

Minute of Meeting

Scotland Excel Executive Sub-Committee

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

PRESENT

Councillors Valentine (Angus Council); Craik (Fife Council); McElroy (Glasgow City Council); Holmes (Renfrewshire Council); Westlake (Shetland Islands Council); and Provost Logan (South Lanarkshire Council).

BY VIDEOLINK

Councillors Shand (Aberdeenshire Council) and Macdonald (Comhairle Nan Eilean Siar).

CHAIR

Councillor Holmes, Convener, presided.

APOLOGIES

Councillors Whyte (City of Edinburgh Council); Fernie (Highland Council); and McLean (North Ayrshire Council).

IN ATTENDANCE

J Welsh, Director, S Brannagan, Head of Customer & Business Services, H Carr, Head of Strategic Procurement, D Benstead, Senior Procurement Specialist, S Dahlstrom, Senior Procurement Specialist, J Weaver, Senior Procurement Specialist, and N Burleigh, Senior Procurement Specialist (all Scotland Excel); E Currie, Senior Committee Services Officer and M Ball, Accountant (both Renfrewshire Council); and M Ferris, Senior Audit Manager and A Haar, Senior Auditor (both Audit Scotland).

DECLARATIONS OF INTEREST

Councillor McElroy declared a financial interest in item 6 of the agenda as he was an employee of the Kibble Education and Care Centre and indicated his intention to leave the meeting during consideration of the item and not to take part in any discussion or voting thereon.

Councillor Valentine declared a non-financial interest in item 7(b) of the agenda as Angus Council was a member of the Tayside and Central Scotland Transport Partnership and indicated that having considered the advice within the councillors' code of conduct, he was satisfied that it was in order for him to take part in consideration of and voting on this item.

1 REVENUE BUDGET MONITORING REPORT

There was submitted a joint revenue budget monitoring report by the Treasurer and the Director of Scotland Excel for the period 1 April 2016 to 6 January 2017.

DECIDED: That the report be noted.

2 ANNUAL AUDIT PLAN 2016/17

There was submitted a report by the Treasurer relative to the annual audit plan 2016/17 for Scotland Excel which outlined Audit Scotland's planned activities in their audit for the 2016/17 financial year.

DECIDED: That Audit Scotland's annual audit plan 2016/17 be noted.

3 CONTRACT FOR APPROVAL: BITUMEN AND ASSOCIATED PRODUCTS

There was submitted a report by the Director of Scotland Excel relative to the proposed renewal framework for bitumen and associated products which would operate from 1 March 2017 to 28 February 2019, with an option to extend for a further two 12-month periods.

The report intimated that the framework would provide Councils and participating bodies with a mechanism to procure a wide range of bitumen related products ranging from bulk bitumen through to reinstatement products, surface dressings and cementitious products and sundries.

The framework had been split into five lots as detailed in table 1 in the report. Appendix 1 to the report detailed the participation, spend and savings summary of the 24 Councils participating in the framework. It was noted that Tayside Contracts would also be participating in the framework.

The framework had been advertised at £48 million for the full four-year term and five tender responses had been received. Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the compliant offers had been completed and Appendix 3 to the report detailed the scores relative to each bidder.

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

It was proposed that upon renewal of a contract, details of community benefits provided by previous suppliers be included in future reports. This was agreed.

DECIDED:

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

(b) That upon renewal of a contract, details of community benefits for the previous framework would be provided.

4 CONTRACT FOR APPROVAL: ENGINEERING & TECHNICAL CONSULTANCY

There was submitted a report by the Director of Scotland Excel relative to the proposed renewal framework for engineering and technical consultancy which would operate from 18 March 2017 to 17 March 2021.

The report intimated that the framework would provide councils and participating bodies with a mechanism to procure a comprehensive range of engineering and technical consultancy services.

The framework had been split into seven lots as detailed in table 1 in the report. This lotting structure aligned with the various specialisms within the market and facilitated the participation of specialist small and medium-sized enterprise (SME) consultants in the procurement process and the SME status for each bidder was detailed in Appendix 2 to the report.

Appendix 1 to the report detailed the participation, spend and savings summary of the 30 Councils participating in the framework. In addition, NESTRANS and SPT, Scotland Excel associate members would also be participating in this framework.

The framework had been advertised at £17 million per annum and 61 tender responses had been received. Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the compliant offers received had been completed and Appendix 3 to the report detailed the scores relative to each bidder.

Based on the evaluation undertaken and in line with the criteria and weightings detailed in the report it was recommended that a multi-supplier framework agreement was awarded to 27 suppliers across the seven lots as detailed in Appendix 3 to the report.

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

5 **CONTRACT FOR APPROVAL: FOSTERING & CONTINUING CARE SERVICES**

There was submitted a report by the Director of Scotland Excel relative to the proposed framework for fostering services which would operate from 25 March 2017 to 24 March 2019, with an option to extend for a further two years up to 24 March 2021.

The report intimated that the framework would enable local authorities to purchase fostering placements from independent and voluntary providers as a supplement to their internal provision.

The structure of the new framework continued to set out a clearly specified core or 'standard' service, Service Option 1 – Standard Service, but now with the opportunity to purchase a range of "enhanced" or specialist services, Service Option 2 – Enhanced Services, offered by bidders, each with their own characteristics. It was anticipated that approximately 90% of spend would be on the 'standard' service.

The framework was open to all 32 Scottish local authorities and any integrated health and social care organisations taking on their legal responsibilities as a result of the Public Bodies (Joint Working) (Scotland) Act 2014. Glasgow City Council had its own separate purchasing arrangements and had confirmed that it would not purchase services under the national framework.

The report highlighted that fostering services were purchased on a case by case basis, making it difficult to estimate future expenditure. Extrapolating existing spend information, with estimates for expansion of the scope and market growth, the overall framework spend for four years was estimated at approximately £104 million. Appendix 1 to the report detailed the participation, spend and savings summary of the 32 councils participating in the framework.

Tender responses had been received from 15 organisations with 13 offers for Service Option 1 – Standard Service and 41 offers for Service Option 2 – Enhanced Services. Appendix 2 to the report detailed the SME status for each bidder.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the compliant offers received had been completed and Appendix 3 to the report detailed the scores relative to each bidder.

One of the objectives of the framework was to give maximum choice of services and providers available to meet diversity of needs and with all bidders having or expected to achieve above average quality standards, it was recommended that participation on the framework agreement be awarded to all 15 bidders who submitted compliant bids as detailed in Appendix 3 to the report.

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

DECLARATION OF INTEREST

Councillor McElroy having declared a financial interest in relation to the following item of business left the meeting and did not take part in any discussion or voting thereon.

6 **CONTRACT FOR APPROVAL: SECURE CARE**

There was submitted a report by the Director of Scotland Excel relative to the proposed renewal framework for secure care which would operate from 1 April 2017 to 31 March 2019, with an option to extend for a further 12-month period.

The report intimated that the Scottish Government was responsible for secure accommodation placements for sentenced children whilst local authorities were responsible for secure accommodation placements for children who had been remanded in custody and for children who were placed in secure accommodation for welfare reasons. Scotland Excel had again secured commitment from each of the 32 local authorities and the Scottish Government to participate in the current contract and Appendix 1 to the report detailed the participation, spend and cost impact summary of all participants.

Tender responses had been received by five providers as detailed in Appendix 2 to the report. One bidder did not meet the necessary minimum selection criteria and was not evaluated any further.

Based on the criteria and scoring methodology set out in the tender document, a full evaluation of the complaint offers received had been completed and Appendix 3 to the report detailed the scores relative to each bidder.

Based on the evaluation undertaken and in line with the criteria and weightings detailed in the report it was recommended that the contracts be awarded to the four providers as detailed in Appendix 3 to the report.

It was proposed that details of the proposed fee increase for this contract be provided to members of the Executive Sub-committee. This was agreed.

DECIDED:

(a) That the contracts be awarded to the four providers as detailed in Appendix 3 to the report; and

(b) That details of the proposed fee increase for this contract be provided to members of the Executive Sub-committee.

SEDERUNT

Councillor McElroy entered the meeting prior to consideration of the following item of business.

DECLARATION OF INTEREST

Councillor Valentine having declared a non-financial interest in the following item of business remained in the meeting during its consideration.

7 REQUESTS FOR ASSOCIATE MEMBERSHIP OF SCOTLAND EXCEL

(a) GLASGOW PRESTWICK AIRPORT

There was submitted a report by the Director of Scotland Excel indicating that Glasgow Prestwick Airport had submitted an application to become an associate member of Scotland Excel.

DECIDED: That the application by Glasgow Prestwick Airport to become an associate member of Scotland Excel, at an annual membership fee of £500, subject to completion and signing of the agreement document, be approved.

(b) TAYSIDE AND CENTRAL SCOTLAND TRANSPORT PARTNERSHIP

There was submitted a report by the Director of Scotland Excel indicating that Tayside and Central Scotland Transport Partnership had submitted an application to become an associate member of Scotland Excel.

DECIDED: That the application by Tayside and Central Scotland Transport Partnership to become an associate member of Scotland Excel, at an annual membership fee of £500, subject to completion and signing of the agreement document, be approved.

8 UPDATE ON THE CONTRACT DELIVERY PLAN

There was submitted an update report by the Director of Scotland Excel relative to the progress of the 2016/17 contract delivery plan.

The report intimated that the contract delivery plan comprised framework renewals, new developments, framework extensions and framework with ongoing contract management only and appendices 1 to 3 to the report provided further details.

The report highlighted that contract delivery remained very active with nine contracts delivered so far and a further eight planned by March 2017. In addition, 13 contracts had been extended over the course of the year. The value of the portfolio was expected to grow to around £950 million by April 2017. The significant increase in the forecast value was due to the tender for the framework for Energy Efficiency Contractors being released to the market at a value of £200 million. The award recommendation was due to be presented in March and given the complexity of the tender, delivery at that time remained at risk. The remainder of the construction category continued to grow, with the first collaborative contract for playground equipment also due to delivery in March.

The operational contract portfolio had also shown growth and work was ongoing to develop the mobilisation plan for the supply of light vehicles through the collaborative partnership with Crown Commercial Services. Work continued to be undertaken in supporting contract management in care home services for older people, with 27 Councils supporting the work plan, and funding agreed for a further three years.

It was noted that overall, efficiencies delivered to date continued to be in line with the target set at 5%.

DECIDED: That the progress made to date be noted.

9 **OPERATING PLAN UPDATE**

There was submitted an update report by the Director of Scotland Excel relative to the projects and activities undertaken by the organisation in quarter 3 of the 2016/17 Operating Plan.

The Director advised that action point 1(c)-develop and implement a strategy and plan for improving supplier performance-remained as amber.

DECIDED: That the progress made be noted.

10 **MEETINGS OF SCOTLAND EXCEL EXECUTIVE SUB-COMMITTEE IN MARCH 2017**

There was submitted a report by the Clerk relative to a proposal to change the Scotland Excel Executive Sub-committee meeting schedule for March 2017.

The report intimated that at the meeting of the Executive Sub-committee held on 16 September 2016 it was agreed that the Executive Sub-committee would meet on 3 March 2017. Having considered the planned award dates for contracts during March 2017, it was now considered to be more suitable for the meeting in March to take place at the end of the month. It was therefore proposed to cancel the meeting scheduled for 3 March and instead hold a meeting of the Executive Sub-committee on 31 March 2017.

DECIDED:

(a) That it be agreed that the meeting of the Executive Sub-committee scheduled to be held at 10.45am on 3 March 2017 be cancelled; and

(b) That it be agreed that a meeting of the Executive Sub-committee be held at 10.45am on 31 March 2017 in Scotland Excel Meeting Room 1, Renfrewshire House.