

Minute of Meeting Scotland Excel Joint Committee

Date	Time	Venue
Friday, 30 June 2017	10:45	City Chambers, Glasgow City Council, 80 George Square, Glasgow, G2 1DU

Present

Councillors Gillian Owen (substitute) (Aberdeenshire Council); Rory Colville (Argyll and Bute Council); Stephen Thompson (Dumfries & Galloway Council); Gordon Jenkins (East Ayrshire Council); Gary Bouse (Falkirk Council); Bailie MacLeod and Councillors Jane Morgan (both Glasgow City Council); Alister Mackinnon (Highland Council); Todd Ferguson (North Ayrshire Council); Paul Di Mascio (North Lanarkshire Council); Callum Purves (Perth & Kinross Council); John Shaw (Renfrewshire Council); Gordon Edgar (substitute for Simon Mountford) (Scottish Borders Council); Peter Henderson (South Ayrshire Council); Eileen Logan and Colette Stevenson (both South Lanarkshire Council); and Ian Dickson (West Dunbartonshire Council).

Apologies

Councillors Alan Donnelly and John Reynolds (both Aberdeen City Council); Angus Macmillan Douglas and Bob Myles (both Angus Council); Graham Hutshison (City of Edinburgh Council); Provost Macdonald (Comhairle Nan Eilean Siar Council); Baillie Willie Sawers (Dundee City Council); John McMillan (East Lothian Council); Tony Buchanan (East Renfrewshire Council); Andrew Baxter (Highland Council); Jim Clocherty (Inverclyde Council); Derek Milligan (Midlothian Council); Megan Gallacher (substitute) (North Lanarkshire Council); Ian Campbell (Perth & Kinross Council); Simon Mountford (Scottish Borders Council); Amanda Westlake (Shetland Islands Council); Alison Laurie (Stirling Council); and John McGinty (West Lothian Council).

In Attendance

J Welsh, Director, S Brannagan, Head of Customer & Business Services, H Carr, Head of Strategic Procurement (all Scotland Excel); M Conaghan, Legal & Democratic Services Manager, A McMahon, Chief Auditor, V Howie, Finance & Resource Manager, E Currie, Senior Committee Services Officer and K Brown, Committee Services Officer (all Renfrewshire Council); K Scott, Procurement and Commissioning Manager (Dumfries and Galloway Council); and M Ferris, Senior Audit Manager (Audit Scotland).

Declarations of Interest

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

Prior to the start of the meeting the Legal & Democratic Services Manager, on behalf of the Clerk, welcomed members to the first meeting of the Joint Committee following the Local Government Elections in May 2017.

1 Appointment of Convener

The Legal & Democratic Services Manager asked for nominations for the post of Convener.

Bailie MacLeod, seconded by Councillor Stevenson, moved that Councillor Shaw be appointed as Convener of the Joint Committee.

There being no further nominations it was agreed that Councillor Shaw be appointed as Convener of the Joint Committee.

DECIDED: That Councillor Shaw be appointed as Convener of the Joint Committee.

Chair

Councillor Shaw thereafter took the chair.

2 Appointment of Vice Convener

The Convener asked for nominations for the post of Vice Convener.

Bailie MacLeod, seconded by Councillor Stevenson, moved that Councillor Di Mascio be appointed as Vice Convener of the Joint Committee.

There being no further nominations it was agreed that Councillor Di Mascio be appointed as Vice Convener of the Joint Committee.

DECIDED: That Councillor Di Mascio be appointed as Vice Convener of the Joint Committee.

3 Term of Office of Convener and Vice Convener

There was submitted a report by the Clerk relative to the term of office for the Convener and Vice Convener of the Joint Committee.

DECIDED: That the term of office of the Convener and Vice Convener of the Joint Committee be until the next local government elections in May 2022.

4 Membership of Joint Committee

There was submitted a report by the Clerk relative to the appointments by member authorities to the Scotland Excel Joint Committee. An updated appendix detailing appointments was tabled.

DECIDED: That the appointments be noted.

5 Membership of Executive Sub-committee

There was submitted a report by the Clerk seeking approval for the continued appointment of the existing membership of the Scotland Excel Executive Sub-committee for a further period to June 2018.

The report intimated that in June 2014 the Joint Committee agreed to increase the number of members of the Sub-committee from 10 to 12 and the Procedural Standing Orders had been amended to reflect that the Executive Sub-committee shall comprise a maximum of 12 members including the Convener and Vice Convener of the Joint Committee. Where possible the membership of the Executive Sub-committee should reflect the geographic diversity of the constituent authorities.

Bailie MacLeod, seconded by Councillor Bouse, moved, in terms of Standing Order 36, that Standing Order 35 be suspended to allow consideration of the membership of the Executive Sub-committee as detailed in Standing Order 40a. This was agreed unanimously.

After discussion Bailie MacLeod, seconded by Councillor Bouse, proposed that:

(a) Standing Order 40a be amended to read that “the Executive Sub-committee shall comprise a maximum of 13 members including the Convener and Vice Convener with the other members appointed by the Joint Committee. The Convener and Vice Convener of the Joint Committee shall be the Convener and Vice Convener of the Executive Sub-committee.”; and

(b) That it be agreed that the Executive Sub-committee comprise elected members from Aberdeenshire Council, Angus Council, City Of Edinburgh Council, Comhairle nan Eilean Sar, Dumfries & Galloway Council, Fife Council, Glasgow City Council, Highland Council, North Ayrshire Council, North Lanarkshire Council (Vice Convener), Renfrewshire Council (Convener), South Lanarkshire Council and Shetland Islands Council; and

(c) That the membership of the Executive Sub-committee be next reviewed at the meeting of the Joint Committee in June 2018. This was agreed

DECIDED:

(a) That Standing Order 40a be amended to read that “the Executive Sub-committee shall comprise a maximum of 13 members including the Convener and Vice Convener with the other members appointed by the Joint Committee. The Convener and Vice Convener of the Joint Committee shall be the Convener and Vice Convener of the Executive Sub-committee.”; and

(b) That it be agreed that the Executive Sub-committee comprise elected members from Aberdeenshire Council, Angus Council, City Of Edinburgh Council, Comhairle nan Eilean Sar, Dumfries & Galloway Council, Fife Council, Glasgow City Council, Highland Council, North Ayrshire Council, North Lanarkshire Council (Vice Convener), Renfrewshire Council (Convener), South Lanarkshire Council and Shetland Islands Council; and

(c) That the membership of the Executive Sub-committee be next reviewed at the meeting of the Joint Committee in June 2018.

6 Minute of Joint Committee

There was submitted the Minute of the meeting of the Joint Committee held on 9 December 2016.

DECIDED: That the Minute be approved.

7 Minutes of Executive Sub-committee

There were submitted the Minutes of the meetings of the Executive Sub-committee held on 9 December 2016, 10 February and 31 March 2017.

With reference to the Minute of the Executive Sub-committee held on 31 March 2017, the Head of Strategic Procurement tabled an update highlighting administrative errors in the reports relative to item 2 - Supply and Delivery of Education and Office Furniture and item 5 – Supply and Delivery of Personal Protective Equipment of the Minute.

DECIDED:

(a) That the Minutes be approved; and

(b) That the administrative errors in the reports in relation to items 2 and 5 of the Minute of the Executive Sub-committee held on 31 March 2017 as appended to this Minute be noted.

8 Overview of Three Year Strategy

The Director of Scotland Excel gave a presentation to members providing an introduction to Scotland Excel; Scotland Excel governance; Scotland Excel's portfolio and portfolio growth; the Scotland Excel Academy; the Procurement and Commercial Improvement Programme (PCIP); details of what Scotland Excel had achieved through collaboration; the next steps for the organisation and what the organisation needed from the Joint Committee.

DECIDED: That the presentation be noted.

9 Elected Member Engagement Plan

There was submitted a report by the Director of Scotland Excel relative to the development of an engagement programme to ensure that Joint Committee members stayed informed about the work of Scotland Excel and key matters relating to public procurement throughout the year.

The report intimated that the engagement plan had been informed by the responses of previous Joint Committee members to the recent customer satisfaction survey. The report provided members with a high-level overview of the programme.

DECIDED: That the progress and plans to support member engagement be noted.

10 Operating Plan Update 2016/17

There was submitted a report by the Director of Scotland Excel relative to the progress made against operating plan activities and commitments during 2016/17.

The report intimated that in June 2015 the Joint Committee approved a new three-year corporate strategy and rolling annual operating plan. From April 2016, quarterly reports were being produced to track Scotland Excel's performance against operating plan activities and these reports summarised the progress made against the key priorities identified each year using a 'traffic light' symbol which provided a quick guide to the status of each action. Appendix 1 to the report provided an update on progress made during the full financial year to 31 March 2017 and updates on ten key performance indicators (KPIs) included within the plan.

The report highlighted that progress reports would be produced at the end of each quarter and submitted to the Executive Sub-committee at their next scheduled meeting. Half yearly and annual reports would also be submitted to future meetings of the Joint Committee.

DECIDED: That the progress made by Scotland Excel in delivering its corporate strategy during 2016/17 be noted.

11 Operating Plan 2017/18

There was submitted a report by the Director of Scotland Excel relative to the proposed operating plan 2017/18.

The report intimated that in June 2015 the Joint Committee approved a new three-year strategy and rolling annual operating plan. The plan was reviewed and updated each year to ensure that it remained closely aligned with strategy and responded to any changes in the external environment. A copy of the updated operating plan proposed for 2017/18, which would guide the projects and activities undertaken by the organisation in 2017/18, was appended to the report.

DECIDED: That the updated operating plan for 2017/18 be approved.

12 Unaudited Annual Accounts 2016/17

There was submitted a report by the Treasurer relative to the unaudited annual accounts for the Joint Committee for 2016/17 which were attached to the report.

The report intimated that the accounts for the year ended 31 March 2017 had been completed and forwarded to Audit Scotland for audit. The accounts showed a deficit for the year of £97,552 against a budgeted deficit of £199,510.

In accordance with the Local Authority Accounts (Scotland) Regulations 2014 the unaudited accounts had only been signed by the Treasurer as proper officer. The audited accounts would be signed by the Convener, the Director of Scotland Excel and the Treasurer in accordance with the new guidelines.

DECIDED: That the unaudited annual accounts for the year ended 31 March 2017 be noted and that the accounts be further presented to the Executive Sub-committee on completion of the audit.

13 Budget Drawdown Reserves Usage 2017/18

The Director of Scotland Excel submitted a report relative to a drawdown of reserves in 2017/18.

The report intimated that a surplus of £101,958 was reported within the financial statements for 2016/17 and that this was primarily due to the postponement of IT projects including the migration of the IT infrastructure. Further progress had been made on these projects and funding was now required to support the IT projects and office upgrade as detailed in the report.

DECIDED: That the drawdown of £100k from reserves to fund the projects detailed in the report be approved.

14 Contract Delivery Plan

There was submitted a report by the Director of Scotland Excel relative to the progress against the 2017/18 contract delivery plan.

Appendix 1 to the report detailed the contracts to be renewed; Appendix 2 to the report detailed new contracts to be developed and delivered in 2017/18 and Appendix 3 to the report detailed contracts with extension options and contract management activity ongoing in 2017/18.

DECIDED: That the progress made to date be noted.

15 Community Benefits Update

There was submitted a report by the Director of Scotland Excel providing an update on the community benefits facilitated and delivered from the Scotland Excel portfolio of framework agreements.

The report intimated that the requirement to include community benefits in the delivery of goods and services was an integral element within Scotland Excel frameworks. Community benefits were reviewed with suppliers at contract management review meetings and reported to local authority procurement managers at quarterly business review meetings.

Table 1 to the report detailed a summary of the social value added across the portfolio since the revised community benefit collection process had been implemented from 2013/14 to 2016/17. The appendix to the report detailed the community benefits by council.

The next community benefits data collection, analysis and review cycle would be completed in line with management information processes to cover the period to the end of September 2017. The results would be reviewed with the supply base and where appropriate would be incorporated into supplier performance objectives.

DECIDED: That the report be noted and the measures proposed to monitor delivery of community benefits for 2017/18 financial year be supported.

16 Risk Register

There was submitted a report by the Director of Scotland Excel relative to the risk register maintained to assess risks and threats that could impact on delivery of Scotland Excel's organisational objectives and to identify actions that were being taken to mitigate such risks. A copy of the risk register was appended to the report.

The report intimated that the risk register had been reviewed and had identified the current risks to the organisation. The risks would continue to be monitored and reviewed on a quarterly basis by the Senior Management Team and be reported on a six-monthly basis to the Executive Sub-committee and annually to the Joint Committee.

DECIDED: That the report and progress made to date be noted.

17 Internal Audit Annual Report 2016/17

There was submitted a report by the Chief Auditor, Renfrewshire Council, relative to the Internal Audit annual report 2016/17. The report intimated that the public sector internal audit standards required that the Chief Auditor prepare an annual report on the activities of internal audit to demonstrate performance. The report must also provide an audit opinion on the overall adequacy and effectiveness of the internal control system of the audited body.

The annual report for Scotland Excel was attached as an appendix to the report and outlined the role of internal audit, the performance of the internal audit team and the main findings from the internal audit work undertaken in 2016/17 and contained an audit assurance statement.

DECIDED: That the Internal Audit annual report for 2016/17 be noted.

18 Organisation Information Report

There was submitted a report by the Director of Scotland Excel relative to staff absence rates, special leave given to staff, and hospitality granted by the organisation in 2016/17.

DECIDED: That the report be noted.

19 Date of Next Meeting

DECIDED: That it be noted that the next meeting of the Joint Committee would be held at 10.45 am on 8 December 2017 within the City Chambers, Glasgow City Council.

Appendix

Minute of Scotland Excel Sub-Committee on 31 March 2017

Statement by the Head of Strategic Procurement.

I want to draw to the attention of the Joint Committee for the purposes of a fully accurate record the following administrative errors which came to light in the course of implementing the Executive Sub-Committee's decisions of 31 March 2017. I would advise that the nature and significance of these errors and the fact that they did not affect the recommendations in any way was carefully considered and thereafter the contract award process was taken through to completion.

Agenda Item 2 – Supply and Delivery of Education and Office Furniture

References in the Appendices to –

1 Findel Education Supplies Limited should have been to Findel Educational Supplies Limited

2 YPO Procurement Holdings Limited should have been to YPO Joint Committee of Local Authorities

Agenda Item 5 – Supply and Delivery of Personal Protective Equipment

References in the Appendices to –

1 Lion Safety Ltd should have been to Lion Safety. (It should be noted that the bidder has a company, but its company was not used to bid for the work.)

2 Mona Laird Ltd (T/a McKinley Workwear Supplies) located in Inverness should have been to Morna Laird Ltd (T/a McKinlay Workwear Supplies) located in Hamilton.

The scoring of the tenders listed in Appendix 3 has been corrected as follows –

MWUK Ltd trading as Alexandra - score has been corrected for an arithmetical error and changed from 77.45 to 82.45, moving it up from position 13 to position 9 in the table; and

Rexel UK Ltd trading as Rexel MRO – score has been corrected for an arithmetical error and changed from 74.31 to 71.31, moving it down from position 19 to position 20 in table.

The bidders listed from positions 9 through 20 have moved position to accommodate the above changes but no change whatsoever was made in the overall result and the recommended suppliers agreed by the Executive Sub-Committee at the meeting.

I would ask the Joint Committee in approving the decisions on 31 March 2017 to formally note these errors in the reports to the Executive Sub-Committee as part of its decision to approve the Minute.