed to be non-compliant in the second stage commercial assessment. A summary of the six compliant offers received together with their SME status was detailed in Appendix 1 to the report.

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 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 six suppliers 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 supply and distribution of fresh bread, rolls and bakery products, as detailed in Appendix 2 to the report, be approved.

5(a) Request for Associate Membership by Cornerstone Community Care

There was submitted a report by the Director of Scotland Excel advising that Cornerstone Community Care 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.

It was proposed that the legal persona of organisations be confirmed in future reports relating to requests for associate membership. This was agreed.

DECIDED:

(a) That the application by Cornerstone Community Care to become an associate member of Scotland Excel, at an annual membership fee of £500, be approved subject to completion and signing of the agreement documentation; and

(b) That the legal persona of organisations be confirmed in future reports relating to requests for associate membership.

5(b) Request for Associate Membership by Scottish Courts and Tribunal Service

There was submitted a report by the Director of Scotland Excel advising that the Scottish Courts and Tribunal Service 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 Courts and Tribunal Service to become an associate member of Scotland Excel, at no annual membership fee, be approved subject to completion and signing of the agreement documentation.

5(c) Request for Associate Membership by Scottish Police Authority

There was submitted a report by the Director of Scotland Excel advising that the Scottish Police Authority 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.

It was noted that the Scottish Policy Authority was in the process of reviewing its Scottish Living Wage status. It was proposed that this matter be revisited in six-months time and that an update report be submitted to a future meeting of the Executive Sub-committee. This was agreed.

DECIDED:

(a) That the application by the Scottish Police Authority to become an associate member of Scotland Excel, at an annual membership fee of £5,000, be approved subject to completion and signing of the agreement documentation; and

(b) That the matter of the Scottish Policy Authority reviewing its Scottish Living Wage status be revisited in six months time and that a report be submitted to a future meeting of the Executive Sub-committee.

5(d) Request for Associate Membership by Shettleston Housing Association Limited

There was submitted a report by the Director of Scotland Excel advising that Shettleston 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 Shettleston Housing Association to become an associate member of Scotland Excel, at an annual membership fee of £3,471, be approved subject to completion and signing of the agreement documentation.

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 20 September 2019 in Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley.