

## Minute of Meeting Scotland Excel Executive Sub-committee

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

### Present

Provost Bill Howatson (Aberdeenshire Council); Councillor Bob Myles (substitute for Councillor Angus Macmillan Douglas) (Angus Council); Provost Norman A Macdonald (Comhairle Nan Eilean Siar); Councillor Stephen Thompson (Dumfries & Galloway Council); Councillor Altany Craik (Fife Council); Councillor Ruairi Kelly (Glasgow City Council); Councillor Joe Cullinane (North Ayrshire Council); Councillor Paul Di Mascio (North Lanarkshire Council); and Councillor John Shaw (Renfrewshire 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, E Martin, Senior Procurement Specialist, C Richardson, Senior Procurement Specialist, E Macluskie, Procurement Coordinator, S Kilgour, Project and Account Manager, S Boyle, Assistant Procurement Specialist, K Farley, Assistant Procurement Specialist, S Ferracuti, Graduate Trainee, L McIntyre, Senior Communications Specialist, L A Campbell, Academy Tutor and K Forrest, Office Manager (all Scotland Excel); and M Conaghan, Legal & Democratic Services Manager, K Campbell, Assistant Chief Auditor, L Meikle, Senior Accountancy Assistant, P Shiach, Senior Committee Services Officer and K O'Neill, Assistant Democratic Services Officer (all Renfrewshire Council).

### Apologies

Councillor Graham Hutchison (City of Edinburgh Council) and Councillor Amanda Hawick (Shetland Islands 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 21 May 2021.

**DECIDED:** That the Minute be approved.

## 2 **Internal Audit Engagement - Financial Sustainability Arrangements**

There was submitted a report by the Chief Auditor, Renfrewshire Council, relative to Internal Audit's report summary on financial sustainability arrangements.

The report intimated that in line with the Public Sector Internal Audit Standards, Internal Audit must communicate the results of each engagement to the sub-committee. Internal Audit had undertaken a review of financial sustainability arrangements and the appendix to the report provided a summary of the overall assurance rating for the engagement, the number of recommendations in each category and the committee summary for the engagement.

**DECIDED:** That the summary for the Internal Audit engagement of financial sustainability arrangements be noted.

## 3 **Internal Audit Annual Report 2020/21**

There was submitted a report by the Chief Auditor, Renfrewshire Council, relative to the Internal Audit Annual Report on Scotland Excel 2020/21.

The report intimated that the Public Sector Internal Audit Standards required that the Chief Auditor prepare an annual report on the internal audit activity's purpose, authority and responsibility as well as performance relative to its plan. The report must also provide an audit opinion on the overall adequacy and effectiveness of the internal control environment of the audited body.

The annual report for Scotland Excel formed the appendix to the report and outlined 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 contained an audit assurance statement.

**DECIDED:** That the Internal Audit Annual Report 2020/21 be noted.

## 4(a) **Contract for Approval: Supply and Delivery of Education Materials**

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of a third-generation renewal framework for the supply and delivery of education materials which would operate from 1 August 2021 until 31 July 2024, with an option to extend for up to 12 months until 31 July 2025.

The framework would provide councils and other participating bodies with a mechanism to procure a wide range of educational materials and the report summarised the outcome of the procurement process for this framework.

The framework had been divided into nine lots, as detailed in table 1 of the report, and the forecast annual spend for participating councils was £18.6 million per annum,

equating to an estimated £74.4 million over the maximum four-year term of the framework. Appendix 1 to the report detailed the participation, spend and savings summary of all 32 councils participating in the framework.

Tender responses had been received from 25 suppliers and Appendix 2 to the report provided a summary of the offers received.

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 3 to the report detailed the scoring achieved by each bidder.

Based on the evaluation undertaken, and in line with the criteria and weightings set out in the report, it was recommended that a multi-supplier framework arrangement be awarded to 21 suppliers across eight of the nine lots, as outlined in Appendix 3 to the report.

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 were not proceeding to award lot 7, musical instruments, and had informed affected bidders and the UIG. Scotland Excel would carry out a tendering exercise for this lot in the coming weeks in line with applicable law and guidance.

Appendix 4 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 C in terms of risk and spend, as detailed in Appendix 5 to the report.

**DECIDED:** That the award of the multi-supplier framework for the supply and delivery of education materials, as detailed in Appendix 3 to the report, be approved.

#### 4(b) **Contract for Approval: Supply, Delivery and Installation of Education and Office Furniture**

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of a third-generation renewal framework for the supply, delivery and installation of education and office furniture which would operate from 1 September 2021 until 31 August 2025.

The framework would 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.

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

The framework had been divided into six lots, as detailed in table 1 of the report, and the forecast annual spend for participating councils and associate members, with contingency, was £8 million per annum, equating to an estimated £32 million over the full four-year term of the framework. Appendix 1 to the report detailed the participation, spend and savings summary of all 32 councils participating in the framework together with the Scottish Prison Service who intended to participate.

Tender responses had been received from 26 suppliers and Appendix 2 to the report provided a summary of the offers received.

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 3 to the report detailed the scoring achieved by each bidder.

Based on the evaluation undertaken, and in line with the criteria and weightings set out in the report, it was recommended that a multi-supplier framework arrangement be awarded to 21 suppliers across the six lots, as outlined in Appendix 3 to the report.

Appendix 4 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 5 to the report.

**DECIDED:** That the award of the multi-supplier framework for the supply, delivery and installation of education and office furniture, as detailed in Appendix 3 to the report, be approved.

#### 4(c) **Contract for Approval: Fostering and Continuing Care Services**

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of a third-generation renewal framework for fostering and continuing care services which would operate from 1 July 2021 until 30 June 2024, with an option to extend for up to 12 months until 30 June 2025. It was noted that this framework would commence on 2 July 2021 following the successful completion of the standstill period requirements.

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

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

The report intimated that following publication of the Independent Care Review's report 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. The Independent Care Review highlighted that the period between April 2021 and March 2024 would be a bedding-down period when the necessary legislative reform would be underway. This framework extension option allowed for a re-tender in 2024 if there were significant legislative reforms which required a restructuring of the framework.

The forecast annual spend for participating councils, with contingency, was £34 million per annum, equating to an estimated £136 million over the full four-year term of the framework. Appendix 1 to the report detailed the participation, spend and savings summary of the 28 councils participating in the framework. It was noted that the remaining councils rarely required to place children out with their own services, however, the framework would be available for any future requirement.

Tender responses had been received from 15 providers and Appendix 2 to the report provided a summary of the offers received.

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 3 to the report detailed the scoring achieved by each bidder.

Based on the evaluation undertaken, and in line with the criteria and weightings set out in the report, it was recommended that a multi-supplier framework arrangement be awarded to 15 providers, as outlined in Appendix 3 to the report.

Appendix 4 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 B in terms of risk and spend, as detailed in Appendix 5 to the report.

**DECIDED:** That the award of the multi-supplier framework for fostering and continuing care services, as detailed in Appendix 3 to the report, be approved.

#### 4(d) **Contract for Approval: Treatment of Organic Waste Services**

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of a third-generation renewal framework for the treatment of organic waste services which would operate from 1 July 2021 until 30 June 2024, with an option to extend for up to 12 months until 30 June 2025. It was noted that this framework would commence on 7 July 2021.

The framework would provide councils and other participating bodies with a mechanism to procure treatment options for organic materials, including separately collected food waste, garden waste and co-mingled food and garden waste, generating electricity and compost. This framework was part of the Scotland Excel Environment Category portfolio which assisted councils in delivering their statutory obligation to provide an essential waste management service, as well as contributing to the Scottish Government's Circular Economy ambitions.

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

The framework had been divided into three lots, as detailed in table 1 of the report, and the forecast annual spend for participating councils and associate members, with contingency, was £12 million per annum, equating to an estimated £48 million over the full four-year term of the framework. Appendix 1 to the report detailed the participation, spend and savings summary of the 22 councils participating in the framework. The remaining councils had indicated that they had no present need to use this framework, however, to ensure that all 32 councils had the option to use the framework, all councils had been listed in the contract notice for the framework. It was noted that both Renfrewshire and West Lothian Councils had made awards under the last framework for a period that would take them beyond the future framework period.

Tender responses had been received from 10 suppliers and Appendix 2 to the report provided a summary of the offers received.

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 3 to the report detailed the

scoring achieved by each bidder.

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

Appendix 4 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 5 to the report.

**DECIDED:** That the award of the multi-supplier framework for the treatment of organic waste services, as detailed in Appendix 3 to the report, be approved.

5(a) **Request for Associate Membership: Loch Lomond and The Trossachs National Park Authority**

There was submitted a report by the Chief Executive of Scotland Excel advising that Loch Lomond and The Trossachs National Park Authority had submitted an application to become an associate member of Scotland Excel.

The report provided details of the organisation and the legislative position in relation to the application.

**DECIDED:** That the application by Loch Lomond and The Trossachs National Park Authority to become an associate member of Scotland Excel, with no annual membership fee, be approved subject to completion and signing of the agreement documentation.

5(b) **Request for Associate Membership: Sportscotland**

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

6 **Date of Next Meeting**

**DECIDED:** That it be noted that the next meeting of the Executive Sub-committee would be held at 9.30 am on 20 August 2021.

## Minute of Meeting Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 20 August 2021	09:30	Remotely by MS teams,

### Present

Councillor Charles Buchan (substitute for Provost Bill Howatson) (Aberdeenshire Council); Councillor Angus Macmillan Douglas (Angus Council); Provost Norman A Macdonald (Comhairle Nan Eilean Siar); Councillor Stephen Thompson (Dumfries & Galloway Council); Councillor Ian Cameron (substitute for Councillor Altany Craik) (Fife Council); Councillor Ruairi Kelly (Glasgow City Council); Councillor Joe Cullinane (North Ayrshire Council); Councillor Paul Di Mascio (North Lanarkshire Council); and Councillor John Shaw (Renfrewshire Council).

### Chair

Councillor Shaw, Convener, presided.

### In Attendance

J Welsh, Chief Executive, S Brannagan, Head of Customer and Business Services, N Howie, Assistant Procurement Specialist, L Richard, Strategic Procurement Manager, M Mitchell, Strategic Procurement Manager, B Murray, Procurement Development Manager, S Christie, Commercial Manager, R Bridgen, Senior Procurement Specialist, L McIntyre, Senior Communications Specialist and K Forrest, Office Manager (all Scotland Excel); and M Conaghan, Legal & Democratic Services Manager, C McCourt, Finance Business Partner, L Meikle, Senior Accountancy Assistant and E Currie, Senior Committee Services Officer (all Renfrewshire Council).

### Apologies

Provost Bill Howatson (Aberdeenshire Council); Councillor Andrew Johnston (City of Edinburgh Council); Councillor Altany Craik (Fife Council); Councillor Amanda Hawick (Shetland Islands Council); and Councillor Josh Wilson (South Lanarkshire Council).

## **Declarations of Interest**

Councillor Buchan declared a non-financial interest in item 5(c) of the agenda and indicated that he would remain in the meeting during consideration of the item.

### **1 Minute**

There was submitted the Minute of the meeting of the Executive Sub-committee held on 18 June 2021.

**DECIDED:** That the Minute be approved.

### **2 Chief Executive's Update Report**

There was submitted a report by the Chief Executive of Scotland Excel relative to the Chief Executive's update report considered at the meeting of the Scotland Excel Chief Executive Officers Management Group (CEOMG) held on 29 June 2021, a copy of which was appended to the report.

The report intimated that the CEOMG met quarterly and that as part of the regular governance process, the Chief Executive of Scotland Excel provided an update on the work of Scotland Excel. Following discussions with the Convener, it had been agreed that this report, and any future reports, be shared with members of the Scotland Excel Executive Sub-committee, following CEOMG meetings.

The report submitted to the CEOMG on 29 June 2021 covered the period between March and June 2021 and provided information in relation to work in collaboration with the Digital Office; care services; the independent review of adult social care; the national care home contract; the £500 project; the Scotland Excel Academy; housing and new build housing; the contract plan and contracts approved since November 2020; projects with other local authorities and associate members; climate change; new associate members; the Scotland Excel annual conference; and community wealth building.

**DECIDED:** That the report be noted.

### **3 Revenue Budget Monitoring**

There was submitted a joint revenue budget monitoring report by the Treasurer and the Chief Executive of Scotland Excel for the period 1 April to 23 July 2021.

The report intimated that at the end of period 4, Scotland Excel was projecting a £25,000 overspend by year-end in its core activities and a £110,000 drawdown from project reserves by year-end within projects. It was noted that both core and projects would be monitored closely in order to mitigate any projected overspends and as a result, Scotland Excel was confident it would deliver against its planned budget by year-end. Further detail was provided in section 3 of the report.

Appendix 1 to the report provided an analysis of the actual spend to date along with projected net expenditure for 2021/22 and included a summary of movement in the revenue reserve. Appendix 2 to the report provided an analysis of the actual spend to date along with projected net expenditure for 2021/22 and included a summary of movement in the project reserves.



**DECIDED:** That the report be noted and that the detailed budget adjustments for projects be approved.

#### 4 **Contract for Approval: Dynamic Purchasing System (DPS) for Digital Telecare Goods**

There was submitted a report by the Chief Executive of Scotland Excel recommending a new Dynamic Purchasing System (DPS) for digital telecare goods, which the Chief Executive has elected to establish in terms of Scotland Excel's contract standing orders. The report also sought that delegated authority be awarded to the Chief Executive to appoint new entrants to the DPS during its lifetime, as detailed in the report.

The report intimated that this DPS would focus on the provision of digital telecare products that assisted the person and monitored the person's environment. Scotland Excel supported the Scottish Government's Technical Enabled Care (TEC) programme which focussed on citizen facing digital solutions where 'outcomes for individuals in home or community settings are improved through the application of technology as an integral part of quality, cost effective care and support to look after more people at home'. It was noted that all local authorities and associate members would be able to purchase through this agreement.

The DPS had been divided into three lots, as detailed in table 1 of the report, and had been advertised at an estimated value of £12 million over its ten-year life span. Appendix 1 to the report detailed those applicants requesting to be granted access to the DPS at its establishment. Of the 17 applicants received, 11 applicants had fully satisfied the requirements of selection and Appendix 2 to the report provided a summary of recommended participants.

A key outcome of the DPS route to market was a facility to allow new entrants throughout the lifetime of the arrangement and thereby not lock-out new providers who met the regulatory requirements. Following commencement of the DPS, a second contract notice would be issued inviting new entrants to complete the qualification process. This invitation would remain open throughout the lifetime of the DPS.

The Public Contracts (Scotland) Regulations 2015 required that applicants putting themselves forward to be granted access to the DPS must, ordinarily, be informed of their success or failure within a maximum of 10 days following completion and submission of qualification documents. In order to remain compliant with the statutory requirement, the report sought that the Chief Executive of Scotland Excel be granted the appropriate delegated authority to approve such decisions and that the Executive Sub-committee be updated on the status of available service providers on an annual basis via incorporation into the annual procurement report.

#### **DECIDED:**

(a) That delegated authority be granted to the Chief Executive, or the Head of Strategic Procurement in the Chief Executive's absence, to approve the evaluation outcome of initial respondents and any new entrants that completed the qualification process for entry to the DPS during its lifetime, ensuring compliance with the applicable procurement rules including the statutory period for evaluation and notification of outcome;

(b) That the Executive Sub-committee be updated on the status of available service providers on an annual basis through incorporation into the annual procurement report; and

(c) That the applicants, detailed in Appendix 2 to the report, be admitted to the DPS.

5(a) **Request for Associate Membership: Berwickshire Housing Association Limited**

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

The report provided details of the organisation and the legislative position in relation to the application.

**DECIDED:** That the application by Berwickshire Housing Association Limited to become an associate member of Scotland Excel, with an annual membership fee of £2,882, be approved subject to completion and signing of the agreement documentation.

5(b) **Request for Associate Membership: Caledonian Maritime Assets Limited (CMAL)**

There was submitted a report by the Chief Executive of Scotland Excel advising that Caledonian Maritime Assets Limited (CMAL) 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 Caledonian Maritime Assets Limited (CMAL) to become an associate member of Scotland Excel, with no annual membership fee, be approved subject to completion and signing of the agreement documentation.

**Declaration of Interest**

Councillor Buchan having previously declared an interest in the following item remained in the meeting.

5(c) **Request for Associate Membership: Heriot-Watt University**

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

5(d) **Request for Associate Membership: Scottish Environment Protection Agency (SEPA)**

There was submitted a report by the Chief Executive of Scotland Excel advising that the Scottish Environment Protection Agency (SEPA) had submitted an application to become an associate member of Scotland Excel.

The report provided details of the organisation and the legislative position in relation to the application.

**DECIDED:** That the application by the Scottish Environment Protection Agency (SEPA) to become an associate member of Scotland Excel, with no annual membership fee, be approved subject to completion and signing of the agreement documentation.

5(e) **Request for Associate Membership: West Granton Housing Co-operative Limited**

There was submitted a report by the Chief Executive of Scotland Excel advising that West Granton 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 West Granton Housing Co-operative Limited to become an associate member of Scotland Excel, with an annual membership fee of £558, be approved subject to completion and signing of the agreement documentation.

6 **Contract Delivery Plan Update**

There was submitted a report by the Chief Executive of Scotland Excel providing a progress update on the 2021/22 contract delivery plan.

The report intimated that the contract delivery plan detailed new framework developments and renewals, framework extensions and frameworks with ongoing contract management only and appendices 1 to 4 to the report provided further details.

The report highlighted that there were 72 current frameworks in the Scotland Excel portfolio, with a further four new frameworks to be added and 30 frameworks to be renewed before 31 December 2022. Appendix 1 to the report detailed new or renewal contracts until December 2022; Appendix 2 to the report detailed the flexible contracts until December 2022; Appendix 3 to the report detailed contracts with extension options and contract management activity ongoing until December 2022; and Appendix 4 to the report detailed contracts with no renewal or extension activity and contract management activity ongoing until December 2022.

The estimated forecast value of the Scotland Excel framework portfolio by 31 March 2022 would be approximately £2 billion. It was noted that overall, efficiencies delivered to date in 2021/22 were 3.1%, which was slightly above the forecast range.

In addition to the activity detailed in appendices 1 to 4, Scotland Excel was exploring the benefits of further collaborative procurement across high spend, critical service areas in the construction, corporate, ICT and social care teams and further detail was provided in the report.

A summary of spend and forecast savings per council between April and March 2021 was detailed in Appendix 5 to the report, with an average forecast efficiency of circa 2.94%. Overall savings were estimated at £9.7 million which was lower than previous years, however, overall spend had reduced by 10% against the same period last year due to changes to spend patterns during the COVID-19 pandemic.

**DECIDED:** That the progress made to date be noted.

## 7 **Operating Plan Update 2021/22**

There was submitted a report by the Chief Executive of Scotland Excel providing an update on the progress made in the three months between April and June 2021 towards delivering the commitments contained in the operating plan 2021/22.

The report intimated that a new operating plan, covering the fifteen-month period from January 2021 to March 2022, had been approved at the meeting of the Scotland Excel Joint Committee held on 11 December 2020. To simplify reporting, the number of commitments in the plan had reduced from 68 detailed commitments to 30 broader commitments and these aligned to more than 120 specific actions cascaded to staff as part of Scotland Excel's Performance Review and Development Programme.

The report highlighted that 27 commitments were progressing in line with plans and were indicated as green; one commitment was indicated as amber; and one commitment had been completed and was indicated as black.

It was noted that progress reports were produced quarterly to track Scotland Excel's activity against operating plan commitments and at the end of each quarter reports were submitted to the Executive Sub-committee with half-yearly and annual reports submitted to the Joint Committee. Due to the continuing uncertainty in relation to COVID-19 and Brexit, reporting against key performance indicators was currently on hold pending a review of appropriate measures.

**DECIDED:** That Scotland Excel's progress in delivering the commitments contained within the operating plan 2021/22 be noted.

## 8 **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 17 September 2021.

## Minute of Meeting Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 17 September 2021	09:30	Remotely by MS teams,

### Present

Provost Bill Howatson (Aberdeenshire Council); Provost Norman A Macdonald (Comhairle Nan Eilean Siar); Councillor Stephen Thompson (Dumfries & 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, S Brannagan, Head of Customer and Business Services, H Carr, Head of Strategic Procurement, L Campbell, Corporate Services Manager, L Richard, Strategic Procurement Manager, M Mitchell, Strategic Procurement Manager, J McKerrall, Strategic Procurement Manager, D Kerr, Senior Procurement Specialist, M Boyle, Senior Business Services Specialist, S Christie, Commercial Manager, and S Morrison, Project Account Manager and H Reed, Assistant Category Manager (all Scotland Excel); and M Conaghan, Legal & Democratic Services Manager, E Gray, Senior Committee Services Officer and P Shiach, Senior Committee Services Officer (all Renfrewshire Council).

### Apologies

Councillor Angus MacMillan Douglas (Angus Council), Councillor Andrew Johnston (Edinburgh City Council), Councillor Joe Cullinane (North Ayrshire Council) and Councillor Josh Wilson (South Lanarkshire 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 20 August 2021.

**DECIDED:** That the Minute be approved.

## 2 **Response to Scottish Government Consultation**

There was submitted a report by the Chief Executive of Scotland Excel relative to the Scottish Government's consultation on the proposed National Care Service (NCS).

The report provided a background to the Independent Review of Adult Social Care and summarised its findings and recommendations including the establishment of a NCS in Scotland which would take over responsibility for the strategic aspects of social care planning and commissioning from local government, with local government instead becoming a care provider, alongside the private and voluntary sectors, which would be commissioned to deliver services on behalf of the NCS.

The report also set out the anticipated issues for local government, the wider social care market as a whole and Scotland Excel should the NCS be implemented. A proposed approach to the consultation response was detailed in terms of the national commissioning of social care services, the role of providing guidance and documentation to support local commissioning, improvements in procurement practices both generally and in the social care sector following the McLelland report in 2006, the absence of Scotland Excel's current role being articulated within the consultation document and the role of the regulator.

The report set out the governance proposal around the consultation response whereby a paper containing the full proposed consultation response would be submitted to a special meeting of the Scotland Excel Chief Executive Officers Management Group and to the Executive Sub-committee meeting in October 2021 for approval.

Councillor Craik moved that a special meeting of the Scotland Excel Joint Committee be scheduled to allow further discussion around the consultation response prior to its submission. This was agreed unanimously.

**DECIDED:**

(a) That the issues set out in respect of the current proposals for a National Care Service be noted;

(b) That the proposed consultation response in respect of the specific areas which impact Scotland Excel's role be endorsed;

(c) That the response to the key general questions be endorsed;

(d) That Scotland Excel's position should be supported within individual council responses; and

(e) That a special meeting of the Scotland Excel Joint Committee be scheduled to allow further discussion around the consultation response prior to its submission.

### 3 **Supply Chain Disruption and Price Volatility**

There was submitted a report by the Chief Executive of Scotland Excel providing an update on the supply chain disruption and price variances that had occurred in recent months and the impact on the delivery of some of Scotland Excel's framework contracts and highlighting the controls and actions being taken forward to mitigate these risks. The report advised that Scotland Excel had launched a short life working group to collaborate shared experiences of the current volatility. The key insights from this engagement were detailed in the report.

**DECIDED:** That the progress made to date be noted that the ongoing activity outlined in the report be endorsed.

### 4 **Contract for Approval: Supply and Provision of Online School Payments, Cashless Catering and Kitchen Management and Nutritional Systems**

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of a second-generation renewal framework for the supply and provision of online school payments, cashless catering and kitchen management and nutritional systems which had been advertised for the period 20 September 2021 until 19 September 2025. It was intended that the framework would commence on 19 October 2021.

The framework would provide councils and other participating bodies with a mechanism to procure a complete solution for online school payments, cashless catering, kitchen management and nutritional analysis systems permitting the award of call-offs under the framework by way of a mini-competition.

The framework had been divided into four lots, as detailed in table 1 of the report, and the forecast annual spend for participating councils and associate members was £1 million per annum, equating to an estimated £4 million over the full four-year term of the framework. Appendix 1 to the report detailed the participation, spend and savings summary of the 29 councils participating in the framework together with Tayside Contracts. It was noted that North Ayrshire, East Ayrshire and Edinburgh City Council were not intending to participate in this framework and had their own arrangements in place.

Tender responses had been received from five suppliers and Appendix 2 to the report provided a summary of the offers received.

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

Based on the evaluation undertaken, and in line with the criteria and weightings set out in the report, it was recommended that a multi-supplier framework arrangement be awarded to five suppliers across the four lots, as outlined in Appendix 3 to the report. Appendix 4 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 5 to the report.

**DECIDED:** That the award of the framework for the supply and provision of online school payments, cashless catering and kitchen management and nutritional systems, as detailed in Appendix 3 to the report, be approved.

## 5 **Request for Associate Membership: University of Stirling**

There was submitted a report by the Chief Executive of Scotland Excel advising that the University of Stirling 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 University of Stirling 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 Kelly left the meeting prior to consideration of the following item of business.

## 6 **Employee Absence Management Report**

There was submitted a report by the Chief Executive of Scotland Excel relative to employee absence statistics for Scotland Excel.

The report advised of the absence levels for the period ending 31 August 2021 and provided a breakdown of the current month, the last six months and 12 months absence figures, together with an illustration of 12 months in days and the last 12 months in percentages.

The rate of absence across the organisation had generally been maintained at or below the 4% target, with the exception of March 2021, where the absence rate rose to 5.1% due to long-term absences. The rolling six months and 12 months average absence rates had maintained at or below 3.6%.

The report highlighted that the COVID-19 pandemic had had an adverse impact on the 2020/21 average sickness days per employee figure compared to the same period in 2019/20. In particular the COVID-19 pandemic appeared to have had an adverse impact on the mental wellbeing of staff with the predominant cause of long-term sickness absence being reported as mental ill health. The impact of the pandemic could also be evidenced when comparing the absence pattern from the previous 12 months.

It was noted that, as an organisation, Scotland Excel focussed on supporting attendance policies and made use of occupational health and other support services to maintain employee attendance and to support members of staff who might be experiencing difficulties whilst remaining at work.

It was noted that Scotland Excel had signed up to the Mental Health at Work Commitment which provided a road map to assist the organisation achieve better outcomes in relation to the mental health for its employees. The Mental Health at Work Commitment was based around six 'Thriving at Work' standards and details of these were provided in the report. This Commitment provided a framework to guide actions and provided a range of resources and information to assist Scotland Excel in fulfilling its commitment.



**DECIDED**: That the content of the report be noted.

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 22 October 2021.

## Minute of Meeting Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 22 October 2021	09:30	Remotely by MS teams,

### Present

Councillor Charles Buchan (substitute for Provost Howatson) (Aberdeenshire Council); Provost Norman A Macdonald (Comhairle Nan Eilean Siar); Councillor Altany Craik (Fife Council); Councillor Ruairi Kelly (Glasgow City Council); Councillor Paul Di Mascio (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council); Councillor Amanda Hawick (Shetland Islands Council); and Councillor Josh Wilson (South Lanarkshire Council).

### Chair

Councillor Shaw, Convener, presided.

### In Attendance

J Welsh, Chief Executive; H Carr, Head of Strategic Procurement; L Campbell, Corporate Services Manager; S Christie, Commercial Manager; I Calder, Customer Account Manager; J Reid, Corporate Services Assistant; L McIntyre, Senior Communications Specialist and K Forrest, Office Manager (all Scotland Excel); and M Conaghan, Legal & Democratic Services Manager; C McCourt, Finance Business Partner; L Meikle, Senior Accountancy Assistant; E Currie, Senior Committee Services Officer and K O'Neill, Assistant Democratic Services Officer (all Renfrewshire Council).

### Apologies

Provost Bill Howatson (Aberdeenshire Council); Councillor Andrew Johnston (City of Edinburgh Council); Councillor Stephen Thompson (Dumfries & Galloway Council); and Councillor Joe Cullinane (North Ayrshire Council).

### Declarations of Interest

Councillor Craik declared an interest in item 3(b) of the agenda – Request for Associate Membership: University of St Andrews – as he was a member of the University Court and indicated that it was his intention to leave the meeting during consideration of this item and not to take part in any discussion or voting thereon.

## **Order of Business**

In terms of Standing Order 12, the Convener intimated that he proposed to alter the order of business to facilitate the conduct of the meeting by considering item 3(b) of the agenda after item 3(c) of the agenda.

### **1 Minute**

There was submitted the Minute of the meeting of the Executive Sub-committee held on 17 September 2021.

**DECIDED:** That the Minute be approved.

### **2 Revenue Budget Monitoring to 17 September 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 to 17 September 2021.

The report intimated that at the end of period 6, Scotland Excel was projecting a break-even position by year-end in its core activities and a planned £173,000 drawdown from project reserves by year-end within projects. It was noted that both budgets would continue to be monitored closely over the remainder of the financial year. Further detail was provided in section 3 of the report.

Appendices 1 and 2 to the report provided an analysis of the actual spend to date along with projected net expenditure for 2021/22 and included a summary of movement in both the revenue reserve and projects reserves.

**DECIDED:** That the report be noted.

### **3(a) Request for Associate Membership: Live Active Leisure Limited**

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

### **3(b) Request for Associate Membership: Zero Waste Scotland Limited**

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

### **Declaration of Interest**

Councillor Craik, having declared a financial interest in the following item of business, left the meeting and took no part in the discussion.

#### **3(c) Request for Associate Membership: University of St Andrews**

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

#### **4 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 19 November 2021.

At this point in the meeting, the Convener welcomed Councillor Josh Wilson (South Lanarkshire Council) to his first Scotland Excel meeting.

## Minute of Meeting Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 19 November 2021	09:30	Remotely by MS teams,

### Present

Provost Bill Howatson (Aberdeenshire Council); Councillor Angus Douglas (Angus Council); Provost Norman A Macdonald (Comhairle Nan Eilean Siar); Councillor Stephen Thompson (Dumfries & Galloway Council); Councillor Ian Cameron (substitute for Councillor Craik, Fife Council); Councillor Ruairi Kelly (Glasgow City Council); Councillor James Gray (Highland Council); and Councillor Joe Cullinane (North Ayrshire 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; N Howie, Procurement Co-ordinator; L Muir, Category Manager; K Forrest, Office Manager; L Robertson, Project and Account Manager and L McIntyre, Senior Communications Specialist (all Scotland Excel); and A MacArthur, Head of Finance; M Conaghan, Legal & Democratic Services Manager and K O'Neill, Assistant Democratic Services Officer (all Renfrewshire Council).

### Apology

Councillor Andrew Johnston (City of Edinburgh 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 22 October 2021.

**DECIDED:** That the Minute be approved.

## 2 **Chief Executive's Update Report to Chief Executive Officers Management Group (CEOMG) - November 2021**

Under reference to item 2 of the minute of the meeting of the CEOMG meeting held on 10 November 2021, there was submitted a report by the Chief Executive of Scotland Excel relative to the Chief Executive's update report considered at the meeting of the Scotland Excel Chief Executive Officers Management Group (CEOMG) held on 10 November 2021, a copy of which was appended to the report.

The report intimated that the CEOMG met quarterly and that as part of the regular governance process, the Chief Executive of Scotland Excel provided an update on the work of Scotland Excel. Following discussions with the Convener, it had been agreed that this report, and any future reports, be shared with members of the Scotland Excel Executive Sub-committee, following CEOMG meetings.

The report covered the period up to November 2021 and provided information in relation to work in collaboration with Corporate Services, Care Services, Children's Service, Construction Transport and Environment and Energy Efficiency. and contracts approved since November 2020; projects with other local authorities and associate members; climate change; new associate members and community wealth building.

**DECIDED:** That the report be noted.

## 3 **Revenue Estimates 2022/23**

There was submitted a report by the Treasurer and the Chief Executive of Scotland Excel relative to the revenue estimates of Scotland Excel including the requisition of the constituent authorities for financial year 2022/23 along with indicative planning figures for 2023/24 and 2024/25.

The report provided information on the assumptions that the budget had been based on; income from projects; a financial overview for Scotland Excel; the Scotland Excel funding model; and member authority requisitions for 2023/23.

Appendix 1 to the report detailed the revenue estimates of Scotland Excel for 2021/22 to 2024/25 while Appendix 2 to the report detailed requisitions from constituent authorities in 2021/22 and 2022/23 and the savings achieved in 2020/21.

**DECIDED:**

(a) That the revenue estimates of Scotland Excel for financial year 2022/23, as detailed in Appendix 1 of the report, be noted and recommended for approval to the Joint Committee;

(b) That the requisitions from constituent authorities, as detailed in Appendix 2 to the report, be noted; and

(c) That the indicative estimates for 2023/24 and 2024/25 be noted.

#### 4 **Contract for Approval: Supply and Distribution of Milk**

There was submitted a report by the Chief Executive of Scotland Excel relative to the award of a fourth generation renewal framework for the supply and distribution of milk which would operate from 1 March 2022 until 28 February 2026.

The framework would provide Councils and other participating bodies with a mechanism to procure a range of dairy products including whole milk, semi skimmed milk, skimmed milk, flavoured milk, organic milk and fresh cream. It would support the duties established by the Schools (Health, Promotion and Nutrition) (Scotland) Act 2007 and follow standards set out by the Nutritional requirement for Food and Drink in School (Scotland) regulations 2020 alongside the Scottish Milk & Healthy Snack Scheme. As detailed in Appendix 1, 31 councils and Tayside Contracts had confirmed their intention to participate in the framework.

The report summarised the outcome of the procurement process for the framework. The framework had been divided into two lots, as detailed in figure 1 of the report, each lot was further sub-divided into geographical sub-lots.

The forecast annual spend for participating councils and associate members was £8 million per annum, equating to an estimated £32 million over the full four-year term of the framework. Appendix 1 to the report detailed the participation, spend and savings summary of those councils participating in the framework together with Tayside Contracts who intended to participate.

Tender responses had been received from four suppliers and Appendix 2 to the report provided a summary of the offers received.

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 3 to the report detailed the scoring achieved by each bidder.

Based on the evaluation undertaken, and in line with the criteria and weightings set out in the report, it was recommended that a multi-supplier framework arrangement be awarded to four suppliers across the two lots, as outlined in Appendix 3 to the report.

Appendix 4 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, the framework had been classified as class D in terms of risk and spend, as detailed in Appendix 5 to the report.

**DECIDED:** That the award of the multi-supplier framework for the supply and delivery of milk, as detailed in Appendix 3 to the report, be approved.

## 5 **Update on the Contract Delivery Plan**

There was submitted a report by the Chief Executive of Scotland Excel providing a progress update on the 2020/21 contract delivery plan.

The report intimated that the contract delivery plan comprised framework renewals, new developments, framework extensions and frameworks with ongoing contract management only and appendices 1 to 4 to the report provided further details.

The report highlighted that there were 74 current frameworks in the Scotland Excel portfolio with four further new frameworks to be added. Appendix 1 to the report detailed those frameworks to be renewed before 31 December 2021; Appendix 2 to the report detailed flexible contracts until December 2022; Appendix 3 to the report detailed those frameworks that had extension options likely to be exercised until December 2022 and Appendix 4 detailed contracts with no renewal or extension activity and contract management activity ongoing until December 2022.

The estimated forecast value of the Scotland Excel framework portfolio as at 31 March 2022 would be approximately £2 billion.

It was noted that overall, efficiencies delivered to date in 2021/22 were 3.1%, which was above the forecast of 1.7%.

In addition to the activity detailed in appendices 1 to 4, Scotland Excel was exploring the benefits of further collaborative procurement across high spend, critical service areas in construction, corporate ICT and social care teams.

A summary of spend and forecast savings per Council for the period July 2020 to June 2021 was detailed in Appendix 5 to the report, with an average forecast efficiency of circa 1.7%.

**DECIDED:** That the progress made to date be noted.

## 6 **Meetings of Scotland Excel Executive Sub-committee in 2022**

There was submitted a report by the Clerk relative to proposed dates for meetings of the Executive Sub-committee during 2022.

**DECIDED:**

(a) That, if required, meetings of the Executive Sub-committee be held on 28 January, 18 February, 18 March, 22 April, 19 August, 16 September, 21 October, and 18 November 2022 and that where these meetings were being held remotely, they commence at 9.30 am and where they were being held within a venue, they commence at 10.45 am;

(b) That, if required, meetings of the Executive Sub-committee be held on 17 June and 9 December 2022, prior to meetings of the Joint Committee and that where these meetings were being held remotely, they commence at 9.30 am and where they were being held within a venue they commence at 9.45 am; and

(c) That the Sub-committee continue to meet remotely and that this continue to be reviewed to take into account public health advice and guidance.



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 10 December 2021.