

## Minute of Meeting Scotland Excel Executive Sub-committee

Date	Time	Venue
Friday, 23 April 2021	09:30	Remotely by MS teams,

### Present

Councillor Charles Buchan (substitute for Provost Bill Howatson) (Aberdeenshire Council); Provost Norman A Macdonald (Comhairle Nan Eilean Siar); Councillor Stephen Thompson (Dumfries and Galloway Council); Councillor Altany Craik (Fife Council); Councillor Ruairie 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); 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, L Cairns, Senior Procurement Specialist, S Boyle, Assistant Procurement Specialist, L Robertson, Customer Account Manager, L McIntyre, Senior Communications Specialist and K Forrest, Office Manager (all Scotland Excel); C McCourt, Finance Business Partner and E Currie, Senior Committee Services Officer (both Renfrewshire Council); and A MacDonald, Senior Auditor (Audit Scotland).

### Apologies

Provost Bill Howatson (Aberdeenshire Council); Councillor Angus Macmillan Douglas (Angus Council); Councillor Graham Hutchison (Edinburgh Council); Councillor Ruairie Kelly (Glasgow City Council) (for lateness); and Councillor Collette Stevenson (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 19 March 2021.

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

## **Sederunt**

Councillor Craik joined the meeting during consideration of the following item of business.

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

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 Officer's Management Group (CEOMG) held on 24 March 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 24 March 2021 covered the period between 18 November 2020 and 23 March 2021 and provided information in relation to contingency planning; work in collaboration with the Digital Office; care services; the independent review of adult social care; the Scotland Excel Academy; new build housing; contracts approved since November 2020; an update on the contract plan; projects with other local authorities and associate members; the Scotland Excel Hosted Procurement Team; the tender support being provided to Zero Waste Scotland and the Scottish Local Government Pension Scheme; participation in workstreams associated with the Procurement and Climate Change Forum; and new associate members.

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

### **3 Annual Audit Plan 2020/21**

There was submitted a report by the Treasurer relative to Audit Scotland's annual audit plan 2020/21 for Scotland Excel which outlined Audit Scotland's planned activities in their audit for the 2020/21 financial year, a copy of which was appended to the report.

The report intimated that, based on analysis of the risks facing Scotland Excel, Audit Scotland had submitted an audit plan which outlined its approach to the audit of the 2020/21 annual accounts to assess whether the accounts provided a true and fair view of the organisation's financial position and also whether the accounts had been prepared in accordance with proper accounting practice, the 2020 Code of Practice on Local Authority Accounting in the UK.

The annual audit plan outlined the responsibilities of the Joint Committee, Treasurer and Audit Scotland; provided an assessment of key challenges and risks; the approach and timetable for completion of the audit; and included a section on Audit Risks which had been included in the audit plans of many bodies which Audit Scotland worked with. The inclusion of this section was not a reflection of any specific risk within Scotland Excel.

The Senior Auditor, Audit Scotland, presented the annual audit plan to members with particular reference to the risks identified in Exhibit 1, the audit outputs detailed in Exhibit 2, the audit fee, the reliance on internal audit and the audit dimensions. In relation to the audit timetable, members were advised that the dates identified were provisional and may be subject to change and that Audit Scotland would liaise closely with the Chief Executive of Scotland Excel, the Treasurer and the Executive Subcommittee.

**DECIDED:** That Audit Scotland's annual audit plan 2020/21 be noted.

## **Sederunt**

Provost Macdonald left the meeting during consideration of the following item of business.

### **4 Contract for Approval: Supply and Delivery of Vehicle Parts**

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 delivery of vehicle parts which would operate from 1 April 2021 to 31 March 2024 with an option to extend for up to 12 months until 31 March 2025.

The framework would provide councils and other participating bodies with a mechanism to procure a wide range of vehicle parts, windscreen replacement, auto-electrics, specialist vehicle parts, hydraulics and workshop consumables to cover the varied fleet mix across councils.

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

The framework had been divided into seven lots as detailed in table 1 of the report and the forecast annual spend for participating councils and associated members, with contingency, was £12 million per annum, equating to an estimated £48 million over the four-year term of the framework. Appendix 1 to the report detailed the participation, spend and savings summary of those 29 councils participating in the framework together with Tayside Contracts who had confirmed their intention to participate. It was noted that North Ayrshire, South Ayrshire, and Stirling Councils had their own arrangements in place which they intended to continue operating.

Tender responses had been received from 36 suppliers and Appendix 2 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 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 31 suppliers across the seven 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; and Appendix 5 to the report detailed the contract management classifications. In relation to fair work practices including the Real Living Wage, members were advised that 26 of the 31 recommended bidders paid the Real Living Wage, not 24 as detailed in the report.

**DECIDED:** That the award of the multi-supplier framework for the supply and delivery of vehicle parts, 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 relative to the progress of the 2020/21 contract delivery plan.

The report intimated that the contract delivery plan comprised new frameworks 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 six new frameworks to be added. It was noted that 37 of these frameworks would be renewed before 31 December 2022 and a further 15 of the frameworks on the current portfolio had extension options that were likely to be exercised in 2021/22.

It was noted that overall, efficiencies delivered to date in 2021/22 were 2.9% which was slightly above the forecast range. It was anticipated that the value of the Scotland Excel framework portfolio by 31 March 2022 would remain in the region of £2 billion.

A summary of the spend and forecast savings per council between January and December 2020 was detailed in Appendix 5 to the report.

Scotland Excel was exploring the benefits of further collaborative procurement across high spend, critical service areas in construction, corporate, ICT and social care teams.

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

## 6 **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 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 25 commitments were progressing in line with plans and were indicated as green; three commitments had been impacted by external factors and were 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.

## **Sederunt**

Councillor Kelly joined the meeting during consideration of the following item of business.

### **7 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 March 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 been maintained at or below the 4% target, with the exception of August 2020, where the absence rate rose to 5% and 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 3.2%.

The report highlighted that the COVID-19 pandemic had had an adverse impact on the mental wellbeing of staff and that its impact could 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 Renfrewshire Council's occupational health providers. The organisation held regular all-staff training sessions educating staff around mental health; and SMT development sessions around remote leadership and the use of technology in managing working practices moving forward.

Scotland Excel had been developing guidance around blended working and it was proposed that a report relative to this guidance would be submitted to a future meeting of the Executive Sub-committee. This was agreed.

Members thanked the Scotland Excel management team for the support available to staff absent through ill health and the positive early intervention practices and support services in place to maintain employee attendance. Also, for the support available to members of staff who might be experiencing difficulties whilst remaining at work.

**DECIDED:**

(a) That the report be noted; and

(b) That the report relative to guidance around blended learning be submitted to a future meeting of the Executive Sub-committee.

**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 21 May 2021.