

Notice of Meeting and Agenda Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 18 June 2021	09:30	Remotely by MS teams,

KENNETH GRAHAM
Clerk

Membership

Provost Bill Howatson (Aberdeenshire Council); Councillor Angus Macmillan Douglas (Angus Council); Councillor Graham Hutchison (City of Edinburgh Council); Provost Norman A Macdonald (Comhairle Nan Eilean Siar); Councillor Stephen Thompson (Dumfries and Galloway Council); Councillor Altany Craik (Fife Council); Councillor Ruairi Kelly (Glasgow City Council); Councillor Jimmy Gray (Highland Council); Councillor Joe Cullinane (North Ayrshire Council); Councillor Paul Di Mascio (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council); Councillor Amanda Hawick (Shetland Islands Council) and Councillor Collette Stevenson (South Lanarkshire Council)

Councillor John Shaw (Convener): Councillor Paul Di Mascio (Vice Convener)

Further Information

If you require further information in relation to this meeting please call 0141 618 7111.

Items of business

Apologies

Apologies from members.

Declarations of Interest

Members are asked to declare an interest in any item(s) on the agenda and to provide a brief explanation of the nature of the interest.

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|-------------|---|----------------|
| 1 | Minute | 5 - 10 |
| | Minute of meeting of the Executive Sub-committee held on 21 May 2021. | |
| 2 | Internal Audit Engagement - Financial Sustainability Arrangements | 11 - 16 |
| | Report by Chief Auditor. | |
| 3 | Internal Audit Annual Report 2020/21 | 17 - 24 |
| | Report by Chief Auditor. | |
| 4(a) | Contract for Approval: Supply and Delivery of Education Materials | 25 - 38 |
| | Report by Chief Executive of Scotland Excel. | |
| 4(b) | Contract for Approval: Supply, Delivery and Installation of Education and Office Furniture | 39 - 54 |
| | Report by Chief Executive of Scotland Excel. | |
| 4(c) | Contract for Approval: Fostering and Continuing Care Services | 55 - 68 |
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| 4(d) | Contract for Approval: Treatment of Organic Waste Services | 69 - 80 |
| | Report by Chief Executive of Scotland Excel. | |
| 5(a) | Request for Associate Membership: Loch Lomond and The Trossachs National Park Authority | 81 - 82 |
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5(b) Request for Associate Membership: Sportscotland

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Report by Chief Executive of Scotland Excel.

6 Date of Next Meeting

Note that the next meeting of the Executive Sub-committee will be held at 9.30 am on 20 August 2021.



Minute of Meeting Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 21 May 2021	09:30	Remotely by MS teams,

Present

Provost Bill Howatson (Aberdeenshire Council); Councillor Angus Macmillan Douglas (Angus Council); Councillor Graham Hutchison (Edinburgh Council); Councillor Stephen Thompson (Dumfries and Galloway Council); Councillor Altany Craik (Fife Council); Councillor Ruairi Kelly (Glasgow City Council); Councillor Paul Di Mascio (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council); and Councillor Amanda Hawick (Shetland Islands Council).

Chair

Councillor Shaw, Convener, presided.

In Attendance

J Welsh, Chief Executive, H Carr, Head of Strategic Procurement, S Brannagan, Head of Customer and Business Services, L Campbell, Corporate Services Manager, S Christie, Commercial Manager, G Montgomery, Category Manager, E Campbell, Procurement Data Specialist, Z Shankly, Customer Account Manager, L McIntyre, Senior Communications Specialist and K Forrest, Office Manager (all Scotland Excel); C McCourt, Finance Business Partner (for items 1 and 2 only), L Meikle, Senior Accountancy Assistant, E Currie, Senior Committee Services Officer and K O'Neill, Assistant Democratic Services Officer (for items 2 to 7 only) (all Renfrewshire Council).

Apologies

Provost Norman A Macdonald (Comhairle Nan Eilean Siar); Councillor Jimmy Gray (Highland Council); and Councillor Joe Cullinane (North Ayrshire Council).

Declarations of Interest

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

1 **Minute**

There was submitted the Minute of the meeting of the Executive Sub-committee held on 23 April 2021.

DECIDED: That the Minute be approved.

Sederunt

Councillor Kelly joined the meeting prior to consideration of the following item of business.

2 **Revenue Budget Monitoring Report to 31 March 2021**

There was submitted a joint revenue budget monitoring report by the Treasurer and the Chief Executive of Scotland Excel for the period 1 April 2020 to 31 March 2021.

The report intimated that Scotland Excel had ended the 2020/21 financial year with a net underspend of £15,000 in its core activities and a £12,000 underspend by year-end within projects, which resulted in an increase to reserves. Further detail was provided in section 3 of the report.

The appendices to the report provided an analysis of the actual income and expenditure for 2020/21 and included a summary of movement in both the revenue reserve and in project reserves.

DECIDED: That the year-end positions in both core operations and projects, as detailed in the report, be noted.

Sederunt

Councillor Macmillan Douglas joined the meeting during consideration of the following item of business.

3 **Contract for Approval: Waste Composition Analysis Services**

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of a first-generation framework for waste composition analysis services which would operate from 9 June 2021 to 8 June 2025.

The framework would offer a mechanism for councils to procure the services of suitably qualified service providers to conduct waste composition analysis, including sorting and detailed reporting of analysis results following scrutiny of waste collected from households at the kerbside or via household waste and recycling services.

It was noted that Scotland Excel had delivered this framework with support from Zero Waste Scotland, a not-for-profit organisation funded by the Scottish Government with a remit to use evidence and insight to inform policy and motivate individuals and businesses to embrace the environmental, economic, and social benefits of a circular economy. Zero Waste Scotland would, over the coming years, provide support to councils for the procurement of waste composition analysis services ensuring a consistent approach, high quality data and ease of market engagement.

The report summarised the outcome of the procurement process for this framework.

The framework comprised one lot and was available for use by all 32 councils plus Tayside Contracts. The forecast annual spend for participating councils and associate members, with contingency, was £750,000 per annum, equating to an estimated £3 million over the full four-year term of the framework.

Tender responses had been received from five suppliers and Appendix 1 to the report provided a summary of the offers received and their SME status.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the 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 five suppliers as outlined in Appendix 2 to the report.

Appendix 3 to the report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage.

The report intimated that, in accordance with Scotland Excel's established contract and supplier management programme, this framework had been classified as class D in terms of risk and spend, as detailed in Appendix 4 to the report.

DECIDED: That the award of the multi-supplier framework for waste composition analysis services, as detailed in Appendix 2 to the report, be approved.

4(a) **Request for Associate Membership of Scotland Excel by Easthall Park Housing Co-operative Limited**

There was submitted a report by the Chief Executive of Scotland Excel advising that Easthall Park Housing Co-operative 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 Easthall Park Housing Co-operative Limited to become an associate member of Scotland Excel, with an annual membership fee of £1,042, be approved subject to completion and signing of the agreement documentation.

4(b) **Request for Associate Membership of Scotland Excel by Royal Botanic Garden Edinburgh**

There was submitted a report by the Chief Executive of Scotland Excel advising that the Royal Botanic Garden Edinburgh 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 Royal Botanic Garden Edinburgh to become an associate member of Scotland Excel, with no annual membership fee, be approved subject to completion and signing of the agreement documentation.

Sederunt

Councillor Craik left the meeting prior to consideration of the following item of business.

5 Community Benefits and Fair Work Practices Update

There was submitted a report by the Chief Executive of Scotland Excel highlighting the community benefits delivered as a result of the Scotland Excel framework portfolio in the period 1 March 2020 to 30 September 2020 together with an update on fair work practices which would give an analysis of suppliers and providers Living Wage status.

The report intimated that Scotland Excel continually strived to be innovative in its approach to community benefits and recognised that community benefits had a considerable social, environmental and economic impact within local communities. The approach to community benefit commitments had been developed to further advance the undertakings made by suppliers and to facilitate a robust process for the collection of responses. The newly developed community benefit menu had been favoured by procurement specialists when embarking on new procurement exercises and offered a focussed approach across the Scotland Excel procurement portfolio. It aimed to encourage suppliers and providers to deliver community benefits within the awarding council area.

It was noted that data collation for the periods 1 October 2019 to 31 March 2020 and 1 April 2020 to September 2020 had been collated together owing to the coronavirus pandemic. Information supplied by providers had been collated to illustrate the variety and extent of community benefits delivered as a result of Scotland Excel frameworks and this method of collection together with ongoing contract management aimed to support the delivery of commitments made by suppliers and providers at point of tender. For the two returns to 30 September 2020, community benefits had been sought from suppliers and providers who had received in excess of £50,000 spend over the preceding two quarters via a Scotland Excel framework.

Table 1 to the report provided a summary of the social value added across the portfolio since 2013. The figures were complete for the six-month period through to the end of September 2020.

The appendix to the report detailed the community benefits by council for the period April 2020 to September 2020. In relation to fair work practices, including the Living Wage, the report intimated that Scotland Excel commenced formal consideration within tenders in early 2015 and that the respective position on bidders' work practices had been outlined within contract approval reports submitted to the Executive Sub-committee. The report detailed the overall position across Scotland Excel's portfolio.

It was noted that the next community benefits data collection, analysis and review cycle would be completed in line with management information process to cover the period to the end of March 2021.

DECIDED: That the report be noted and that the ongoing practice to monitor delivery of community benefits for the 2021/22 financial year be supported.

6 **Strategic Risk Register Update**

There was submitted a report by the Chief Executive of Scotland Excel providing an update on the Strategic Risk Register, a copy of which was appended to the report.

The report intimated that the strategic risk register assessed threats and risks that could impact on the delivery of Scotland Excel's organisational objectives and identified controls and actions being taken to mitigate these risks. The register had been created in June 2018 and adjusted in June 2019 to better reflect that used by partner organisations.

There were 10 risks identified, ranging in assessed risk score from six to 20, and a summary of the key statistics in relation to each was detailed in the register. The impact of the COVID-19 pandemic was the over-riding influence on all strategic risk throughout the year coupled with the continuing uncertainty around the medium and long-term impact of Brexit. These factors were reflected in the upwards trend in relation to risk scores over the earlier periods of 2020/21.

It was noted that a full and comprehensive review of the Strategic Risk Register was scheduled to be undertaken in May 2021 facilitated by Renfrewshire Council's Risk Manager and that this may result in a change to the types of risk identified within the register and how it was presented to committee.

DECIDED: That the report be noted and that members provide any feedback on the strategic risk register and the actions taken to manage risks.

7 **Date of Next Meeting**

DECIDED: That it be noted that the next meeting of the Executive Sub-committee would be held at 9.30 am on 18 June 2021.

Scotland Excel**To: Executive Sub-committee****On: 18 June 2021****Report by:
Chief Auditor****Internal Audit Engagement – Financial Sustainability Arrangements****1. Summary**

- 1.1 In line with the Public Sector Internal Audit Standards, Internal Audit must communicate the results of each engagement to the Board.
- 1.2 The Chief Auditor will report summaries of completed audit engagements to the Executive Sub Committee on the conclusion of each engagement for formal consideration by members in line with the best practice referred to above.
- 1.3 This report provides detail of the audit engagement completed in May 2021 with the overall assurance rating and the number of recommendations in each risk category. The detailed committee summary for the report is also attached.

2. Recommendations

- 2.1 Members are invited to consider and note the summary for the Internal Audit engagement of financial sustainability arrangements.
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Appendix 1

Scotland Excel

Internal Audit Service

Summary of Internal Audit Reports issued

Category	Engagement	Assurance Rating	Recommendation Ratings			
			Critical	Important	Good Practice	Service Improvement
Assurance	Financial Sustainability Arrangements	Substantial	0	0	0	0

Assurance Level	
Substantial Assurance	<ul style="list-style-type: none"> There is a sound system of internal control designed to achieve the objectives of the area being reviewed. The control processes tested are being consistently applied.
Reasonable Assurance	<ul style="list-style-type: none"> The internal control processes are generally satisfactory with some areas of weakness being identified that could put some objectives of the area being reviewed at risk There is evidence that the level of non-compliance with some of the control processes may put some of the objectives of the area being reviewed at risk.
Limited Assurance	<ul style="list-style-type: none"> Weaknesses in the system of internal controls are such as to put the objectives of the area being reviewed at risk. The level of non-compliance puts the objectives of the area being reviewed at risk.
No Assurance	<ul style="list-style-type: none"> Control processes are generally weak with significant risk to the achievement of the objectives of the area being reviewed. Significant non-compliance with control processes leaves the processes/systems open to error or abuse.

Recommendation Rating	
Service Improvement	Implementation will improve the efficiency / housekeeping of the area under review.
Good Practice	Implementation will contribute to the general effectiveness of control.
Important	Implementation will raise the level of assurance provided by the control system to acceptable levels.
Critical	Addresses a significant risk, impacting on the objectives of the area under review.

Internal Audit Report

Scotland Excel

Financial Sustainability (A0009/2021/001)

Date: May 2021

COMMITTEE SUMMARY

Audit Objectives
<p>The objectives of the audit were to: -</p> <ol style="list-style-type: none">1. Examine the source and accuracy of the financial information presented to the Board in respect of each of the 5 income streams identified in the Funding Model and to ensure that appropriate action is taken to address any issues arising where associated targets are not being achieved.2. Ascertain the level of awareness throughout the business of individual officers' roles and responsibilities relating to the overarching financial strategy and associated consequences of not achieving targets.3. Identify any perceived challenges/vulnerabilities that officers judge to be barriers to meeting financial targets and how these may be addressed.4. Evaluate the effectiveness of each of the income streams outlined in the Funding Model in the current climate and consider any areas of improvement within these funding streams.
Audit Scope
<ol style="list-style-type: none">1. Interviewed relevant officers to obtain information and documentation relevant to the Funding Model.2. Prepared and carried out a programme of tests to enable the audit objectives to be met.
Key Audit Assurances
<ol style="list-style-type: none">1. The financial information presented to the Board in respect of each of the 5 income streams identified in the Funding Model was found to be accurate and based on sound information.2. Officers throughout the organisation were found to have a satisfactory level of awareness of their roles and responsibilities relating to the overarching financial strategy and associated consequences of not achieving targets.3. Officers are proactive in addressing perceived challenges/vulnerabilities judged to be barriers to meeting financial targets.4. Although the effectiveness of the income streams outlined in the Funding Model were challenged this year due to COVID19, the organisation was proactive in attempting to address this as well as exploring other funding sources to supplement the current income streams.
Key Risks
<p>Scotland Excel are closely monitoring and reporting on the effects of COVID19 on income streams and as an organisation are being proactive in addressing issues as they arise. However, the pandemic is an unparalleled risk bringing significant challenges and uncertainty on several levels to businesses and remains a key risk to all organisations.</p>
Overall Audit Opinion

Internal Audit Report

Scotland Excel

Financial Sustainability (A0009/2021/001)

Date: May 2021

The audit identified that satisfactory processes are in place over the areas reviewed in relation to the financial sustainability of Scotland Excel. As a result, there were no audit findings identified during this review and the auditor has made a provision of substantial assurance for the areas tested.

Scotland Excel**To: Executive Sub-Committee****On: 18 June 2021****Report by:
Chief Auditor****Internal Audit Annual Report 2020/21****1. Summary**

- 1.1 The Public Sector Internal Audit Standards require the Chief Auditor to prepare a report, at least annually, to senior management and the Board on the internal audit activity's purpose, authority, and responsibility, as well as performance relative to its plan.
- 1.2 The annual report must also provide an annual audit opinion on the overall adequacy and effectiveness of Scotland Excel's internal control environment.
- 1.3 The Annual Report for Scotland Excel is attached at Appendix 1 and outlines the role of Internal Audit, the performance of the Internal Audit Team, the main findings from the internal audit work undertaken in 2020/21 and contains an audit assurance statement.

2. Recommendations

- 2.1 Members are invited to consider and note the contents of the Annual Report.

Scotland Excel Internal Audit Annual Report 2020-2021

**Renfrewshire Council
Internal Audit**

June 2021

Scotland Excel

Internal Audit Annual Report 2020/2021

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<p style="text-align: center;">Scotland Excel</p> <p style="text-align: center;">Internal Audit Annual Report</p> <p style="text-align: center;">1 April 2020 – 31 March 2021</p>
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1. Introduction

1.1 As host Authority, Renfrewshire Council provides an internal audit service to Scotland Excel. This includes:

- The compilation of an annual audit plan following consideration and evaluation of those areas of greatest risk in the organisation's operation, and consultation with the Director;
- Delivery of the planned audit assignments;
- Follow up of previous audit recommendations;
- Provision of any ongoing advice and support on audit and risk management related matters;
- Provision of an Annual Report and Assurance Statement, and presentation to elected members of Scotland Excel.

1.2 The Service operates in accordance with the Public Sector Internal Audit Standards (PSIAS) which defines Internal Audit's role as:

".....an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes."

1.3 In line with the Standards, the purpose of this Annual Report is to report on:

- The outcome of the planned Internal Audit reviews 2020/21 relating to Scotland Excel;
- The outcome of Internal Audit reviews of supporting Renfrewshire Council corporate systems;
- Internal audit performance;
- Planned audit work for 2020/21;
- The annual assurance statement which provides an opinion on the overall adequacy and effectiveness of the organisation's internal control environment.

2. Responsibilities of Management and Internal Audit

- 2.1 It is the responsibility of management to ensure that for the areas under their control there is an adequate and effective system of internal control which facilitates the effective exercise of the organisation's functions and which includes arrangements for the management of risk.
- 2.2 Internal Audit is not a substitute for effective control exercised by management as part of their responsibilities. Internal Audit's role is to independently assess the adequacy of the risk management, internal controls and governance arrangements put in place by management and to undertake sufficient work to evaluate and conclude on the adequacy of those controls for the period under review.

3. Internal Audit Activity during 2020/2021

- 3.1 One specific engagement was undertaken during 2020/21, which related to the internal controls in operation over the financial sustainability of Scotland Excel. The main findings in relation to this review is summarised in table 1 below:

Table 1

Audit Area	Conclusion
Financial Sustainability	<ul style="list-style-type: none">• Substantial Assurance• The audit identified that satisfactory processes are in place over the areas reviewed in relation to the financial sustainability of Scotland Excel.• The current pandemic is an unparalleled risk bringing significant challenges and uncertainty on several levels to businesses and remains a key risk to all organisations. Scotland Excel are being proactive in addressing issues as they arise.

- 3.2 The Annual Report for 2019/2020 was submitted to the Joint Committee on 19 June 2020.
- 3.3 The implementation rate of audit recommendations is a measure of operational culture and effectiveness. During 2020/21, 1 recommendation was followed up and had been fully implemented.
- 3.4 Internal Audit also carried out reviews of the main corporate systems operating within Renfrewshire Council which support Scotland Excel's activity. The main findings in relation to these are summarised in Table 2 below and

Renfrewshire Council management have agreed to implement the audit recommendations made in relation to each review:

Table 2

Audit Area	Conclusion
Payroll	<ul style="list-style-type: none"> • Reasonable Assurance • The audit identified that temporary changes to employee hours and temporary upgrades are generally actioned correctly. However, some employees with temporary changes of hours were not paid timeously and there was a lack of evidence of signed contracts for some secondments.

4. Review of Internal Audit Performance

- 4.1 Internal Audit produces regular reports on its performance during the year to the Renfrewshire Council, Audit, Risk and Scrutiny Board, against a range of measures set annually by the Director of Finance and Resources. These targets are set for all internal audit engagements and include Renfrewshire Council and other associated bodies, for which the team provides internal audit services. Table 3 shows the actual performance against targeted performance for the year.

Table 3

Internal Audit Performance 2020/21		
Performance measure	Target 2020/21	Actual 2020/21
% of audit assignments completed by target date	95%	94.5%
% of audit assignments completed within time budget	95%	98.4%
% completion of audit plan for the year*	95%	100%

* this measures the completion percentage as at 31 March. 100% of the plan is ultimately delivered through the finalisation of the outstanding elements in the new financial year.

- 4.2 A revised audit plan was approved during the year due to the impact of Covid-19 restrictions and to address emerging priorities and risks. The percentage completion of the revised audit plan is marginally below the target set for the year. This was due to a period of unplanned leave in March 2021. The actual performance for the year for the two other indicators, is above the target

performance level. All Scotland Excel specific audit engagements have been completed.

- 4.3 The Chief Auditor is required to develop and maintain a quality assurance and improvement programme that covers all aspects of internal audit including conformance with the PSIAS. The review did not identify any areas of non-conformance that require to be addressed.

4.4 External Audit

External Audit's review of the internal audit service concluded that overall the service operates in accordance with the PSIAS.

4.5 Risk Management

The internal audit service through the Risk Manager, provides advice and support to Scotland Excel officers, as required.

5. Planned Audit Work for 2021/22

- 5.1 Following a risk based assessment of the activities of Scotland Excel and consultation with the Director, the following internal audit work has been agreed for 2021/22:

- A review of workforce planning;
- Follow up of previous audit work;
- Ad-hoc internal audit and risk management advice.

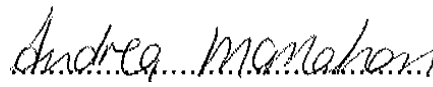
6. Audit Assurance Statement

- 6.1 Internal Audit has performed its work in accordance with the role defined in paragraph 1.2. The audit work performed has been reported to the Director, and to the Joint Committee. Where areas for improvement in internal control have been identified appropriate recommendations have been made and accepted for action by management.
- 6.2 In view of the continued challenges common to all public bodies, there will be a requirement for the council and the bodies for which it is host authority to exercise very close scrutiny over revenue spending, and this will continue to receive due internal audit attention.
- 6.3 It is not feasible for the system of internal control to be without any weakness. It is important to balance the risks involved in accepting systems limitations with the consequences if a problem emerges. Internal Audit recognises this and assesses this in its reporting mechanism.
- 6.4 The audit plan is always intended to be flexible and as a result of the Covid 19 pandemic, the audit plan for 2020/21 was reassessed in light of restrictions on our ability to progress certain planned audit engagements and considering other areas of emerging risk. Additionally, the gross available days were

reduced by 15% with some staff undertaking other duties and no audit engagements were outsourced as was planned. In this context, it is considered that, reasonable assurance can be placed upon the adequacy and effectiveness of Scotland Excel's internal control, risk management and governance arrangements, as evidenced by:-

- The results of the audit work in 2020/21 in relation to the corporate systems which supported Scotland Excel's activities, and to specific work carried out in relation to those activities.
- Management action in response to audit recommendations.
- Management self assessment of internal control, risk management and governance arrangements.
- The regular review and updating of the Local Code of Corporate Governance by the Council in accordance with the Chartered Institute of Public Finance and Accountancy and Society of Local Authority Chief Executives framework for corporate governance requirements, and of the corporate governance arrangements within Scotland Excel.

Signed.



Chief Auditor

Date

18 June 2021



Scotland Excel

To: Executive Sub-Committee

On: 18 June 2021

**Report by:
Chief Executive of Scotland Excel**

Tender: Supply and Delivery of Education Materials

Schedule: 12/20

Period: 1 August 2021 until 31 July 2024 with an option to extend for up to 12 months until 31 July 2025

1. Introduction and Background

This recommendation is for the award of the third-generation renewal framework for the Supply and Delivery of Education Materials.

This proposed renewal framework was advertised for the period from 1 August 2021 until 31 July 2024 with the option to extend for up to 12 months until 31 July 2025.

This framework will provide councils and other participating bodies with a mechanism to procure a wide range of educational materials, including but not limited to, arts and crafts, board, card and paper, exercise books, homework diaries, science equipment and sports equipment. Users of the framework are likely to include schools and nurseries, including those for children with additional support needs.

2. Scope, Participation and Spend

As part of the strategy development, the User Intelligence Group (UIG) endorsed the inclusion of nine lots as summarised in Table 1. This lot structure remains similar to the current framework. Previously Board, Card and Paper, and Exercise Books, were included as two separate lots however these have been amalgamated to one lot. Furthermore, there has been an additional lot included for a range of additional support needs products. This revised lot structure represents council requirements, whilst also recognising the structure of the marketplace.

Table 1: Lotting Structure

Lot No.	Description	Estimated % Spend through lot
1	General Education Materials	10%
2	Arts and Craft Materials	15%
3	Board, Card, Paper and Exercise Books	10%
4	Bespoke Homework Diaries	2%
5	Early Learning Materials	35%
6	Additional Support Needs (ASN) Products	5%
7	Musical Instruments	10%
8	Scientific Equipment	8%
9	Sports Equipment	5%

As detailed in Appendix 1, all 32 councils have confirmed their intention to participate in this framework.

The forecast annual spend for participating councils is £18.6 million per annum. This equates to an estimated spend of £74.4 million over the maximum 4-year term of the framework.

3. Procurement Process

All 32 councils were invited to an online pre-strategy UIG, held on the 19th and the 20th of August 2020 using Microsoft Teams. The objective of the meetings was to discuss the development of the renewal of both Scotland Excel's education materials and education and office furniture frameworks and any changes in councils' requirements.

A UIG consisting of representatives from participating councils endorsed the procurement strategy on 4 November 2020. In addition, a working group consisting of technical and procurement representatives was formed to review technical specifications and participate in the evaluation.

Scotland Excel has taken cognisance of the impact of the COVID-19 pandemic in relation to this tender. Balancing this with the need to provide a route to market for councils seeking the continuation of supply of education materials in order to meet their statutory functions, and considering those council projects that may require to be undertaken in the future, Scotland Excel determined it was appropriate to undertake this renewal tender exercise and to recommend the establishment of this framework.

A Prior Information Notice (PIN) was published on 28 September 2020, which resulted in expressions of interest from 53 organisations. Prospective bidders were given the opportunity to engage in meetings and provide Scotland Excel with information in relation to, but not limited to; market intelligence, market trends, sustainability initiatives and community benefits to help inform the strategy.

The Contract Notice was published via the Find A Tender and Public Contracts Scotland (PCS) portal on 26 March 2021, with the tender documentation being immediately available via the Public Contracts Scotland Tender (PCS-T) system.

As such, the tender exercise commenced after the UK withdrawal from the European Union and was conducted and concluded in accordance with the law and procedures currently in force.

The procurement process followed the open tender process to ensure maximum competition and the inclusion for all potential suppliers to service the framework. All bidders were examined against advertised selection criteria, using the Single Procurement Document (SPD), and award criteria, concurrently. The award criteria included technical and commercial sections that were evaluated against the following criteria and weightings:

Technical: 30%
Commercial: 70%

Within the technical section, bidders were required to evidence their knowledge and experience by responding to method statements which covered areas including: Service Delivery and Contract Management, E-catalogue and Catalogue Management, Transport and Delivery Logistics, Environmental Practices and Sustainability, Supply Chain, Added Value and Innovation and Fair Work Practices. Bidders were also assessed in terms of their ability to provide Community Benefits. These are detailed below within Table 2.

Table 2: Technical Section Weighting

Question	Description	Weighting
1	Service Delivery and Contract Management	4
2	E-Catalogue and Catalogue Management	4
3	Transport and Delivery Logistics	4
4	Environmental Practices and Sustainability	4
5	Supply Chain, Added Value and Innovation	4
6	Fair Work Practices	4
7	Community Benefits	6
Total Score		30

Within the commercial section, bidders were invited to offer on a lot by lot basis. Fixed pricing for 12 months was required for all lots. As detailed in the tender, bidders were also required to supply a stated percentage of product lines for certain lots. This cost effective approach will enable councils to obtain greater economies of scale when ordering a combination of goods.

Lot 1 (General Education Materials) is intended to be a “one-stop-shop” for councils that wish to consolidate their spend.

Only those bidders who meet the two following requirements will be eligible to be awarded a place on Lot 1 (General Education Materials):

- Bidders have submitted a successful compliant bid for four out of the six lots listed below:
 - Lot 2 – Arts and Craft Materials;
 - Lot 3 – Board, Card, Paper and Exercise Books;
 - Lot 5 – Early Learning Materials;
 - Lot 6 – Additional Support Needs (ASN) Products;
 - Lot 8 – Scientific Equipment; and
 - Lot 9 – Sports Equipment.
- They have responded 'yes' to the question "Lot 1 – General Education Materials" within the Technical Envelope.

4. Report on Offers Received

The tender document was downloaded by 52 organisations, with 25 tender responses received by the specified closing date and time. A summary of all offers received is provided in Appendix 2.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the compliant offers received was completed. Appendix 3 confirms the scoring achieved by each bidder.

5. Recommendations

Based on the evaluation undertaken, and in line with the advertised criteria and weightings summarised above, it is recommended that a multi-supplier framework arrangement is awarded to 21 suppliers across eight of the nine lots as outlined in Appendix 3.

In order to adequately account for the impact of recent pandemic restrictions on retail businesses in this sector, and to ensure market preparedness for a tender in line with government advice, Scotland Excel are not proceeding to award Lot 7, Musical Instruments, and have informed affected bidders via PCS-Tender. The UIG has also been informed of this decision. Scotland Excel will look to carry out a tendering exercise for this lot in the coming weeks, in line with applicable law and guidance, to minimise disruption to our stakeholders.

The 21 recommended suppliers offer best value and represent a mix of small, medium and large organisations.

The range of suppliers recommended provides coverage for all awarding framework lots and competitive options for all participating councils as well as offering a degree of choice and capacity.

6. Benefits

Savings

Scotland Excel has conducted a benchmarking exercise comparing current prices paid with the prices submitted against the new framework. It was agreed with the UIG that benchmarking would only be carried out across a common basket of products as this covered the majority of spend from the current framework. The benchmarking exercise took a basket of products for suppliers from the current framework and compared a representative basket of products for the same suppliers against the submitted prices received for the renewal framework. The result of this benchmarking is listed in Appendix 1. The projected average saving across all councils is 0.5%, which equates to an estimated total saving of approximately £93k per annum.

Price Stability

The framework applies twelve months fixed pricing for all lots. Thereafter, all requests for price increases will be evaluated according to the Terms and Conditions of the framework and require to be supported by documentary evidence.

Sustainable Procurement Benefits

Within the technical section of the tender, an environmental practices and sustainability method statement assessed suppliers in relation to their corporate approach to environmental practices, sustainability and how they manage the reduction of unnecessary waste, ensure recycling and reuse of packaging is carried out where possible, intended to reduce the use of single use plastics (SUP's) and identify alternatives to these products. A range of sustainable measures were outlined by suppliers including:

- A 'zero waste to landfill' status.
- 'On demand' packaging solution meaning all cartons are perfectly made to size giving a 45% overall reduction in cardboard usage.
- Working with market leaders in an aim to become climate neutral by 2025 and fully business neutral by 2030.
- Reducing SUP's and moving to biodegradable products where possible.

Community Benefits

Scotland Excel is committed to maximising community benefit delivery for our members. Bidders were asked to confirm whether they were willing to comply with our community benefits approach for the lifetime of the framework. This approach is designed to deliver local community benefits based on individual member spend thresholds and all 21 recommended suppliers have confirmed their acceptance.

The community benefits approach focused on supporting the Scottish Government's National Performance Framework, and the benefits delivered should support, but are not limited to, the following indicators:

- Improve the skill profile of the population
- Improve levels of educational attainment
- Increase the proportion of young people in learning, training or work
- Improve people's perception of the quality of public services
- Reduce children's deprivation
- Increase cultural engagement

Suppliers have agreed to report ongoing delivery of community benefits to Scotland Excel on a six-monthly basis.

Delivery of commitments made will be monitored throughout the lifetime of the framework.

Fair Work Practices including the Real Living Wage

Scotland Excel and its members are committed to the delivery of high-quality public services and recognise that this is dependent on a workforce that is well-rewarded, well-motivated, well-led, has access to appropriate opportunities for training and skills development, are diverse and engaged in decision making.

Within the technical section of the tender, bidders were assessed on their approach to fair work practices and payment of the Real Living Wage to their workforce. Of the 21 recommended bidders, 16 pay the Real Living Wage, as detailed in Appendix 4 - List of Recommended Suppliers with Living Wage Status.

Scotland Excel will continue to monitor Fair Work Practices including the Real Living Wage status during contract and supplier management.

7. Contract Mobilisation and Management

As part of the mobilisation process, all suppliers will be offered a contract mobilisation meeting to outline the operation of the framework, including roles and responsibilities, management information and community benefit commitments. Both suppliers and participating members will be issued with a mobilisation pack containing all required details to utilise the framework.

The framework has been established using a % discount off Recommended Retail Price (RRP) to ensure councils have access to the required variety and scope of products. Scotland Excel will work with awarded suppliers to compile e-catalogues and Punch-Out information to support councils to utilise this framework.

In accordance with Scotland Excel's established contract and supplier management programme, in terms of risk and spend as detailed in Appendix 5, this framework is classified as class C. As such, it will require six-monthly supplier meetings and surveys, and annual user group reviews as appropriate. During

the current market conditions Scotland Excel will continue to engage with suppliers on a regular basis to manage the response to the pandemic and ensure continuity of this essential service delivery for our members.

Meetings and engagement undertaken with suppliers will adhere to all applicable health and safety guidelines.

8. Summary

This third-generation framework for the Supply and Delivery of Education Materials continues to maximise collaboration, facilitate the procurement of a vast array of educational materials, promotes added value and delivers best value in terms of price, quality and service.

The Executive Sub Committee is requested to approve the recommendation to award this framework agreement as detailed in Appendix 3 (Scoring and Recommendations).

Appendix 1 – Participation, Spend and Savings Summary Supply and Delivery of Education Materials 12/20

Member Name	Participation in Contract	Participation Entry Date	Estimated Annual Spend (£)	Source of Spend Data	Indexation (%)	% Estimated Forecast Savings	Estimated Annual Savings (£)	Basis of Savings Calculation
Aberdeen City Council	Yes	01 August 2021	£611,207	Scotland Excel Management Information	0.5%	0.5%	£3,056	Benchmarked Current Framework
Aberdeenshire Council	Yes	01 August 2021	£1,268,509	Scotland Excel Management Information	0.5%	0.5%	£6,343	Benchmarked Current Framework
Angus Council	Yes	01 August 2021	£252,939	Scotland Excel Management Information	0.5%	0.5%	£1,265	Benchmarked Current Framework
Argyll & Bute Council	Yes	01 August 2021	£515,445	Scotland Excel Management Information	0.5%	0.5%	£2,577	Benchmarked Current Framework
City of Edinburgh Council	Yes	01 August 2021	£1,196,933	Scotland Excel Management Information	0.5%	0.5%	£5,985	Benchmarked Current Framework
Clackmannanshire Council	Yes	01 August 2021	£184,180	Scotland Excel Management Information	0.5%	0.5%	£921	Benchmarked Current Framework
Comhairle nan Eilean Siar	Yes	01 August 2021	£82,379	Scotland Excel Management Information	0.5%	0.5%	£412	Benchmarked Current Framework
Dumfries & Galloway Council	Yes	01 August 2021	£378,157	Scotland Excel Management Information	0.5%	0.5%	£1,891	Benchmarked Current Framework
Dundee City Council	Yes	01 August 2021	£700,211	Scotland Excel Management Information	0.5%	0.5%	£3,501	Benchmarked Current Framework
East Ayrshire Council	Yes	01 August 2021	£430,229	Scotland Excel Management Information	0.5%	0.5%	£2,151	Benchmarked Current Framework
East Dunbartonshire Council	Yes	01 August 2021	£508,440	Scotland Excel Management Information	0.5%	0.5%	£2,542	Benchmarked Current Framework
East Lothian Council	Yes	01 August 2021	£630,439	Scotland Excel Management Information	0.5%	0.5%	£3,152	Benchmarked Current Framework
East Renfrewshire Council	Yes	01 August 2021	£691,605	Scotland Excel Management Information	0.5%	0.5%	£3,458	Benchmarked Current Framework
Falkirk Council	Yes	01 August 2021	£509,971	Council Confirmed	0.5%	0.5%	£2,550	Benchmarked Current Framework
Fife Council	Yes	01 August 2021	£988,528	Council Confirmed	0.5%	0.5%	£4,943	Benchmarked Current Framework
Glasgow City Council	Yes	01 August 2021	£1,895,983	Scotland Excel Management Information	0.5%	0.5%	£9,480	Benchmarked Current Framework
Highland Council	Yes	01 August 2021	£807,559	Scotland Excel Management Information	0.5%	0.5%	£4,038	Benchmarked Current Framework
Inverclyde Council	Yes	01 August 2021	£172,236	Scotland Excel Management Information	0.5%	0.5%	£861	Benchmarked Current Framework
Midlothian Council	Yes	01 August 2021	£159,345	Scotland Excel Management Information	0.5%	0.5%	£797	Benchmarked Current Framework
Moray Council	Yes	01 August 2021	£174,224	Council Confirmed	0.5%	0.5%	£871	Benchmarked Current Framework
North Ayrshire Council	Yes	01 August 2021	£655,473	Scotland Excel Management Information	0.5%	0.5%	£3,277	Benchmarked Current Framework
North Lanarkshire Council	Yes	01 August 2021	£931,248	Scotland Excel Management Information	0.5%	0.5%	£4,656	Benchmarked Current Framework
Orkney Islands Council	Yes	01 August 2021	£71,862	Scotland Excel Management Information	0.5%	0.5%	£359	Benchmarked Current Framework
Perth & Kinross Council	Yes	01 August 2021	£750,543	Scotland Excel Management Information	0.5%	0.5%	£3,753	Benchmarked Current Framework
Renfrewshire Council	Yes	01 August 2021	£714,365	Scotland Excel Management Information	0.5%	0.5%	£3,572	Benchmarked Current Framework
Scottish Borders Council	Yes	01 August 2021	£249,594	Council Confirmed	0.5%	0.5%	£1,248	Benchmarked Current Framework
Shetland Islands Council	Yes	01 August 2021	£110,642	Scotland Excel Management Information	0.5%	0.5%	£553	Benchmarked Current Framework
South Ayrshire Council	Yes	01 August 2021	£1,029,865	Scotland Excel Management Information	0.5%	0.5%	£5,149	Benchmarked Current Framework
South Lanarkshire Council	Yes	01 August 2021	£762,394	Scotland Excel Management Information	0.5%	0.5%	£3,812	Benchmarked Current Framework
Stirling Council	Yes	01 August 2021	£242,668	Council Confirmed	0.5%	0.5%	£1,213	Benchmarked Current Framework
West Dunbartonshire Council	Yes	01 August 2021	£195,247	Scotland Excel Management Information	0.5%	0.5%	£976	Benchmarked Current Framework
West Lothian Council	Yes	01 August 2021	£772,438	Council Confirmed	0.5%	0.5%	£3,862	Benchmarked Current Framework
Totals			£18,644,858			0.5%	£93,224	

Appendix 2 – Summary of Offers Received

Name of Tenderer	SME Status	Location	Lot(s) Tendered	Lot(s) Awarded
Band Supplies Limited*	Small	Glasgow, Glasgow City	7	Not Proceeding to Award
Bishop Sports & Leisure Ltd	Small	Slough, Berkshire	9	9
CPP Trading Group Ltd t/a Clyde Paper & Print	Small	Glasgow, Glasgow City	3	3
Collaborate & Innovate Ltd t/a Cosy Direct	Medium	Tutbury, England	5	5
ESPO (Leicestershire County Council t/a ESPO)	Large	Enderby, Leicester	1,2,3,5,6,7,8 and 9	1,2,3,5,6,8 and 9
Findel Education Limited t/a Hope Education	Large	Hyde, Cheshire	1,2,3,5,6,8 and 9	1,2,3,5,6,8 and 9
Foams 4 Sports Ltd	Small	Ashton U Lyne, Lancashire	9	9
Frederick Hyde Ltd t/a Chamberlain Music*	Medium	Haslemere, Surrey	7	Not Proceeding to Award
Grosvenor House Papers Ltd	Medium	Kendal, Cumbria	3 and 6	3 and 6
Hamelin Brands Limited	Medium	Red Lodge, Suffolk	3	3
Haydock Music Limited*	Micro	Milngavie, Glasgow City	7	Not Proceeding to Award
Inc Dot Com Limited	Small	York, North Yorkshire	4	4
Inivos Limited t/a Edulab	Medium	London, England	8	8
Kent County Council t/a KCS	Large	Aylesford, Kent	1,2,3,5,6 and 9	1,2,3,5,6 and 9
K G Music Limited t/a Kenny's Music*	Small	Dunfermline, Fife	7	Not Proceeding to Award
Muddy Faces Ltd	Small	Sheffield, South Yorkshire	5	5
Newitt & Co Limited	Medium	York, Yorkshire	9	9
Scientific and Chemical Supplies Limited	Small	London, England	8	8
Scientific Laboratory Supplies Limited	Medium	Hessle, East Yorkshire	8	8
Seawhite of Brighton Limited	Medium	Brighton, East Sussex	2 and 3	2 and 3
RM Educational Resources Ltd t/a Consortium	Large	Kirkby-in-Ashfield, Nottingham	1,2,3,5 and 9	1,2,3,5 and 9
RM Educational Resources Ltd t/a TTS	Large	Kirkby-in-Ashfield, Nottingham	1,2,3,5,6 and 9	1,2,3,5,6 and 9
W Enterprises (ABDN) Limited	Micro	Kingswells, Aberdeen	3	3
WF Education Group Limited	Medium	Shrewsbury, England	8 and 9	8 and 9
YPO (Yorkshire Purchasing Organisation)	Medium	Wakefield, West Yorkshire	1,2,3,4,5,6,7,8 and 9	1,2,3,4,5,6,8 and 9

* FOOTNOTE 1

Asterisk denotes where suppliers only bid for Lot 7, Musical Instruments. Lot 7 is not proceeding to award, as detailed in the foregoing report.

Appendix 3 - Scoring and Recommendations (Lots proceeding to award)

LOT 1 – GENERAL EDUCATION MATERIALS		
Tenderer	SCORE	Awarded (Yes/No)
ESPO (Leicestershire County Council t/a ESPO)	N/A	Yes
Findel Education Limited t/a Hope Education	N/A	Yes
Kent County Council t/a KCS	N/A	Yes
RM Educational Resources Ltd t/a Consortium	N/A	Yes
RM Educational Resources Ltd t/a TTS	N/A	Yes
YPO (Yorkshire Purchasing Organisation)	N/A	Yes

LOT 2 – ARTS AND CRAFT MATERIALS		
Tenderer	SCORE	Awarded (Yes/No)
RM Educational Resources Ltd t/a Consortium	97.50	Yes
YPO (Yorkshire Purchasing Organisation)	88.68	Yes
ESPO (Leicestershire County Council t/a ESPO)	84.02	Yes
Findel Education Limited t/a Hope Education	74.99	Yes
RM Educational Resources Ltd t/a TTS	74.82	Yes
Seawhite of Brighton Limited	71.75	Yes
Kent County Council t/a KCS	70.36	Yes

LOT 3 – BOARD, CARD, PAPER AND EXERCISE BOOKS		
Tenderer	SCORE	Awarded (Yes/No)
YPO (Yorkshire Purchasing Organisation)	98.50	Yes
RM Educational Resources Ltd t/a Consortium	90.78	Yes
Findel Education Limited t/a Hope Education	77.99	Yes
CPP Trading Group Ltd t/a Clyde Paper & Print	76.30	Yes
Kent County Council t/a KCS	74.27	Yes
Grosvenor House Papers Ltd	71.29	Yes
ESPO (Leicestershire County Council t/a ESPO)	71.07	Yes
RM Educational Resources Ltd t/a TTS	69.77	Yes
Seawhite of Brighton Limited	68.27	Yes
Hamelin Brands Limited	65.56	Yes
W Enterprises (ABDN) Limited	61.31	Yes

LOT 4 – BESPOKE HOMEWORK DIARIES		
Tenderer	SCORE	Awarded (Yes/No)
Inc Dot Com Limited	89.50	Yes
YPO (Yorkshire Purchasing Organisation)	80.01	Yes

LOT 5 – EARLY LEARNING MATERIALS		
Tenderer	SCORE	Awarded (Yes/No)
RM Educational Resources Ltd t/a Consortium	97.50	Yes
Findel Educational Limited t/a Hope Education	93.81	Yes
YPO (Yorkshire Purchasing Organisation)	83.25	Yes
RM Educational Resources Ltd t/a TTS	79.08	Yes
ESPO (Leicestershire County Council t/a ESPO)	77.95	Yes

Collaborate & Innovate Ltd t/a Cosy Direct	75.15	Yes
Kent County Council t/a KCS	74.45	Yes
Muddy faces Ltd	51.59	Yes

LOT 6 – ADDITIONAL SUPPORT NEEDS (ASN) PRODUCTS		
Tenderer	SCORE	Awarded (Yes/No)
Findel Education Limited t/a Hope Education	98.00	Yes
ESPO (Leicestershire County Council t/a ESPO)	75.90	Yes
YPO (Yorkshire Purchasing Organisation)	72.31	Yes
RM Educational Resources Ltd t/a TTS	65.08	Yes
Kent County Council t/a KCS	62.79	Yes
Grosvenor House Papers Ltd	55.94	Yes

LOT 8 – SCIENTIFIC EQUIPMENT		
Tenderer	SCORE	Awarded (Yes/No)
Inivos Limited t/a Edulab	90.50	Yes
Scientific Laboratory Supplies Limited	84.86	Yes
WF Education Group Limited	76.23	Yes
Scientific and Chemical Supplies Limited	70.70	Yes
ESPO (Leicestershire County Council t/a ESPO)	67.08	Yes
YPO (Yorkshire Purchasing Organisation)	66.68	Yes
Findel Education Limited t/a Hope Education	64.25	Yes

LOT 9 – SPORTS EQUIPMENT		
Tenderer	SCORE	Awarded (Yes/No)
YPO (Yorkshire Purchasing Organisation)	98.50	Yes
Findel Education Limited t/a Hope Education	94.59	Yes
RM Educational Resources Ltd t/a Consortium	93.42	Yes
RM Educational Resources Ltd t/a TTS	85.44	Yes
ESPO (Leicestershire County Council t/a ESPO)	85.43	Yes
WF Education Group Limited	83.54	Yes
Kent County Council t/a KCS	78.64	Yes
Bishop Sports and Leisure Ltd	72.73	Yes
Foams 4 Sports Ltd	70.37	Yes
Newitt & Co Limited	68.73	Yes

Appendix 4- List of Recommended Suppliers with Living Wage Status

Tenderer	Accredited	Currently progressing through Real Living Wage accreditation process	Pay Real Living Wage to all employees, and committed to gaining accreditation over the initial 2 years of framework	Pay Real Living Wage to all employees, but not accredited	Neither accredited nor paying Real Living Wage, but do commit to pay the Real Living Wage to all employees over the initial 2 years of the framework	Neither accredited nor paying Real Living Wage
Bishop Sports & Leisure Ltd				Yes		
CPP Trading Group Ltd t/a Clyde Paper & Print	Yes					
Collaborate & Innovate Ltd t/a Cosy Direct		Yes				
ESPO (Leicestershire County Council t/a ESPO)				Yes		
Findel Education Limited t/a Hope Education						Yes
Foams 4 Sports Ltd				Yes		
Grosvenor House Papers Ltd						Yes
Hamelin Brands Limited				Yes		
Inc Dot Com Limited	Yes					
Inivos Limited t/a Edulab			Yes			
Kent County Council t/a KCS				Yes		
Muddy Faces Ltd						Yes
Newitt & Co Limited				Yes		
Scientific and Chemical Supplies Limited				Yes		
Scientific Laboratory Supplies Limited	Yes					
Seawhite of Brighton Limited				Yes		
RM Educational Resources Ltd t/a Consortium						Yes
RM Educational Resources Ltd t/a TTS						Yes
W Enterprises (ABDN) Limited	Yes					
WF Education Group Limited				Yes		

YPO (Yorkshire Purchasing Organisation)	Yes					
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Appendix 5 – Segmentation classifications

1220 Supply and Delivery of Education Materials is classified as class C.

There are five segmentation classifications and these classifications are rated from Class A to Class E. Each classification has contract and supplier management activities associated with it based on pre-determined weighted criteria.

Class A

Due to the unique and bespoke nature of the frameworks that fall within this class, a contract management plan to be developed and agreed with CSG.

Class B

Quarterly supplier contact, six monthly surveys, annual UIG, frequent support to councils, suppliers and external stakeholders requiring high level of procurement expertise, extensive contract monitoring.

Class C

Six monthly supplier contact, six monthly to annual surveys, annual UIG, regular support to councils, suppliers and external stakeholders requiring procurement expertise, high contract monitoring.

Class D

Annual supplier contact, annual surveys, optional annual UIG, ad-hoc support to councils, suppliers and external stakeholders potentially requiring procurement expertise, regular contract monitoring.

Class E

Annual supplier contact (if required), optional annual surveys, no requirement for annual UIG, straightforward ad-hoc support to councils, suppliers and potentially requiring procurement assistance, basic contract monitoring.

Scotland Excel

To: Executive Sub-Committee

On: 18 June 2021

**Report by:
Chief Executive of Scotland Excel**

Tender: Supply, Delivery & Installation of Education & Office Furniture

Schedule: 0620

Period: 1 September 2021 until 31 August 2025

1. Introduction and Background

This recommendation is for the award of the third-generation renewal framework for the Supply, Delivery & Installation of Education & Office Furniture.

The current framework will expire on 31 August 2021 after an additional extension period. This was put in place to provide supplier relief and to ensure continuity of service to member councils during the first impacts of the coronavirus pandemic in line with applicable law and guidance.

This proposed renewal framework was advertised for the period from 1 September 2021 until 31 August 2025 and it is intended to commence on 1 September 2021.

This framework will provide councils and other participating bodies with a mechanism to procure a range of furniture suitable for classrooms, pre-5 environments, dining rooms, flexible learning and workspaces, office environments, meeting rooms and reception areas.

2. Scope, Participation and Spend

As part of the strategy development, the User Intelligence Group (UIG) endorsed the inclusion of six lots as summarised in Table 1.

Table 1: Lotting Structure and Estimated Spend

Lot No.	Lot Description	Estimated % of Expenditure per Lot
1	Education Furniture	31%
2	Education Dining Furniture	8%
3	Pre-5 Furniture	7%
4	Education Full Kit Out	Spend for the full kit out lots will be assigned against each individual lot depending on the type of item purchased
5	Office Furniture	54%
6	Office Full Kit Out	Spend for the full kit out lots will be assigned against each individual lot depending on the type of item purchased

The lotting structure was designed to be representative of the marketplace and member purchasing patterns as well as maximising opportunities for Small to Medium Sized Enterprises (SMEs) to bid.

As detailed in Appendix 1, all 32 councils have confirmed their intention to participate in this framework. In addition to councils, Scottish Prison Service (SPS) have indicated their intention to participate.

The forecast annual spend for participating councils and associate members, with contingency, is £8 million per annum. This equates to an estimated spend of £32 million over the full 4-year term of the framework.

3. Procurement Process

A UIG consisting of representatives from participating members agreed the procurement strategy. In addition, a working group consisting of technical and procurement representatives was formed to review the evaluation methodology and the product groupings.

Scotland Excel has taken cognisance of the COVID-19 outbreak to this tender exercise. Balancing this with the need to provide a route to market for councils seeking the supply of education and office furniture, Scotland Excel determined it was appropriate to undertake this tender exercise and recommend the establishment of this framework.

A Prior Information Notice (PIN) was published on 31 August 2020 and suppliers were invited to meet with Scotland Excel to inform the strategy. This framework was advertised via the Find a Tender service and the Public Contracts Scotland (PCS) portal on 3 March 2021. The tender process was conducted using the Public Contracts Scotland Tender (PCS-Tender) system.

As such, the tender exercise commenced after the UK withdrawal from the European Union and was conducted and concluded in accordance with the law and procedures currently in force.

The procurement process followed an open tender process to ensure maximum competition and the inclusion for all potential suppliers to service the framework. All bidders were examined against the advertised selection criteria, using the Single Procurement Document (SPD) and award criteria, concurrently. The award criteria included technical and commercial sections that were evaluated against the following criteria and weightings for all lots:

Technical: 30%

Commercial: 70%

Within the technical section, bidders were required to evidence their knowledge and experience by responding to method statements. These statements covered service delivery and contract management, supply chain risk, sustainability, community benefits and fair work practices. A breakdown of the score allocation can be found in Table 2.

Table 2: Technical Section Scoring

Component	Max Score
Method Statement 1 - Service Delivery and Contract Management	6
Method Statement 3 - Supply Chain Risk	4
Method Statement 4 - Emissions from Products, Packaging Impacts and Useful Life of Materials, Components, Products and Packaging	5
Method Statement 5 - Transport Strategy and Innovation for Delivery Logistics	2
Method Statement 6 - Reuse of Packaging Materials for Original Purpose	2
Method Statement 7 - Community Benefits	5
Method Statement 8 - Involvement of Supported Businesses in Contract Delivery	3
Method Statement 9 - Fair Work Practices	3
Total	30

Within the commercial section, bidders commercial scores were evaluated on a lot by lot basis.

Successful submissions for Lot 4 (Education Full kit Out) and 6 (Office Full Kit Out) were on the basis of a bidder's submission for the related supplies lot, namely Lot 1 (Education Furniture) for Lot 4 and Lot 5 (Office Furniture) for Lot 6. As a result, no standalone scores were awarded in connection with Lot 4 or 6. The eligibility requirements for bidders seeking appointment to Lot 4 or 6 are set out further, below.

Only those bidders who met the following requirements were eligible to be awarded a place on Lot 4:

- Submission of a price for a minimum of 80% of the items within the basket of goods for Lot 1;
- Successful bid for Lot 1; and
- A "Yes" response to the technical question on their willingness to provide a full kit out service for Lot 4.

Only those bidders who met the following requirements were eligible to be awarded a place on Lot 6:

- Submission of a price for a minimum of 80% of the items within the basket of goods for Lot 5;
- Successful bid for Lot 5; and
- A “Yes” response to the technical question on their willingness to provide a full kit out service for Lot 6.

As detailed in the tender, bidders were required to supply a stated percentage of product lines for each lot. This cost effective approach will enable councils to obtain greater economies of scale where ordering a combination of goods.

4. Report on Offers Received

The tender was accessed by 58 organisations, with 26 tender responses received by the specified closing date and time. A summary of offers received is provided in Appendix 2.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the offers received was completed. Appendix 3 confirms the scoring achieved by each bidder in each lot.

5. Recommendations

Based on the evaluation undertaken, and in line with the advertised criteria and weightings (set out above), it is recommended that a multi-supplier framework arrangement is awarded to twenty-one suppliers across six lots as outlined in Appendix 3.

The recommended suppliers provide the choice, scope and range of education and office furniture required by councils as well as representing best value and providing geographical coverage.

6. Benefits

Savings

Scotland Excel conducted a benchmarking exercise and the results are detailed in Appendix 1.

Due to the impact of the COVID-19 pandemic on the use of workplaces and the current uncertainty around the future of the office furniture market, Scotland Excel agreed with the UIG that it would not include office furniture within the benchmark.

Accordingly, benchmarking has been carried out comparing current pricing for the products from the education lots of the current framework for education and office furniture (Lot 1, 2, 3, 4, 5 and 6) with the prices received for the education lots of the new framework (Lot 1, 2 and 3). The lowest priced supplier's pricing,

that has the ability to service each council, has been compared to the current framework pricing.

The projected average savings across all the lots (including Lot 5) and across all councils is 1.27% which equates to an estimated total saving of approximately £84k per annum.

The contract index for the current framework remains below the market index by approximately 3% as reported in Appendix 1, indicating that market pricing is on average around 3% higher than the contract pricing.

Price Stability

The framework has twelve months fixed pricing. All requests for price increases will be evaluated against prevailing market conditions and require to be supported by documentary evidence.

Sustainable Procurement Benefits

Within the technical section of the tender, three method statements assessed suppliers in relation to their corporate approach to sustainability and how they promote recycle, reuse and reduce initiatives to minimise the impact of their supply chain on the environment. A range of sustainable measures were outlined by suppliers including:

- Use of recycled content within products
- Processes to support the reuse of packaging
- Services to extend the useful life of products, such as take-back furniture schemes to repair and remanufacture products
- Transport strategies to reduce the environmental impact of transportation
- Adoption of alternatively fuelled vehicles, namely hybrid or electric, to reduce carbon emissions

Community Benefits

Scotland Excel is committed to maximising community benefit delivery for our members. Tenderers were asked to confirm whether they were willing to comply with our community benefits approach for the lifetime of the framework. This approach is designed to deliver local community benefits based on individual member spend thresholds and all twenty-one recommended suppliers have confirmed their acceptance.

The community benefits approach focused on supporting the Scottish Government's National Performance Framework, and the benefits delivered should support, but are not limited to, the following indicators:

- Improve the skill profile of the population
- Improve levels of education attainment
- Improve workplace learning
- Improve young people's participation

Suppliers have agreed to report ongoing delivery of community benefits to Scotland Excel on a six-monthly basis.

Delivery of commitments made will be monitored throughout the lifetime of the framework.

Fair Work Practices including the Real Living Wage

Scotland Excel and its members are committed to the delivery of high-quality public services and recognise that this is dependent on a workforce that is well-rewarded, well-motivated, well-led, has access to appropriate opportunities for training and skills development, are diverse and engaged in decision making. Within the technical section of the tender, bidders were assessed on how they will commit to fair work practices. A range of practices were outlined by suppliers including:

- Modern Apprenticeships and training programmes to support the development of Scotland's young workforce
- Training and development opportunities for staff
- Adoption of flexible working approaches

Bidders were also asked to confirm their Real Living Wage status, and of the 21 recommended suppliers, 14 currently pay the Real Living Wage, with a further 2 committing to do so within 2 years. A breakdown of this is set out in Appendix 4. Scotland Excel will continue to monitor Fair Work Practices including the Real Living Wage status during contract and supplier management.

7. Contract Mobilisation and Management

As part of the mobilisation process, all suppliers will be offered a contract mobilisation meeting to outline the operation of the framework, including roles and responsibilities, management information and community benefit commitments. Both suppliers and participating members will be issued with a mobilisation pack containing all required details to utilise the framework.

Additionally, Scotland Excel will organise a mobilisation event in collaboration with some of the members of the technical panel formed to develop and evaluate the tender.

In accordance with Scotland Excel's established contract and supplier management programme, in terms of risk and spend as detailed in Appendix 5, this framework is classified as class D. As such, it will require annual supplier and user group reviews as appropriate.

During the current market conditions Scotland Excel will continue to engage with suppliers on a regular basis to manage the response to the pandemic and ensure continuity of this essential service delivery for our members.

Meetings and engagement undertaken with suppliers will adhere to all applicable health and safety guidelines.

8. Summary

This third generation framework for the Supply, Delivery & Installation of Education & Office Furniture continues to maximise collaboration and facilitate the procurement of a range of furniture suitable for classrooms, pre-5 environments, dining rooms, flexible learning and workspaces, office environments, meeting rooms and reception areas. Moreover, it promotes added value and delivers best value in terms of price, quality and service.

The Executive Sub Committee is requested to approve the recommendation to award this framework agreement as detailed in Appendix 3 (Scoring and Recommendations).

Appendix 1: Participation and Spend

Member Name	Participation in Contract	Participation Entry Date	Estimated Annual Spend (£)	Source of Spend Data	Indexation (%)	% Estimated Forecast Savings	Estimated Annual Savings (£)	Basis of Savings Calculation
Aberdeen City Council	Yes	Framework Start Date	£265,083	Scotland Excel MI	3.00%	1.27%	£3,367	Benchmarked Current Framework
Aberdeenshire Council	Yes	Framework Start Date	£203,179	Scotland Excel MI	3.00%	1.27%	£2,580	Benchmarked Current Framework
Angus Council	Yes	Framework Start Date	£24,807	Scotland Excel MI	3.00%	1.27%	£315	Benchmarked Current Framework
Argyll & Bute Council	Yes	Framework Start Date	£19,801	Council Confirmed	3.00%	1.27%	£251	Benchmarked Current Framework
City of Edinburgh Council	Yes	Framework Start Date	£535,507	Scotland Excel MI	3.00%	1.27%	£6,801	Benchmarked Current Framework
Clackmannanshire Council	Yes	Framework Start Date	£29,510	Scotland Excel MI	3.00%	1.27%	£375	Benchmarked Current Framework
Comhairle nan Eilean Siar	Yes	Framework Start Date	£49,350	Council Confirmed	3.00%	1.27%	£627	Benchmarked Current Framework
Dumfries & Galloway Council	Yes	Framework Start Date	£260,084	Scotland Excel MI	3.00%	1.27%	£3,303	Benchmarked Current Framework
Dundee City Council	Yes	Framework Start Date	£93,605	Scotland Excel MI	3.00%	1.27%	£1,189	Benchmarked Current Framework
East Ayrshire Council	Yes	Framework Start Date	£13,066	Scotland Excel MI	3.00%	1.27%	£166	Benchmarked Current Framework
East Dunbartonshire Council	Yes	Framework Start Date	£92,070	Scotland Excel MI	3.00%	1.27%	£1,169	Benchmarked Current Framework
East Lothian Council	Yes	Framework Start Date	£450,406	Council Spend Compared with Scotland Excel MI	3.00%	1.27%	£5,720	Benchmarked Current Framework
East Renfrewshire Council	Yes	Framework Start Date	£329,675	Council Spend Compared with Scotland Excel MI	3.00%	1.27%	£4,187	Benchmarked Current Framework
Falkirk Council	Yes	Framework Start Date	£285,159	Council Spend Compared with Scotland Excel MI	3.00%	1.27%	£3,622	Benchmarked Current Framework
Fife Council	Yes	Framework Start Date	£396,740	Scotland Excel MI	3.00%	1.27%	£5,039	Benchmarked Current Framework
Glasgow City Council	Yes	Framework Start Date	£188,866	Scotland Excel MI	3.00%	1.27%	£2,399	Benchmarked Current Framework
Highland Council	Yes	Framework Start Date	£86,273	Scotland Excel MI	3.00%	1.27%	£1,096	Benchmarked Current Framework
Inverclyde Council	Yes	Framework Start Date	£43,478	Scotland Excel MI	3.00%	1.27%	£552	Benchmarked Current Framework
Midlothian Council	Yes	Framework Start Date	£87,074	Scotland Excel MI	3.00%	1.27%	£1,106	Benchmarked Current Framework
Moray Council	Yes	Framework Start Date	£53,284	Council Confirmed	3.00%	1.27%	£677	Benchmarked Current Framework
North Ayrshire Council	Yes	Framework Start Date	£328,250	Council Spend Compared with Scotland Excel MI	3.00%	1.27%	£4,169	Benchmarked Current Framework
North Lanarkshire Council	Yes	Framework Start Date	£340,545	Scotland Excel MI	3.00%	1.27%	£4,325	Benchmarked Current Framework
Orkney Islands Council	Yes	Framework Start Date	£1,981	Scotland Excel MI	3.00%	1.27%	£25	Benchmarked Current Framework
Perth & Kinross Council	Yes	Framework Start Date	£558,456	Council Spend Compared with Scotland Excel MI	3.00%	1.27%	£7,092	Benchmarked Current Framework
Renfrewshire Council	Yes	Framework Start Date	£238,443	Council Spend Compared with Scotland Excel MI	3.00%	1.27%	£3,028	Benchmarked Current Framework
Scottish Borders Council	Yes	Framework Start Date	£116,593	Council Confirmed	3.00%	1.27%	£1,481	Benchmarked Current Framework
Shetland Islands Council	Yes	Framework Start Date	£13,246	Scotland Excel MI	3.00%	1.27%	£168	Benchmarked Current Framework
South Ayrshire Council	Yes	Framework Start Date	£976,029	Council Spend Compared with Scotland Excel MI	3.00%	1.27%	£12,396	Benchmarked Current Framework
South Lanarkshire Council	Yes	Framework Start Date	£118,039	Scotland Excel MI	3.00%	1.27%	£1,499	Benchmarked Current Framework
Stirling Council	Yes	Framework Start Date	£127,326	Council Confirmed	3.00%	1.27%	£1,617	Benchmarked Current Framework
West Dunbartonshire Council	Yes	Framework Start Date	£61,621	Scotland Excel MI	3.00%	1.27%	£783	Benchmarked Current Framework
West Lothian Council	Yes	Framework Start Date	£253,782	Council Confirmed	3.00%	1.27%	£3,223	Benchmarked Current Framework
Tayside Contracts	Yes	Framework Start Date	£8,069	Scotland Excel MI	3.00%	1.27%	£102	Benchmarked Current Framework
Totals			£6,649,397			1.27%	£84,447	
Associate Members	Yes	Framework Start Date	£118,349	Scotland Excel MI	3.00%	1.27%	£1,503	Benchmarked Current Framework
Totals			£6,767,746			1.3%	£85,950	

Appendix 2: Summary of Offers Received

Name of Tenderer	SME Status	Location	Lots Tendered	Lots Awarded
Active Office Scotland Limited	Small	Kilmarnock, Scotland	5	5
Alpha Marketing Scotland Limited	Medium	Belfast, Northern Ireland	1, 2, 3, 4, 5, 6	1, 3, 4, 5, 6
Azzurro Limited	Small	Airdrie, Scotland	5, 6	5, 6
City Gate Construction (Scotland) Limited	Medium	Linwood, Scotland	1, 3, 4	N/A
Claremont Office Furniture Limited	Small	Glasgow, Scotland	1, 2, 3, 4, 5, 6	1, 2, 3, 4, 5, 6
Community Products (UK) Limited t/a Community Playthings	Medium	Robertsbridge, England	3	3
Complete Business Solutions Group Limited	Large	Wakefield, England	1, 2, 3, 4, 5, 6	1, 3, 4, 5, 6
Eightspace LLP	Medium	Crawley, England	1, 4, 5, 6	1, 4, 5, 6
Elite Office Supplies Limited	Medium	Airdrie, Scotland	5, 6	N/A
Equip4Work Ltd	Medium	Strafford, England	1, 2, 3, 4, 5, 6	1, 2, 3, 4, 5, 6
Findel Education Limited t/a Hope Education	Large	Acrington, England	1, 2, 3, 4, 5, 6	2, 3
Gopak Limited	Small	Hythe, England	2	N/A
Langstane Press Limited	Medium	Aberdeen, Scotland	1, 2, 3, 4, 5, 6	1, 2, 3, 4, 5, 6
McLaughlin & Harvey Limited	Large	Newtonabbey, Northern Ireland	1, 2, 3, 4, 5, 6	2, 5, 6
Morleys (Bicester) Ltd	Large	London, England	1, 2, 3, 4	1, 2, 3, 4
North Central Office Ltd	Small	Glasgow, Scotland	1, 2, 4, 5, 6	5, 6
Professional Office Supplies Limited t/a POS Group	Small	Motherwell, Scotland	5	N/A
Qubiti Ltd	Micro	Dumfries, Scotland	5, 6	N/A
Saxen Ltd	Small	Newmilns, Scotland	5, 6	5, 6
Sharp Business Systems UK PLC	Medium	Wakefield, England	1, 2, 3, 4, 5, 6	1, 2, 3, 4, 5, 6
Spaceright Europe Limited	Medium	Glasgow, Scotland	2, 3	2, 3

Spaces Taylored Ltd	Micro	Dundee, Scotland	1, 2, 4, 5, 6	1, 2, 4
Caley Print & Stationery Limited t/a The Caley Group	Small	Glasgow, Scotland	5, 6	5, 6
RM Educational Resources Ltd t/a Consortium TTS	Large	Milton Abindon, England	1, 2, 3, 5	1, 2, 3
Wagstaff Bros., Limited	Medium	London, England	1, 2, 3, 4, 5, 6	1, 3, 4
YPO (Yorkshire Purchasing Organisation)	Medium	Wakefield, England	1, 2, 3, 4, 5, 6	1, 2, 3, 4, 5, 6

Appendix 3: Scoring and Recommendations

Lot 1 Education Furniture		
Bidder	Score	Awarded (Yes/No)
Langstane Press Limited	97.50	Yes
Sharp Business Systems UK PLC	93.33	Yes
Claremont Office Furniture Limited	74.23	Yes
Spaces Taylored Ltd	71.49	Yes
Morleys (Bicester) Ltd	70.95	Yes
YPO (Yorkshire Purchasing Organisation)	70.83	Yes
Equip4Work Ltd	62.05	Yes
Eightspace LLP	59.59	Yes
Complete Business Solutions Group Limited	58.88	Yes
RM Educational Resources Ltd t/a Consortium TTS	56.69	Yes
Wagstaff Bros., Limited	55.83	Yes
Alpha Marketing Scotland Limited	53.02	Yes
McLaughlin & Harvey Limited	51.47	No
Findel Education Limited t/a Hope Education	48.47	No
North Central Office Ltd	46.74	No
City Gate Construction (Scotland) Limited	Non-Compliant	No

Lot 2 Education Dining Furniture		
Bidder	Score	Awarded (Yes/No)
Spaceright Europe Limited	94.00	Yes
Sharp Business Systems UK PLC	86.31	Yes
Langstane Press Limited	82.61	Yes
Morleys (Bicester) Ltd	80.18	Yes
YPO (Yorkshire Purchasing Organisation)	79.40	Yes
Equip4Work Ltd	79.39	Yes
Claremont Office Furniture Limited	79.09	Yes
Findel Education Limited t/a Hope Education	78.48	Yes
Spaces Taylored Ltd	77.43	Yes
RM Educational Resources Ltd t/a Consortium TTS	75.63	Yes
McLaughlin & Harvey Limited	74.72	Yes
Complete Business Solutions Group Limited	71.32	No
Wagstaff Bros., Limited	69.00	No
North Central Office Ltd	67.68	No
Alpha Marketing Scotland Limited	67.10	No
Gopak Limited	Non-compliant	No

Lot 3 Pre-5 Furniture		
Bidder	Score	Awarded (Yes/No)
Sharp Business Systems UK PLC	97.00	Yes
Langstane Press Limited	86.81	Yes
Morleys (Bicester) Ltd	72.08	Yes
Claremont Office Furniture Limited	70.56	Yes
Spaceright Europe Limited	70.40	Yes
Equip4Work Ltd	64.41	Yes
Complete Business Solutions Group Limited	62.29	Yes
YPO (Yorkshire Purchasing Organisation)	61.32	Yes
Wagstaff Bros., Limited	59.66	Yes
RM Educational Resources Ltd t/a Consortium TTS	59.02	Yes
Alpha Marketing Scotland Limited	57.52	Yes
Community Products (UK) Limited t/a Community Playthings	52.33	Yes
Findel Education Limited t/a Hope Education	51.38	Yes
City Gate Construction (Scotland) Limited	Non-compliant	No
McLaughlin & Harvey Limited	Non-compliant	No

Lot 4 Education Full Kit Out	
Bidder	Awarded (Yes/No)
Alpha Marketing Scotland Limited	Yes
City Gate Construction (Scotland) Limited	No
Claremont Office Furniture Limited	Yes
Complete Business Solutions Group Limited	Yes
Eightspace LLP	Yes
Equip4Work Ltd	Yes
Findel Education Limited t/a Hope Education	No
Langstane Press Limited	Yes
McLaughlin & Harvey Limited	No
Morleys (Bicester) Ltd	Yes
North Central Office Ltd	No
Sharp Business Systems UK PLC	Yes
Spaces Taylored Ltd	Yes
Wagstaff Bros., Limited	Yes
YPO (Yorkshire Purchasing Organisation)	Yes

Lot 5 Office Furniture		
Bidder	Score	Awarded (Yes/No)
Sharp Business Systems UK PLC	97.00	Yes
Langstane Press Limited	96.59	Yes
Claremont Office Furniture Limited	75.61	Yes
Azzurro Limited	75.53	Yes
McLaughlin & Harvey Limited	71.92	Yes
Active Office Scotland Limited	69.24	Yes
YPO (Yorkshire Purchasing Organisation)	68.32	Yes
Alpha Marketing Scotland Limited	65.44	Yes
Eightspace LLP	65.22	Yes
Complete Business Solutions Group Limited	64.82	Yes
Equip4Work Ltd	63.19	Yes
Caley Print & Stationery Limited t/a The Caley Group	60.52	Yes
North Central Office Ltd	60.21	Yes
Saxen Ltd	59.09	Yes
Wagstaff Bros., Limited	55.41	No
Qubiti Ltd	54.23	No
Spaces Taylored Ltd	53.78	No
Elite Office Supplies Limited	53.26	No
RM Educational Resources Ltd t/a Consortium TTS	51.63	No
Professional Office Supplies Limited t/a POS Group	51.58	No
Findel Education Limited t/a Hope Education	48.00	No

Lot 6 Office Full Kit Out	
Bidder	Awarded (Yes/No)
Alpha Marketing Scotland Limited	Yes
Azzurro Limited	Yes
Caley Print & Stationery Limited t/a The Caley Group	Yes
Claremont Office Furniture Limited	Yes
Complete Business Solutions Group Limited	Yes
Eightspace LLP	Yes
Elite Office Supplies Limited	No
Equip4Work Ltd	Yes
Findel Education Limited t/a Hope Education	No
Langstane Press Limited	Yes
McLaughlin & Harvey Limited	Yes
North Central Office Ltd	Yes
Qubiti Ltd	No
Saxen Ltd	Yes
Sharp Business Systems UK PLC	Yes
Spaces Taylored Ltd	No
Wagstaff Bros., Limited	No
YPO (Yorkshire Purchasing Organisation)	Yes

Appendix 4: List of Recommended Suppliers with Real Living Wage Status at Point of Tender

Bidder	Accredited	Currently progressing through Real Living Wage accreditation process	Pay Real Living Wage to all employees, and committed to gaining accreditation over the initial 2 years of framework	Pay Real Living Wage to all employees, but not accredited	Neither accredited nor paying Real Living Wage, but do commit to pay the Real Living Wage to all employees over the initial 2 years of the framework	Neither accredited nor paying Real Living Wage
Active Office Scotland Limited					Yes	
Alpha Marketing Scotland Limited				Yes		
Azzurro Limited	Yes					
Claremont Office Furniture Limited			Yes			
Community Products (UK) Limited t/a Community Playthings						Yes
Complete Business Solutions Group Limited	Yes					
Eightspace LLP			Yes			
Equip4Work Ltd	Yes					
Findel Education Limited t/a Hope Education						Yes
Langstane Press Limited						Yes
McLaughlin & Harvey Limited	Yes					
Morleys (Bicester) Ltd						Yes
North Central Office Ltd			Yes			
Saxen Ltd			Yes			
Sharp Business Systems UK PLC				Yes		
Spaceright Europe Limited					Yes	
Spaces Taylored Ltd	Yes					
Caley Print & Stationery Limited t/a The Caley Group			Yes			
RM Educational Resources Ltd t/a Consortium TTS						Yes
Wagstaff Bros., Limited			Yes			
YPO (Yorkshire Purchasing Organisation)	Yes					

Appendix 5 – Segmentation classifications

0620 Education & Office Furniture is classified as class D.

There are five segmentation classifications and these classifications are rated from Class A to Class E. Each classification has contract and supplier management activities associated with it based on pre-determined weighted criteria.

Class A

Due to the unique and bespoke nature of the frameworks that fall within this class, a contract management plan to be developed and agreed with CSG.

Class B

Quarterly supplier contact, six monthly surveys, annual UIG, frequent support to councils, suppliers and external stakeholders requiring high level of procurement expertise, extensive contract monitoring.

Class C

Six monthly supplier contact, six monthly to annual surveys, annual UIG, regular support to councils, suppliers and external stakeholders requiring procurement expertise, high contract monitoring.

Class D

Annual supplier contact, annual surveys, optional annual UIG, ad-hoc support to councils, suppliers and external stakeholders potentially requiring procurement expertise, regular contract monitoring.

Class E

Annual supplier contact (if required), optional annual surveys, no requirement for annual UIG, straightforward ad-hoc support to councils, suppliers and potentially requiring procurement assistance, basic contract monitoring.



Scotland Excel

To: Executive Sub-Committee

On: 18 June 2021

**Report by:
Chief Executive of Scotland Excel**

Tender: Fostering and Continuing Care

Schedule: 1020

Period: 01 July 2021 to 30 June 2024 plus the option to extend for up to a further 12 months until 30 June 2025

1. Introduction and Background

This recommendation is for the award of the third-generation renewal framework for Fostering and Continuing Care services.

This proposed renewal framework was advertised for the period from 1 July 2021 until 30 June 2024 with the option to extend for up to 12 months until 30 June 2025. It is intended to commence on 2 July 2021 following the successful completion of the standstill period requirements.

This framework will enable local authorities to secure fostering placements from independent and voluntary providers as a supplement to their internal provision. The framework is mainly based around a core placement with local authorities able to source additional services to support individual requirements. Specialised placements are also available, where required, as well as continuing care placements.

Foster care provides family-based care for children and young people who cannot live with their own families. Children may be fostered for a wide variety of reasons and may stay in foster care for a short period before returning to their families or moving onto a longer-term placement. Some children stay in foster care until they reach adulthood.

Continuing care placements, in the context of fostering, enable young people to remain living with their foster carer. Any eligible young person ceasing to be looked after on or after they turn 16 can request to remain in their placement under continuing care. A young person receiving continuing care will no longer be defined as 'looked after' but will continue to receive the same support.

Following the publication of the Independent Care Review's reports in February 2020, The Promise Team was established to implement the review's

recommendations with the objective of keeping “the Promise” to improve the care system outlined in the reports.

The Independent Care Review has highlighted that the period between April 2021–March 2024 will be a ‘bedding down’ period where the necessary legislative reform will be underway. The advertised framework period is from 1 July 2021 until 30 June 2024 with an option to extend until 30 June 2025. This extension option allows for a re-tender in 2024 if there are significant legislation reforms which would require a restructuring of the framework.

2. Scope, Participation and Spend

As part of the strategy development, the User Intelligence Group (UIG) endorsed the inclusion of two service options (Service Option 1- Standard Service, and Service Option 2 – Enhanced Service), with the majority of current framework placements being under the Standard Service. This structure remains the same as the current framework and was enhanced with the addition of a maximum continuing care fee requested from providers. This information will provide transparency and will allow for better informed fee discussions at the time of referral.

As detailed in Appendix 1, 28 local authorities have confirmed their intention to participate in this framework. The remaining local authorities rarely require to place children out with their own services however the framework will be available for any future requirement.

The forecast annual spend for participating local authorities, with contingency, is £34 million per annum. This equates to an estimated spend of £136 million over the full 4-year term of the framework.

3. Procurement Process

A UIG consisting of representatives from participating local authorities endorsed the procurement strategy on 3 November 2020. In addition, a working group consisting of technical and procurement representatives was formed to review service specifications and participate in the technical evaluation.

Scotland Excel has taken consideration of the impact of the Coronavirus pandemic in relation to this tender exercise. Balancing the current situation with the need to provide a route for local authorities to source such external fostering placements as may be considered essential for the development and safeguarding of children and young people, Scotland Excel determined it was appropriate to undertake this renewal tender exercise and to recommend the establishment of this framework.

A Prior Information Notice (PIN) was published in September 2020 inviting interested providers to meet virtually with Scotland Excel to discuss the scope of the services they offer and the possibility of extending the scope of the national framework. The response to the PIN included 17 organisations noting their

interest. Meetings were held with eight providers including two not participating on the current framework.

The Social and other Specific Services Contract Notice was published via the Find A Tender and Public Contracts Scotland (PCS) portal on 8 March 2021. The framework falls under the light touch regime arrangements with the tender documentation being immediately available via the Public Contracts Scotland Tender (PCS-T) system.

As such, the tender exercise commenced after the UK withdrawal from the European Union and was conducted and concluded in accordance with the law and procedures currently in force.

The tender was available for 31 days and closed on 14 April 2021.

The procurement process followed an open tender process to ensure the inclusion for all potential providers to service the framework. All bidders were examined against published selection criteria, using the Single Procurement Document (SPD) and award criteria, concurrently. The award criteria included technical and commercial sections, and, given the nature of the services were weighted heavily toward the technical (quality) criteria. The published award criteria weightings were:

Technical: 80%
Commercial: 20%

Within the technical section, bidders were required to evidence their knowledge and experience by responding to method statements which covered areas including:

- approach to manage placement crisis and minimise breakdown of placements,
- approach to ensuring staff are confident and competent to deliver high quality services,
- approach to ensuring foster carers are confident and competent to provide high quality support to children and young people.

Tenderers were also required to give examples of how children and young people's outcomes are achieved through the SHANARRI (Safe, Healthy, Achieving, Nurtured, Active, Respected and Responsible, Included) wellbeing indicators for their chosen service options. The points available for these quality questions are detailed below within Table 1.

Table 1: Technical Section Weighting

Quality Section	Points Available	
	Service Option 1	Service Option 2
Method Statements		
Quality Questions	70	70
Method Statement 1 – Placement Breakdown	17.5	17.5
Method Statement 2 – Staff	17.5	17.5
Method Statement 3 – Foster Carers	17.5	17.5
Method Statement 4 – (Service Option 1) SHANARRI Indicators	17.5	N/A
Method Statement 4 - (Service Option 2) SHANARRI Indicators	N/A	17.5
Sustainability		
Sustainability Questions	10	10
Community Benefits	6	6
Fair Work Practices	4	4
Total Available Score	80	80

Within the commercial section, bidders were invited to provide an agreed fee (per child/young person per week) for each service option offered. Bidders were also invited to specify whether any reduction to the fees would be appropriate due to

any decrease in costs associated with long term placements, sibling placements, permanent placements, or multiple placements within a local authority.

4. Report on Offers Received

The tender document was downloaded by 15 fostering providers with 15 tender responses received. A comparison was completed on the noted interest from the PIN and the providers who downloaded the tender document. The results from the comparison showed that of the 17 organisations who expressed interest in the PIN, 14 accessed and completed the tender. A summary of all offers received is provided in Appendix 2.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the compliant offers received was completed. Appendix 3 confirms the scoring achieved by each bidder.

5. Recommendations

Based on the evaluation undertaken, and in line with the published criteria and weightings set out above, it is recommended that a multi-provider framework arrangement is awarded to 15 providers across the service options as outlined in Appendix 3.

These 15 recommended providers offer best value and represent a mix of small, medium, and large organisations. Nine providers are classed as small or medium enterprises, three as micro businesses and 13 are Scottish providers.

The range of providers recommended provides coverage for all of Scotland and provide a vast range of enhanced fostering services in addition to the core fostering service.

6. Benefits

Children and Young People

Through the streamlined Individual Placement Agreement and placing processes, local authorities can tailor services to individual needs. In addition to this, there is greater flexibility for local authorities to purchase individualised services through an increased range of enhanced services offered. The renewal framework will also provide greater transparency in relation to continuing care fees.

One of the main findings from the Promise reports (referenced in earlier section 1) is that the views of children and foster carers should be considered when it comes to the care of the child or young person. Scotland Excel has embedded this ethos in the framework service specification so that providers are required to consult with young people and foster carers, with their views taken into account for all aspects of the service. This will include views on any transitions and short breaks.

Price Stability

The framework applies twelve months' fixed pricing for both service options. Thereafter, all requests for price increases will be evaluated against prevailing market conditions and require to be supported by documentary evidence from an independent source, to the satisfaction of Scotland Excel.

As part of the tender process, providers were asked to provide a full breakdown in their financial submission of the associated costs for providing the service. This information will be used when considering the appropriate uplift mechanism for the framework.

Cost Impact

Benchmarking revealed that prices were on average higher than existing standard rates and enhanced rates, where known.

Following evaluation of the commercial submissions, Scotland Excel elected to carry out post tender commercial clarifications. Following the pre-determined post tender commercial clarifications methodology, providers who had submitted rates that were a significant increase from the rates currently being charged to local authorities and/or were a significant variance from the average rates submitted via the tender were issued with post tender commercial clarifications to ensure that best value was achieved for local authorities.

Scotland Excel clarified with these providers to ensure a full understanding of cost pressures faced and to discuss options for potential efficiency savings in relation to elements of the fee not directly related to the care of children and young people.

The average fee increase for the standard fostering service across all four age bands is estimated at 7.3%, with pricing fixed for one year. The average estimated increase follows a period of extended price stability within the current framework. The actual costs of a fostering placements are determined by the needs and outcomes of the individual children and young people requiring the service.

Throughout the duration of the framework, Scotland Excel will monitor the costs associated with delivering these services across the country to ensure sustainability of services.

Community Benefits

Scotland Excel is committed to maximising community benefit delivery for members. Providers were asked to confirm whether they were willing to comply with our community benefits approach for the lifetime of the framework. This approach is designed to deliver local community benefits based on individual

member spend thresholds and all 15 recommended providers have confirmed their acceptance.

The community benefits approach focused on supporting the Scottish Government's National Performance Framework, and the benefits delivered should support, but are not limited to, the following indicators:

- Employment Skills and Training
- Employment - SMEs, Social Enterprises, Supported Businesses
- Communities – impacts
- Physical/mental health and wellbeing

Providers have agreed to report ongoing delivery of community benefits to Scotland Excel on a six-monthly basis and this will be monitored throughout the lifetime of the framework.

Fair Work Practices including the Real Living Wage

Scotland Excel and its members are committed to the delivery of high-quality public services and recognise that this is dependent on a workforce that is well-rewarded, well-motivated, well-led, has access to appropriate opportunities for training and skills development, are diverse and engaged in decision making.

Within the technical section of the tender, bidders were assessed on their approach to fair work practices and payment of the Real Living Wage to their workforce. Of the 15 recommended bidders, six are accredited Real Living Wage Employers and the remaining nine providers pay the Real Living Wage, as detailed in Appendix 4.

Scotland Excel will continue to monitor fair work practices including the Real Living Wage status during contract and supplier management.

7. Contract Mobilisation and Management

As part of the mobilisation process, all providers and local authorities will be offered a contract mobilisation meeting to outline the operation of the framework, including roles and responsibilities, management information and community benefit commitments. Both providers and participating members will be issued with a mobilisation pack containing all required details to utilise the framework.

In accordance with Scotland Excel's established contract and supplier management programme, in terms of risk and spend as detailed in Appendix 5, this framework is classified as class B. As such it will require, quarterly provider contact, six monthly surveys, an annual UIG, frequent support to local authorities, providers and external stakeholders requiring high level of procurement expertise and extensive contract monitoring. The segmentation classifications are outlined in appendix 5. During the current market conditions Scotland Excel will continue to engage with providers on a regular basis to manage the response to the pandemic and ensure continuity of this essential service for our members.

Meetings and engagement undertaken with providers will adhere to all applicable health and safety guidelines, including those reflecting business restriction recommendations due to Covid-19.

8. Summary

This third-generation framework for Fostering and Continuing Care continues to promote the rights and outcomes of children and provide maximum choice of services and providers available to meet a diversity of needs and support young people's choices in relation to fostering and continuing care.

The Executive Sub Committee is requested to approve the recommendation to award this framework agreement as detailed in Appendix 3 (Scoring and Recommendations).

Appendix 1 – Participation

Scotland Excel Member	Participation in Contract	Participation Entry Date	Estimated Annual Spend (£)	Source of Spend Data
Aberdeen City Council	Yes	2 July 2021	£5,049,719	Management Information
Aberdeenshire Council	Yes	2 July 2021	£1,384,044	Management Information
Angus Council	Yes	2 July 2021	£180,575	Management Information
Argyll & Bute Council	Yes	2 July 2021	£54,796	Management Information
City of Edinburgh Council	No	N/A	N/A	N/A
Clackmannanshire Council	Yes	2 July 2021	£988,948	Management Information
Comhairle Nan Eilean Siar	No	N/A	N/A	N/A
Dumfries & Galloway Council	Yes	2 July 2021	£103,149	Management Information
Dundee City Council	Yes	2 July 2021	£3,164,756	Management Information
East Ayrshire Council	Yes	2 July 2021	£345,247	Management Information
East Dunbartonshire Council	Yes	2 July 2021	£499,052	Management Information
East Lothian Council	Yes	2 July 2021	£358,286	Management Information
East Renfrewshire Council	Yes	2 July 2021	£205,959	Management Information
Falkirk Council	Yes	2 July 2021	£243,295	Management Information
Fife Council	Yes	2 July 2021	£5,440,276	Management Information
Glasgow City Council	No	N/A	N/A	N/A
Highland Council	Yes	2 July 2021	£1,148,249	Management Information
Inverclyde Council	Yes	2 July 2021	£149,277	Management Information
Midlothian Council	Yes	2 July 2021	£133,661	Management Information
Moray Council	Yes	2 July 2021	£264,218	Management Information
North Ayrshire Council	Yes	2 July 2021	£92,773	Management Information
North Lanarkshire Council	Yes	2 July 2021	£1,373,394	Management Information
Orkney Islands Council	Yes	2 July 2021	£9,662	Management Information
Perth & Kinross Council	Yes	2 July 2021	£400,380	Management Information
Renfrewshire Council	Yes	2 July 2021	£640,850	Management Information
Scottish Borders Council	Yes	2 July 2021	£6,342	Management Information
Shetland Islands Council	No	N/A	N/A	N/A
South Ayrshire Council	Yes	2 July 2021	£659,994	Management Information
South Lanarkshire Council	Yes	2 July 2021	£1,306,344	Management Information
Stirling Council	Yes	2 July 2021	£18,336	Management Information
West Dunbartonshire Council	Yes	2 July 2021	£1,361,916	Management Information
West Lothian Council	Yes	2 July 2021	£217,538	Management Information
Total			£28,316,738	

Appendix 2 – Summary of Offers Received

Name of Candidates and Tenderers	SME Status	Location	Service Option Tendered	Service Option Awarded
Aberlour Child Care Trust	Large	Stirling	2	2
Action for Children	Large	Glasgow	2	2
Barnardo's	Large	Edinburgh	1 and 2	1 and 2
Carevisions Fostering Limited	Small	Stirling	1 and 2	1 and 2
Carolina House Trust	Small	Dundee	1 and 2	1 and 2
Core Assets Scotland Limited Trading as Foster Care Associates Scotland	Small	Glasgow	1 and 2	1 and 2
Dean & Cauvin Young People's Trust	Small	Edinburgh	2	2
Foster Care Connect Ltd	Micro	Galashiels	1 and 2	1 and 2
Fostering People Scotland Limited	Micro	Dundee	1 and 2	1 and 2
Fostering Relations Limited	Micro	Grangemouth	1 and 2	1 and 2
Fosterplus (Fostercare) Limited	Small	Milton Keynes, England	1 and 2	1 and 2
St. Andrew's Children's Society Limited	Small	Edinburgh	1	1
Swiis Foster Care Scotland Limited	Medium	Dunfermline	1 and 2	1 and 2
The Adolescent and Children's Trust	Medium	London, England	1 and 2	1 and 2
The National Fostering Agency (Scotland) Ltd	Small	Grangemouth	1 and 2	1 and 2

Appendix 3 - Scoring and Recommendations

Service Option 1 - Standard Service

An asterisk (*) denotes a recommended provider

Tenderer	Service Name	Total Score
Barnardo's*	Standard Fostering Service	89.9
Fostering People Scotland Limited*	Standard Fostering Service	87.3
Swiis Foster Care Scotland Limited*	Standard Fostering Service	86.3
Fosterplus (Fostercare) Limited*	Standard Fostering Service	81.6
The Adolescent and Children's Trust*	Standard Fostering Service	80.0
Carevisions Fostering Limited*	Standard Fostering Service	79.3
Core Assets Scotland Limited Trading as Foster Care Associates Scotland*	Standard Fostering Service	77.7
The National Fostering Agency (Scotland) Ltd*	Standard Fostering Service	77.4
Foster Care Connect Ltd*	Standard Fostering Service	73.6
Fostering Relations Limited*	Standard Fostering Service	71.6
Carolina House Trust*	Standard Fostering Service	68.8
St. Andrew's Children's Society Limited*	Standard Fostering Service	67.2

Service Option 2 - Enhanced Service

An asterisk (*) denotes a recommended provider

Tenderer	Service Name	Total Score
Aberlour Child Care Trust*	Children/Young People who have suffered severe trauma	75.7
Aberlour Child Care Trust*	Children/Young People with disabilities	75.7
Aberlour Child Care Trust*	Intensive support	75.7
Aberlour Child Care Trust*	Parent and child	75.7
Aberlour Child Care Trust*	Young People with complex/challenging behaviour	75.7
Action for Children*	Enhanced Fostering - Challenging Behaviour	84.1
Action for Children*	Enhanced Fostering - Disabilities	84.1
Action for Children*	Enhanced Fostering - Intensive Support	84.1
Action for Children*	Enhanced Fostering - Severe Trauma	84.1
Barnardo's*	Enhanced - Complex Needs	87.4
Barnardo's*	Enhanced Solo	84.5
Barnardo's*	Step Down	80.7
Barnardo's*	Enhanced Short Breaks	79.0
Carevisions Fostering Limited*	Parent and Baby	76.8
Carevisions Fostering Limited*	Solo Placement	76.8
Carolina House Trust*	Complex needs requiring intensive support	70.3

Core Assets Scotland Limited Trading as Foster Care Associates Scotland*	Team Parenting®	77.1
Core Assets Scotland Limited Trading as Foster Care Associates Scotland*	Solo Placements	74.9
Core Assets Scotland Limited Trading as Foster Care Associates Scotland*	Placements for Children & Young People with Disabilities	74.8
Core Assets Scotland Limited Trading as Foster Care Associates Scotland*	Parent & Child Placements	73.1
Core Assets Scotland Limited Trading as Foster Care Associates Scotland*	Step-Down Placements	71.4
Dean & Cauvin Young People's Trust*	Children and young people who have suffered severe trauma	72.1
Dean & Cauvin Young People's Trust*	Intensive Support	72.1
Dean & Cauvin Young People's Trust*	Young people with complex behaviours	72.1
Dean & Cauvin Young People's Trust*	Parent and child	69.8
Foster Care Connect Ltd*	Children/Young People who have suffered Severe Trauma	71.5
Foster Care Connect Ltd*	Children/Young People with Disabilities	71.5
Foster Care Connect Ltd*	Intensive Support	71.5
Foster Care Connect Ltd*	Young People with complex/challenging behaviour	71.5
Foster Care Connect Ltd*	Parent and Child	64.2
Fostering People Scotland Limited*	Enhanced	85.5
Fostering People Scotland Limited*	Solo (Singleton)	83.7
Fostering People Scotland Limited*	Disability	83.7
Fostering People Scotland Limited*	Parent & Child Placements	82.0
Fostering Relations Limited*	Children/Young People with disabilities	62.0
Fostering Relations Limited*	Young People with complex/challenging behaviour	62.0
Fostering Relations Limited*	Parent and Child	61.1
Fostering Relations Limited*	Other - Bridge to Foster	59.5
Fosterplus (Fostercare) Limited*	Complex Behaviour	81.3
Fosterplus (Fostercare) Limited*	Parent and Child	77.5
Swiis Foster Care Scotland Limited*	Permanence	88.8
Swiis Foster Care Scotland Limited*	Children/Young People who have suffered severe trauma	86.9
Swiis Foster Care Scotland Limited*	Children/Young People with disabilities	86.9
Swiis Foster Care Scotland Limited*	Intensive support	86.9
Swiis Foster Care Scotland Limited*	Young People with complex/challenging behaviour	86.9
Swiis Foster Care Scotland Limited*	Parent & Child	85.6
The Adolescent and Children's Trust*	Complex needs	80.5
The Adolescent and Children's Trust*	Disability	80.5
The Adolescent and Children's Trust*	Intensive Support - step down	80.5
The Adolescent and Children's Trust*	Parent and Child	75.0
The National Fostering Agency (Scotland) Ltd*	Children/Young People with disabilities	73.9
The National Fostering Agency (Scotland) Ltd*	Young People with complex/challenging behaviour	73.9
The National Fostering Agency (Scotland) Ltd*	Parent and Child	72.8
The National Fostering Agency (Scotland) Ltd*	Other - Bridge to Foster	71.4

Appendix 4- List of Recommended Suppliers with Living Wage Status

Tenderer	Accredited Living Wage Employer	Currently progressing through Real Living Wage accreditation process	Pay Real Living Wage to all employees, but not accredited	Neither accredited nor paying Real Living Wage, but do commit to pay the Real Living Wage to all employees over the initial 2 years of the framework	Neither accredited nor pay the Real Living Wage
Aberlour Child Care Trust	Yes				
Action for Children			Yes		
Barnardo's			Yes		
Carevisions Fostering Limited			Yes		
Carolina House Trust	Yes				
Core Assets Scotland Limited Trading as Foster Care Associates Scotland			Yes		
Dean & Cauvin Young People's Trust	Yes				
Foster Care Connect Ltd	Yes				
Fostering People Scotland Limited			Yes		
Fostering Relations Limited			Yes		
Fosterplus (Fostercare) Limited			Yes		
St. Andrew's Children's Society Limited			Yes		
Swiis Foster Care Scotland Limited	Yes				
The Adolescent and Children's Trust	Yes				
The National Fostering Agency (Scotland) Ltd			Yes		

Appendix 5 – Segmentation Classifications

1020 Fostering and Continuing Care is classified as class B.

There are five segmentation classifications and these classifications are rated from Class A to Class E. Each classification has contract and supplier management activities associated with it based on pre-determined weighted criteria.

Class A

Due to the unique and bespoke nature of the frameworks that fall within this class, a contract management plan to be developed and agreed with CSG.

Class B

Quarterly supplier contact, six monthly surveys, annual UIG, frequent support to councils, suppliers and external stakeholders requiring high level of procurement expertise, extensive contract monitoring.

Class C

Six monthly supplier contact, six monthly to annual surveys, annual UIG, regular support to councils, suppliers and external stakeholders requiring procurement expertise, high contract monitoring.

Class D

Annual supplier contact, annual surveys, optional annual UIG, ad-hoc support to councils, suppliers and external stakeholders potentially requiring procurement expertise, regular contract monitoring.

Class E

Annual supplier contact (if required), optional annual surveys, no requirement for annual UIG, straightforward ad-hoc support to councils, suppliers and potentially requiring procurement assistance, basic contract monitoring.

Scotland Excel

To: Executive Sub-Committee

On: 18 June 2021

**Report by:
Chief Executive of Scotland Excel**

Tender: Treatment of Organic Waste Services

Schedule: 02/20

Period: 01 July 2021 until 30 June 2024 with an option to extend for up to 12 months until 30 June 2025

1. Introduction and Background

This recommendation is for the award of the third-generation framework for Treatment of Organic Waste Services.

This proposed framework was advertised for the period from 01 July 2021 until 30 June 2024 with an option to extend for up to 12 months until 30 June 2025. It is intended to commence on 7 July 2021.

This framework will provide local authorities and other participating bodies with a mechanism to procure treatment options for organic materials, including separately collected food waste, garden waste and co-mingled (collected together as a mix) food and garden waste, generating electricity and compost. The framework is part of the Scotland Excel Environment Category portfolio that assists councils in delivering their statutory obligation to provide an essential waste management service, as well as contributing to The Scottish Government's Circular Economy ambitions¹.

2. Scope, Participation and Spend

As part of the strategy development, the User Intelligence Group (UIG) endorsed the inclusion of three lots as summarised in Table 1. This lot structure remains the same as the current framework, as this continues to represent the council requirements, whilst also recognising the structure of the marketplace.

Table 1: Lotting Structure

¹ <http://www.gov.scot/Resource/0049/00494471.pdf>

Lot No.	Description	Estimated % of Spend through lot
Lot 1	Food waste	17%
Lot 2	Garden waste	37%
Lot 3	Co-mingled food and garden waste	46%

As detailed in Appendix 1, 22 councils have confirmed their intention to participate in this framework. In addition, Renfrewshire Council and West Lothian Council, have made awards under the last framework for a period that will take them beyond the future framework period.

The following councils have indicated no present need to use this new framework for the following reasons:

- Aberdeen City Council waste management services are managed by SUEZ as part of a long term arrangement until 2025.
- Comhairle Nan Eilean Siar, Fife Council, Orkney Islands Council and Shetland Islands Council: have their own in-house arrangements to treat organic waste.
- Dumfries and Galloway Council, East Ayrshire Council and Moray Council have pre-existing contract arrangements in place and do not currently intend to participate but reserve the right to access it during the lifetime of the framework.

To ensure that all 32 councils have the option to use the framework, however, all councils were listed in the Contract Notice for the framework.

The forecast annual spend for participating councils and associate members, with contingency, is £12 million per annum. This equates to an estimated spend of £48 million over the full 4-year term of the framework.

3. Procurement Process

A UIG consisting of representatives from participating councils endorsed the procurement strategy on 21 October 2020. In addition, a working group consisting of technical and procurement representatives was formed to review technical specifications and participate in the evaluation.

Scotland Excel has taken cognisance of the impact during the Coronavirus pandemic in relation to this tender. Balancing the current situation with the need to provide a route to market for councils seeking the supply of Treatment of Organic Waste Services, and considering those council projects that may require to be undertaken in the future, Scotland Excel determined it was appropriate to undertake this tender exercise and to recommend the establishment of this framework.

A Prior Information Notice (PIN) was published on 6 March 2020, which resulted in expressions of interest from 22 organisations. Service Providers were given the opportunity to provide Scotland Excel with information in relation to, but not limited to; market intelligence, market trends, sustainability initiatives, community benefits to help inform the strategy.

The Contract Notice was published via the Find A Tender and Public Contracts Scotland (PCS) portal on 19 March 2021, with the tender documentation being immediately available via the Public Contracts Scotland Tender (PCS-T) system. The tender exercise was conducted and concluded in accordance with the law and procedures currently in force.

The procurement process followed the open tender process to ensure maximum competition and the inclusion for all potential providers to service the framework. All bidders were examined against selection criteria, using the Single Procurement Document (SPD) and award criteria, concurrently. The award criteria included technical and commercial sections that were evaluated against the following criteria and weightings:

Technical: 25%
Commercial: 75%

Within the technical section, bidders were required to evidence their knowledge and experience by responding to method statements which covered areas including: Operational Processes, Sustainability & Fair Work Practices. Bidders were also assessed in terms of their ability to provide community benefits. These are detailed below within Table 2.

Table 2: Technical Section Weighting

Question	Description	Weighting
1	Operational Processes	20.5
2	Sustainability	1.0
3	Fair Work Practices	1.5
4	Community Benefits	2.0
Total Score		25.0

Within the commercial section, bidders were invited to offer on a lot by lot basis. Fixed pricing for 12 months was required for all lots. In addition to the 12 months' fixed pricing, bidders were asked to confirm if they were willing to offer a longer period of fixed pricing from the framework contract start date. Bidders were also invited to specify if they would offer any early settlement discount.

4. Report on Offers Received

The tender document was downloaded by 13 organisations, with 10 tender responses received by the specified closing date and time. A summary of all offers received is provided in Appendix 2.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the compliant offers received was completed. Appendix 3 confirms the scoring achieved by each bidder.

5. Recommendations

Based on the evaluation undertaken, and in line with the criteria and weightings set out above, it is recommended that a multi-supplier framework arrangement is awarded to 10 service providers as outlined in Appendix 3.

These 10 recommended service providers offer best value and represent a mix of micro, small and medium organisations. All 10 service providers are classed as SME and all providers are Scottish based.

The range of service providers recommended provides competitive options for all participating local authorities as well as offering a degree of choice and most crucially, maximum processing capacity.

6. Benefits

Savings

The framework rates are in the form of a “gate fee” which includes, but is not exclusive to, the costs of handling and processing waste from reception to completion of the treatment process.

Table 3 below shows the average savings or on-costs per lot by comparing current framework processing rates with the rates submitted for the new framework.

- The average saving for Anaerobic Digestion (AD) treatment is 20.1% and an average cost for In-Vessel Composting (IVC) treatment is 12.2% on Lot 1 (Food waste).
- The average cost for Open Windrow Composting (OWC) treatment is 19% on Lot 2 (Garden Waste) and;
- The average cost for In-Vessel Composting (IVC) treatment is 27.1% on Lot 3 (Co-mingled food and garden waste).

Table 3: Average Savings per Lot

Lot No.	Description	Type of Treatment	Average Savings, Gate Fee per Tonne (%)	Range of Changes, Gate Fee per Tonne (%)
Lot 1	Food waste	Anaerobic Digestion (AD)	20.1%	from 5.6% to 34.6%
		In-Vessel Composting (IVC)	-12.2%	from -1.6% to -33.3%
Lot 2	Garden waste	Open Windrow Composting (OWC)	-19.0%	from 0% to -50%
Lot 3	Co-mingled food and garden	In-Vessel Composting (IVC)	-27.1%	from -6.6% to -39.1%

Analysis of the spend data collated for the current Organic Waste framework shows that it would not be possible to accurately benchmark against the previous framework. This is due to call offs being mainly by mini competition and/or the adoption of an alternative pricing model that involves an additional logistics charge with contractors collecting organic waste from a designated pick up location, again arranged through the mini competition call off process. Selection of contractors is determined primarily by operational requirements, geographical location of processing facilities to minimise both logistic costs and degradation of organic materials, preferred processing mechanisms and tonnage produced as well as market demand for output material.

The key influence on the current pricing is the combination of market conditions and Government policy. The volume of the organic waste which requires treatment coupled with the availability of treatment capacity and type is affecting pricing, and currently demand is outstripping supply in many cases. The tonnage of organic material for treatment has increased due to the change in legislation which requires a higher degree of separation of waste stream and therefore separate treatment requirements.

In addition, SEPA's recent proposal to review end-of-waste regulatory positions for compost and anaerobic digestate is currently under consultation and any final decisions are yet to be announced. These revisions set out stricter limits (by weight) of physical contaminants (including plastic) to 50% of those specified in PAS100 and 8% of those specified in PAS110 standards (Publicly Available Standard for compost and anaerobic digestate respectively). Treatment facilities' charging mechanisms correlate with the level of contamination that exist within the waste stream and these changes contribute to higher processing fees and result in increased costs to local authorities. However, the implementation of more challenging targets for treatment operators will align SEPA physical contamination limits with Quality Meat Scotland (QMS) standards and will open new markets for application of compost and digestate to agricultural land.

The success of this framework will be measured on participation, level of actual spend, level of service and the convenience of a framework option from which councils can draw down that allows the delivery of treatment services that assist in councils meeting their legislative requirements and recycling targets.

Price Stability

The framework applies twelve months fixed pricing. 6 of the recommended service providers have offered further fixed pricing periods of between 12 months and 24 months. Thereafter, all requests for price increases will be evaluated against prevailing market conditions and require to be supported by documentary evidence.

Sustainable Procurement Benefits

Within the technical section of the tender, a sustainability method statement assessed service providers in relation to their corporate approach to sustainability and how they promote recycle, reuse and reduce initiatives to minimize the impact of their supply chain on the environment. A range of sustainable measures were outlined by service providers including:

- Use on site power plants to generate electricity and heat that produce renewable energy fed into the electric grid and heat local communities.
- Route planning to optimize movement of vehicles.
- Water management systems to minimize the use of fresh water by reusing surface water.
- Adoption of low-emission vehicles to reduce carbon footprint.
- Re-use of PPE whilst not comprising safety.
- Donation of old laptops/keyboards/screen to be refurbished.

Community Benefits

Scotland Excel is committed to maximising community benefit delivery for our members. Tenderers were asked to confirm whether they were willing to comply with our community benefits approach for the lifetime of the framework. This approach is designed to deliver local community benefits based on individual member requirements and all 10 recommended service providers have confirmed their acceptance.

The community benefits approach focused on supporting the Scottish Government's National Performance Framework, and the benefits delivered should support, but are not limited to, the following indicators:

- Improve access to local green space
- Improve the skill profile of the population
- Reduce underemployment
- Improve workplace learning
- Improve young people's participation
- Reduce waste generated

Service providers have agreed to report ongoing delivery of community benefits to Scotland Excel on a six-monthly basis.

Delivery of commitments made will be monitored throughout the lifetime of the framework.

Fair Work Practices including the Real Living Wage

Scotland Excel and its members are committed to the delivery of high-quality public services and recognise that this is dependent on a workforce that is well-rewarded, well-motivated, well-led, has access to appropriate opportunities for training and skills development, are diverse and engaged in decision making.

Within the technical section of the tender, bidders were assessed on their approach to fair work practices and payment of the Real Living Wage to their workforce. All 10 recommended bidders are paying the Real Living Wage, as detailed in Appendix 4 - List of Recommended Service Providers with Living Wage Status).

Scotland Excel will continue to monitor Fair Work Practices including the Real Living Wage status during contract and supplier management.

7. Contract Mobilisation and Management

As part of the mobilisation process, all service providers will be offered a contract mobilisation meeting to outline the operation of the framework, including roles and responsibilities, management information and community benefit commitments. Both service providers and participating members will be issued with a mobilisation pack containing all required details to utilise the framework.

In accordance with Scotland Excel's established contract and supplier management programme, in terms of risk and spend as detailed in Appendix 5, this framework is classified as class D. As such, it will require annual service provider and user group reviews as appropriate. During the current market conditions Scotland Excel will continue to engage with service providers on a regular basis to manage the response to the pandemic and ensure continuity of service delivery for our members.

Meetings and engagement undertaken with service providers will adhere to all applicable health and safety guidelines.

8. Summary

This third-generation framework for the Treatment of Organic Waste Services maximises collaboration, facilitates the procurement of a treatment of organic waste services, promotes added value and delivers best value in terms of price, quality and service.

The Executive Sub Committee is requested to approve the recommendation to award this framework agreement as detailed in Appendix 3 (Scoring and Recommendations).

Appendix 1 – Participation and Spend Summary

Treatment of Organic Waste Services 02-20

Member Name	Participation in Contract	Participation Entry Date	Estimated Annual Spend (£)	Source of Spend Data
Aberdeen City Council	No			
Aberdeenshire Council	Yes	01 December 2021	£556,486	Scotland Excel M.I.
Angus Council*	Yes	Framework Start Date - Dependent on expiry current contract	£0	N/A - Award under previous framework
Argyll & Bute Council	Yes	Framework Start Date	£37,534	Scotland Excel M.I.
City of Edinburgh Council	Yes	Framework Start Date	£311,220	Scotland Excel M.I.
Clackmannanshire Council	Yes	Framework Start Date - Dependent on expiry current contract	£73,084	Scotland Excel M.I.
Comhairle nan Eilean Siar	No			
Dumfries & Galloway Council	No			
Dundee City Council	Yes	Framework Start Date - Dependent on expiry current contract	£10,213	Scotland Excel M.I.
East Ayrshire Council	No			
East Dunbartonshire Council	Yes	Framework Start Date	£182,735	Scotland Excel M.I.
East Lothian Council	Yes	Framework Start Date	£190,307	Scotland Excel M.I.
East Renfrewshire Council	Yes	Framework Start Date - Dependent on expiry current contract	£426,144	Scotland Excel M.I.
Falkirk Council	Yes	Framework Start Date - Dependent on expiry current contract	£476,244	Scotland Excel M.I.
Fife Council	No			
Glasgow City Council	Yes	Framework Start Date - Dependent on expiry current contract	£688,604	Scotland Excel M.I.
Highland Council	Yes	Framework Start Date - Dependent on expiry current contract	£367,530	Scotland Excel M.I.
Inverclyde Council	Yes	Framework Start Date - Dependent on expiry current contract	£121,886	Scotland Excel M.I.
Midlothian Council	Yes	Framework Start Date - Dependent on expiry current contract	£83,685	Scotland Excel M.I.
Moray Council	No			
North Ayrshire Council	Yes	Framework Start Date - Dependent on expiry current contract	£0	N/A - Own arrangements
North Lanarkshire Council	Yes	Framework Start Date - Dependent on expiry current contract	£12,480	Scotland Excel M.I.
Orkney Islands Council	No			
Perth & Kinross Council*	Yes	Framework Start Date - Dependent on expiry current contract	N/A	N/A - Award under previous framework
Renfrewshire Council**	No			
Scottish Borders Council	Yes	Framework Start Date - Dependent on expiry current contract	£95,271	Scotland Excel M.I.
Shetland Islands Council	No			
South Ayrshire Council	Yes	Framework Start Date - Dependent on expiry current contract	£321,391	Scotland Excel M.I.
South Lanarkshire Council*	Yes	Framework Start Date - Dependent on expiry current contract	N/A	N/A - Award under previous framework
Stirling Council	Yes	Framework Start Date - Dependent on expiry current contract	£547,988	Scotland Excel M.I.
West Dunbartonshire Council	Yes	01 March 2023	£273,972	Scotland Excel M.I.
West Lothian Council**	No			
Tayside Contracts	No			
Totals			£4,776,773	
Associate Members	Yes	Framework Start Date	£3,990	Scotland Excel M.I.
Totals			£4,780,763	

* Angus Council, Perth & Kinross Council and South Lanarkshire Council, have made awards under the previous Scotland Excel framework 10-12 (Framework period 1/04/2013 - 31/03/2017).

No MI collection is taking place for expired frameworks.

** Renfrewshire Council and West Lothian Council, have made awards under the last framework for a period that will take them beyond the future framework period.

Appendix 2 - Summary of Offers Received

Name of Tenderer	SME Status	Location	Lot(s) Tendered	Lot(s) Awarded
Brewster Brothers Limited	Small	Midlothian	2	2
Cireco (Scotland) LLP	Medium	Fife	2, 3	2, 3
Energen Biogas Limited	Small	Bellshill	1	1
Enva Organics Recycling Limited	Small	Linwood, Paisley	2, 3	2, 3
Forth Resource Management Limited	Small	East Lothian	2	2
Immediate Waste and Resource Management Limited	Micro	Clackmannanshire	2	2
Keenan (Recycling) Limited	Medium	Aberdeen	1, 2, 3	1, 2, 3
Levenseat Ltd	Medium	Lanark	1, 2, 3	1, 2, 3
Scottish Water Horizons Limited	Medium	Dunfermline	1	1
Earnside Energy Limited	Micro	London	2, 3	2, 3

Appendix 3 - Scoring and Recommendations

Lot 1 - Food Waste

Tenderer	Lot/Offer	SCORE	Awarded (Yes/No)
Energen Biogas Limited	Lot 1 - Offer 1	93.23	yes
Keenan (Recycling) Limited	Lot 1 - Offer 3	79.88	yes
Scottish Water Horizons Limited	Lot 1 - Offer 1	64.60	yes
Levenseat Ltd	Lot 1 - Offer 1	43.42	yes
Keenan (Recycling) Limited	Lot 1 - Offer 1	36.61	yes
Keenan (Recycling) Limited	Lot 1 - Offer 2	35.86	yes

Lot 2 - Garden Waste

Tenderer	Lot/Offer	SCORE	Awarded (Yes/No)
Forth Resource Management Limited	Lot 2 - Offer 1	91.93	yes
Forth Resource Management Limited	Lot 2 - Offer 2	87.99	yes
Forth Resource Management Limited	Lot 2 - Offer 3	87.99	yes
Brewster Brothers Ltd	Lot 2 - Offer 1	77.76	yes
Earnside Energy Ltd	Lot 2 - Offer 1	77.30	yes
Enva Organics Recycling Ltd	Lot 2 - Offer 1	76.31	yes
Immediate Waste and Resource Management Ltd	Lot 2 - Offer 1	74.07	yes
Keenan Recycling Ltd	Lot 2 - Offer 1	68.17	yes
Keenan Recycling Ltd	Lot 2 - Offer 2	67.42	yes
Levenseat Ltd	Lot 2 - Offer 1	59.91	yes
Cireco (Scotland) LLP	Lot 2 - Offer 1	53.36	yes

Lot 3 - Co-mingled food and garden waste

Tenderer	Lot/Offer	SCORE	Awarded (Yes/No)
Earnside Energy Ltd	Lot 3 - Offer 1	94.56	yes
Enva Organics Recycling Ltd	Lot 3 - Offer 1	90.88	yes
Cireco (Scotland) LLP	Lot 3 - Offer 1	86.21	yes
Keenan Recycling Ltd	Lot 3 - Offer 2	83.55	yes
Keenan Recycling Ltd	Lot 3 - Offer 1	82.73	yes
Levenseat Ltd	Lot 3 - Offer 1	81.14	yes
Keenan Recycling Ltd	Lot 3 - Offer 3	76.16	yes

Appendix 4 - List of Recommended Service Providers with Living Wage Status

Tenderer	Accredited	Currently progressing through Real Living Wage accreditation process	Pay Real Living Wage to all employees, and committed to gaining accreditation over the initial 2 years of framework	Pay Real Living Wage to all employees, but not accredited	Neither accredited nor paying Real Living Wage, but do commit to pay the Real Living Wage to all employees over the initial 2 years of the framework	Neither accredited nor paying Real Living Wage
Brewster Brothers Limited	Yes					
Cireco (Scotland) LLP	Yes					
Energen Biogas Limited				Yes		
Envia Organics Recycling Limited				Yes		
Forth Resource Management Limited		Yes				
Immediate Waste and Resource Management Limited	Yes					
Keenan (Recycling) Limited	Yes					
Levenseat Ltd	Yes					
Scottish Water Horizons Limited	Yes					
Earnside Energy Limited				Yes		

Appendix 5 - Segmentation classifications

02-20 Treatment of Organic Waste Services is classified as class D.

There are five segmentation classifications and these classifications are rated from Class A to Class E. Each classification has contract and supplier management activities associated with it based on pre-determined weighted criteria.

Class A

Due to the unique and bespoke nature of the frameworks that fall within this class, a contract management plan to be developed and agreed with CSG.

Class B

Quarterly supplier contact, six monthly surveys, annual UIG, frequent support to councils, suppliers and external stakeholders requiring high level of procurement expertise, extensive contract monitoring.

Class C

Six monthly supplier contact, six monthly to annual surveys, annual UIG, regular support to councils, suppliers and external stakeholders requiring procurement expertise, high contract monitoring.

Class D

Annual supplier contact, annual surveys, optional annual UIG, ad-hoc support to councils, suppliers and external stakeholders potentially requiring procurement expertise, regular contract monitoring.

Class E

Annual supplier contact (if required), optional annual surveys, no requirement for annual UIG, straightforward ad-hoc support to councils, suppliers and potentially requiring procurement assistance, basic contract monitoring.

Scotland Excel

To: Executive Sub-Committee

On: 18 June 2021

**Report by:
Chief Executive of Scotland Excel**

Request for Associate Membership of Scotland Excel by Loch Lomond and The Trossachs National Park Authority

1. Background

- 1.1 Scotland Excel operates an Associate membership programme to allow access to its frameworks and services to a wide range of other public service orientated bodies. Applications can be made for Associate Membership by organisations such as council arm's length organisations, community groups, charities, housing associations and voluntary organisations which are a public body or a body that engages in activities of a public nature.

Although associate members have access to frameworks, they do not have the opportunity to influence the future contract delivery schedule which is reserved for the full local authority members.

Associate membership supports the wider aims of Scotland Excel by increasing overall spend against frameworks, providing additional income and supporting the goals of promoting excellent public procurement across Scottish organisations.

2. Organisation Background

- 2.1 Loch Lomond and The Trossachs National Park Authority was set up to protect & enhance the habitat, landscape and community within its control. Loch Lomond and The Trossachs National Park Authority is a Scottish Government executive non-departmental public body (NDPB). Loch Lomond and The Trossachs National Park Authority was set up by the Loch Lomond and The Trossachs National Park Designation, Transitional and Consequential Provisions (Scotland) Order 2002.
- 2.2 Loch Lomond and The Trossachs National Park Authority is an accredited real living wage employer.

3. Associate Membership Process

- 3.1 Before any application is submitted for approval, a number of validation checks on the organisation are carried out. These include a review of the Memorandum & Articles of Association, the financial position and the type of contracts that the organisation is likely to access. It is confirmed that satisfactory validation checks have been completed in relation to this application.
- 3.2 Scotland Excel monitors all requests from applicants to become associate members to ensure that any legal requirements are met. In this case, Loch Lomond and The Trossachs National Park Authority can be recommended for associate membership access in accordance with the Local Authorities (Goods and Services) Act 1970, section 1 (1B)(b) as a public authority or body. Namely, that it has functions that are public in nature or engages in activities of that nature so long as the purpose or effect of access to Scotland Excel's services is to facilitate its discharge of those functions or activities.
- 3.3 Fees are determined in a number of ways:
- Arms Length External Organisations (ALEOs) related to local authority members pay no fee as this is covered within requisition fees.
- National Health Service (NHS) bodies, Colleges and Universities, and Non departmental bodies of the Scottish Government pay no fee under a reciprocal agreement that allows local authorities to utilise contracts created by the relevant procurement centres of expertise.
- All other associate fees are calculated on a standard methodology agreed by committee. e.g. Housing Associations pay based on the number of houses within their portfolio.

4. Recommendations

- 4.1 It is recommended that Loch Lomond and The Trossachs National Park Authority application to join Scotland Excel as an associate member be approved, with no annual fee as part of the reciprocal agreement and subject to the agreement document.

Scotland Excel

To: Executive Sub-Committee

On: 18 June 2021

**Report by:
Chief Executive of Scotland Excel**

Request for Associate Membership of Scotland Excel by Sportscotland

1. Background

- 1.1 Scotland Excel operates an Associate programme to allow access to its frameworks and services to a wide range of other public service orientated bodies. Applications can be made for Associate Membership by organisations such as council arm's length organisations, community groups, charities, housing associations and voluntary organisations which are a public body or a body that engages in activities of a public nature.

Although associate members have access to frameworks, they do not have the opportunity to influence the future contract delivery schedule which is reserved for the full local authority members.

Associate membership supports the wider aims of Scotland Excel by increasing overall spend against frameworks, providing additional income and supporting the goals of promoting excellent public procurement across Scottish organisations.

2. Organisation Background

- 2.1 Sportscotland is the national agency for sport in Scotland. As the national agency for sport, its role is to make sure sport plays its part in a thriving Scotland. Sportscotland achieve this by influencing, informing and investing in the organisations and people who deliver sport and physical activity. Sportscotland (established as The Scottish Sports Council) is a Scottish Government executive non-departmental public body (NDPB). The Scottish Sports Council was established by Royal Charter back in 1972 and now go by the name of Sportscotland
- 2.2 Sportscotland is an accredited real living wage employer.

3. Associate Membership Process

- 3.1 Before any application is submitted for approval, a number of validation checks on the organisation are carried out. These include a review of the Memorandum & Articles of Association, the financial position and the type of contracts that the organisation is likely to access. It is confirmed that satisfactory validation checks have been completed in relation to this application.
- 3.2 Scotland Excel monitors all requests from applicants to become associate members to ensure that any legal requirements are met. In this case, Sportscotland can be recommended for associate membership access in accordance with the Local Authorities (Goods and Services) Act 1970, section 1 (1B)(b) as a public authority or body. Namely, that it has functions that are public in nature or engages in activities of that nature so long as the purpose or effect of access to Scotland Excel's services is to facilitate its discharge of those functions or activities.
- 3.3 Fees are determined in a number of ways:
- Arms Length External Organisations (ALEOs) related to local authority members pay no fee as this is covered within requisition fees.
- National Health Service (NHS) bodies, Colleges and Universities, and Non departmental bodies of the Scottish Government pay no fee under a reciprocal agreement that allows local authorities to utilise contracts created by the relevant procurement centres of expertise.
- All other associate fees are calculated on a standard methodology agreed by committee. e.g. Housing Associations pay based on the number of houses within their portfolio.

4. Recommendations

- 4.1 It is recommended that Sportscotland application to join Scotland Excel as an associate member be approved, with no annual fee as part of the reciprocal agreement and subject to the agreement document.