

Notice of Meeting and Agenda Scotland Excel Executive Sub-Committee

Date	Time	Venue
Friday, 15 September 2017	10:45	Scotland Excel Meeting Room 1, Renfrewshire House, Cotton Street, Paisley

KENNETH GRAHAM
Clerk

Membership

Provost Bill Howatson (Aberdeenshire Council); Councillor Angus Macmillan Douglas (Angus Council); Councillor Graham Hutchison (City of Edinburgh Council); Provost Norman Macdonald (Comhairle Nan Eilean Siar); Councillor Stephen Thompson (Dumfries and Galloway Council); Councillor Altany Craik (Fife Council); Bailie Norman MacLeod (Glasgow City Council); Councillor Alister Mackinnon (Highland Council); Councillor Todd Ferguson (North Ayrshire Council); Councillor Paul Di Mascio (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council); Councillor Collette Stevenson (South Lanarkshire Council); and Councillor Amanda Westlake (Shetland Islands Council).

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

Video Conferencing

Should any member wish to participate using video conference, please contact Lesley Jones on 0141 618 7444.

Further Information

This is a meeting which is open to members of the public.

A copy of the agenda and reports for this meeting will be available for inspection prior to the meeting at the Customer Service Centre, Renfrewshire House, Cotton Street, Paisley and online at www.renfrewshire.cmis.uk.com/renfrewshire/CouncilandBoards.aspx

For further information, please either email democratic-services@renfrewshire.gov.uk or telephone 0141 618 7112.

Members of the Press and Public

Members of the press and public wishing to attend the meeting should report to the customer service centre where they will be met and directed to the meeting.

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.

- | | | |
|-----------|---|----------------|
| 1 | Revenue Budget Monitoring | 5 - 8 |
| | Report by Treasurer and Director of Scotland Excel. | |
| 2a | Audited Annual Accounts for Approval | |
| | Report by Treasurer and Director of Scotland Excel.
(Not available - copy to follow) | |
| 2b | Scotland Excel Annual Audit Report | |
| | Report by Audit Scotland
(Not available - copy to follow) | |
| 3 | Contract for Approval: Tyres for Vehicles and Plant | 9 - 22 |
| | Report by Director of Scotland Excel. | |
| 4 | Associate Member Strategy Update | 23 - 50 |
| | Report by Director of Scotland Excel. | |
| 5 | Affordable Housing Project Update | 51 - 54 |
| | Report by Director of Scotland Excel. | |
| 6 | Request for Associate Membership of Scotland Excel:
Bield Housing and Care | 55 - 56 |
| | Report by Director of Scotland Excel. | |
| 7 | Update on the Contract Delivery Plan | 57 - 64 |
| | Report by Director of Scotland Excel. | |
| 8 | Employee Absence Management Report | 65 - 68 |
| | Report by Director of Scotland Excel. | |
| 9 | Supporting Fife Council Transformation Project | |
| | Verbal update by Director of Scotland Excel. | |
| 10 | Date of Next Meeting | |
| | Note that the next meeting of the Executive Sub-committee will be held at 10.45 am on 13 October 2017 in Scotland Excel Meeting Room 1, Renfrewshire House. | |

Scotland Excel

To: Executive Sub Committee

On: 15 September 2017

**Report
by
Joint Report by the Treasurer and the Director**

Revenue Budget Monitoring Report to 18 August 2017

1. Summary

- 1.1 Gross expenditure is £43,000 under budget and income is currently £6,000 over recovered which results in a net underspend of £49,000 for Scotland Excel. This is summarised in point 4:

2 Recommendations

- 2.1 It is recommended that members consider the report.

3 Budget Adjustments Since Last Report

- 3.1 There have been no budget adjustments since the last report.

4 Budget Performance

4.1 Current Position	Net Underspend £49,000
<i>Previously Reported</i>	<i>n/a</i>

The variance is due to an underspend in Employee Costs, an overspend in Contractor and others and an over recovery of Other Income.

Employee Costs are currently under spent due to:

- a number of staff currently on maternity leave,
- a Learning and Development post not currently filled,
- IT Manager post not replaced,
- the pay award for 17/18 has still to be processed,
- a number of staff exercising their right for flexible working.

Employee Costs will breakeven by the year end as the Learning and Development post will be filled shortly, three members of staff are due back from maternity leave in the near future and the pay rise, which will be backdated to the 1st April 2017, has yet to be processed.

Contractors and Others have an unbudgeted cost this year due to a requirement to complete and mobilise the Energy Efficiency Contractors contract.

The over recovery of Other Income relates to additional funding received from Invest in Renfrewshire for support of the graduate intern scheme.

All projects are currently projected to break even.

4.2 Projected Year End Position

The projected year end position is breakeven, against an approved draw down from reserves of £166,000.

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2017/18
1st April 2017 to 18th August 2017

JOINT COMMITTEE : SCOTLAND EXCEL

Description (1)	£000's	Agreed Annual Budget (2)	Year to Date Budget (3)	Year to Date Actual (4)	Adjustments (5)	Revised Actual (6) = (4 + 5) £000's	Budget Variance £000's (7) %
Employee Costs		2,944	933	883	0	883	50 5.4%
Property Costs		226	88	88	0	88	0 0.0%
Supplies & Services		204	43	43	0	43	0 0.0%
Contractors and Others		0	0	7	0	7	(7) 0.0%
Administration Costs		297	68	68	0	68	0 0.0%
Payments to Other Bodies		39	1	0	1	1	0 0.0%
GROSS EXPENDITURE		3,710	1,133	1,089	1	1,090	43 3.8%
Contributions from Local Authorities		(3,484)	0	0	0	0	0 0.0%
Other Income		(60)	(60)	(66)	0	(66)	6 10.0%
INCOME		(3,544)	(60)	(66)	0	(66)	6 10.0%
TRANSFER (TO)/FROM RESERVES		166	1,073	1,023	1	1,024	49 4.6%

Opening Reserves	General Reserve
Budgeted Draw on Reserves	£000's
Projected Year End Overspend / (Underspend)	(368)
Anticipated Closing Reserves	166
	0
	(201)

Scotland Excel

To: Executive Sub Committee

On: 15 September 2017

**Report
by
Director Scotland Excel**

Tender: Tyres for Vehicles and Plant

Schedule: 04/17

Period: 1 November 2017 until 31 October 2021

1. Introduction and Background

The current framework for Tyres for Vehicles and Plant will expire on 31 October 2017. This recommendation is for the award of a renewal framework which will operate from 1 November 2017 until 31 October 2021. This framework covers a full range of tyre types and sizes purchased by councils as well as associated tyre management services in order for councils to deliver the various fleet services they provide end users.

The report summarises the outcome of the procurement process for this national framework arrangement.

2. Scope, Participation and Spend

As part of the strategy development, the User Intelligence Group (UIG) confirmed general high levels of satisfaction with the current framework services and endorsed the inclusion of six lots as summarised in Table 1. The supply only lots have been added following councils request for a wider scope. This strategy is designed to align with council requirements, whilst also recognising the current structure of the market place, as well as maximising opportunities for SME participation.

Table 1: Lotting Structure

Lot Number	Description	Estimated % of Spend
Lot 1	Tyres for Cars/Vans (Supply & Fit)	31%
Lot 2	Tyres for Cars/Vans (Supply Only)	8%
Lot 3	Tyres for Trucks (Supply & Fit)	38%
Lot 4	Tyres for Trucks (Supply Only)	11%
Lot 5	Tyres for Agricultural/Plant (Supply & Fit)	10%
Lot 6	Tyres for Agricultural/Plant (Supply Only)	2%

As detailed in Appendix 1, 29 councils plus Tayside Contracts have confirmed their intention to participate in this framework renewal. The following councils have no present requirement to use this new framework:

- Shetland Islands Council
- South Ayrshire Council
- Western Isles Council

The above councils have their own tyre service arrangements in place and do not currently intend to participate, but they 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, all councils have been listed in the EU notice as participants so that they have the opportunity to use the Scotland Excel framework where it provides them with best value. (Note: Angus Council are serviced via Tayside Contracts).

The contract was advertised with an estimated value of £26m over the 4 year period. The forecast annual spend for participating councils is circa £6.5m per annum. The framework covers the supply only and supply and fitment of tyres for a range of vehicles, grounds machinery and plant and the associated services including fitting, inspection, compliant tyre disposal, fleet tyre management as well as emergency roadside assistance.

3. Procurement Process

A UIG consisting of representatives from participating councils endorsed the procurement strategy on 23 March 2017. In addition, a working group of technical and procurement representatives was formed to review technical specifications and participate in the evaluation.

A Prior Information Notice (PIN) was published on 10 April 2017, which resulted in expressions of interest from 27 organisations. Thereafter, in order to ensure

maximum competition, the UIG agreed that an open tender process should be followed to establish the framework.

The Contract Notice was published via the Official Journal of the European Union and the Public Contracts Scotland portal (PCS) on 10 July 2017 with the tender documentation being made available for immediate download from 11 July 2017, via the Public Contracts Scotland Tenders (PCS-T) system.

The procurement process followed a two stage tendering procedure. At the first stage, tender European Single Procurement Document (ESPD) responses were assessed against financial capability, technical/professional capability and business probity requirements. Bidders were required to pass this stage to be eligible for award. At the second stage, offers were evaluated against the following criteria and weightings.

Technical	20%
Commercial	80%

Within the technical section, bidders were required to evidence their knowledge and experience by responding to the main technical questions, which included areas such as operational processes and sustainability, as well as questions regarding the bidders approach to end of life tyre disposal, being both in line with Zero Waste Scotland's waste hierarchy best practice guidance and Waste Directives as detailed in the required specification. In addition to these questions, lot specific technical questions were also asked in relation to the type of service level they will deliver and what commitments they would make in respect of community benefits.

Bidders were also asked to confirm which councils they were able to service.

Within the commercial section, bidders were invited to offer on a lot by lot basis and provide prices against a selection of most commonly used and highest spend tyres and the associated tyre services. Options were given for bidders to supply premium level, budget level and for truck tyres, an option to supply retreaded tyres. Fixed pricing for 12 months was requested for all lots.

4. Report on Offers Received

The tender document was downloaded by 22 organisations, with 12 tender responses received. 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 carried out. Appendix 3 sets out 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 12 suppliers across the six lots as outlined in Appendix 3.

The 12 recommended service providers can meet operational requirements across all geographical areas and a range of choice and capacity for council members, and also represent a mix of micro, small, medium and large organisations, with 10 of the recommended suppliers classified as SMEs.

6. Benefits

Savings

Scotland Excel conducted a benchmarking exercise for each council and the results of this benchmarking are detailed in Appendix 1.

The benchmarking exercise took the current prices for the most commonly used tyre sizes from each local authority's current supplier and compared this with the most appropriate supplier's prices submitted for the new framework.

The projected average saving across all councils is 3.8%, which equates to an estimated total saving of approximately £138k per annum based on current forecast spend levels. The projected savings per council ranges from a cost of 2% to a saving of 22%. These costs / savings are largely driven by council operational requirements, internal fleet management policies and geographical location and the suppliers tendering for each council. Where there is a projected additional cost, Scotland Excel will continue to work with Councils to mitigate potential increases.

It should be noted that each individual council could achieve additional savings through conducting mini-competitions, switching service providers or switching to alternative tyre brands where appropriate.

Price Stability

All service providers have agreed to the 12 month fixed price period at the start of the framework. Provision thereafter is for price reviews every 12 months to accommodate market fluctuations. All requests for price increases will be evaluated against prevailing market conditions and supporting documentary evidence.

Sustainable Procurement Benefits

Within the technical section of the tender, the sustainability method statement assessed bidders in relation to their corporate approach to sustainability and how their organisation promotes recycle, reuse and reduce initiatives to minimise the impact of the supply chain on the environment. A range of sustainable measures were outlined by service providers including;

- Fleet/Vehicle Environmental Standards
- Carbon Footprint
- Waste Reduction

A major focus of this procurement was to ensure that all suppliers have documented and auditable processes and procedures that fully demonstrated that tyres are re-used or recycled where appropriate. For example, all truck tyres should be made available for retreading in order to extend their useful life. Where any retreading of tyres is not possible, then the end of life tyres must be utilised in a number of ways in line with Zero Waste Scotland's waste hierarchy guidance as it is not permissible under EU legislation to dispose of tyres to landfill. This waste management ranges from re-cycling the tyres as fuel for use in cement kilns to re-using the crumbed rubber for community projects and equestrian surfaces.

Additionally, service providers have also demonstrated that they have the necessary methods and expertise to assist the councils with managing the lifecycle of the tyres fitted to ensure maximum tyre life and also the safety of the vehicle which will both ensure best value and best practice in regards to any health and safety measures.

Community Benefits

Bidders were also asked to detail and demonstrate their commitment to providing community benefits, and this will be further discussed during framework mobilisation and reported through ongoing contract management returns. Results reported on community benefits will be disseminated to councils on a six monthly basis. A range of community benefits dependent on spend levels were offered by bidders including:

- Sponsorship of local sports team
- Recruitment of modern apprentices
- Work experience to school children
- Donation to local children's charity
- Assist in community projects
- Offer training sessions to council apprentices
- Workshop/school/college event
- Work experience placements to school pupils
- Tyre safety awareness session for council employees
- Employability workshop or event

Fair Work Practices including the Living Wage

Bidders were asked a question on their approach to fair work practices and the Scottish Living Wage status. Of the 12 recommended service providers, 7 confirmed payment of the Living Wage to their workforce and 2 further suppliers have agreed to provide this same commitment within the initial two year period of the Framework Contract.

- 1 is an accredited Living Wage Employer
- 2 have committed to gaining accreditation and paying the Living Wage to all employees over the initial two year period of the framework
- 6 are not accredited Living Wage Employers but pay the Living Wage to all employees
- 3 are not accredited Living Wage Employers and do not currently pay the Living Wage to all employees

Scotland Excel includes monitoring Fair Work Practices including the Living Wage within its contract and supplier management programme. Scotland Excel will work with these 3 suppliers during the lifetime of the new framework to encourage their commitment to pay all staff the Living Wage.

7. Contract Mobilisation and Management

All service providers and participating members will be issued with a mobilisation pack containing all required details to launch the framework. Each service provider will be invited to a mobilisation meeting if required to outline the operation of the framework, roles and responsibilities, management information requirements and community benefits commitments.

In accordance with Scotland Excel's established contract and supplier management programme, this framework has been classified as a level 2 arrangement in terms of both risk and spend requiring annual supplier and user group reviews as appropriate.

8. Summary

This framework for the supply and fitment of tyres for vehicles and plant aims to maximise collaboration, support local authorities to deliver the various services they provide as well as support waste management strategies and activities in compliance with the Zero Waste Plan and the Waste (Scotland) Regulations 2012 and their delivery of best value.

A range of benefits can be reported in relation to savings, price stability, sustainability and community benefits.

The Executive Sub Committee is requested to approve the recommendation to award this framework agreement to the suppliers as detailed in Appendix 3.

Appendix 1 – Participation, Spend and Savings Summary – Tyres for Vehicles and Plant 04-17

Member Name	Participate In Framework	Participation Entry		Estimated Annual Spend	Source of Spend	% Estimated	Estimated Annual		Basis of Savings Calculation
		Date					Forecast Savings	Savings (£)	
Aberdeen City	Yes	Contract Start		£143,333.00	council confirmed	22.00%		£31,533.26	Benchmarked Current Contract
Aberdeenshire	Yes	Contract Start		£541,666.00	council confirmed	2.00%		£10,833.32	Benchmarked Current Contract
Angus	Yes	Contract Start		£0.00	Service now under Tayside Contracts	0.00%		£0.00	
Argyll & Bute	Yes	Contract Start		£95,677.00	council confirmed	1.00%		£956.77	Benchmarked Current Contract
Clackmannanshire	Yes	Contract Start		£76,080.00	council confirmed	1.00%		£760.80	Benchmarked Current Contract
Comhairle nan Eilean Siar	No								
Dumfries & Galloway	Yes	Contract Start		£242,000.00	council confirmed	11.00%		£26,620.00	Benchmarked Current Contract
Dundee City	Yes	Contract Start		£102,666.00	council confirmed	1.00%		£1,026.66	Benchmarked Current Contract
East Ayrshire	Yes	TBC		£95,000.00	council confirmed	1.00%		£950.00	Benchmarked Current Contract
East Dunbartonshire	Yes	Contract Start		£60,000.00	council confirmed	1.00%		£600.00	Benchmarked Current Contract
East Lothian	Yes	Contract Start		£80,000.00	council confirmed	22.00%		£17,600.00	Benchmarked Current Contract
East Renfrewshire	Yes	Contract Start		£52,792.00	council confirmed	3.00%		£1,583.76	Benchmarked Current Contract
Edinburgh City	Yes	Contract Start		£200,036.00	council confirmed	-2.00%		-£4,000.72	Benchmarked Current Contract
Falkirk	Yes	Contract Start		£170,000.00	council confirmed	-2.00%		-£3,400.00	Benchmarked Current Contract
Fife	Yes	Contract Start		£520,000.00	council confirmed	1.00%		£5,200.00	Benchmarked Current Contract
Glasgow	Yes	Contract Start		£810,000.00	council confirmed	-2.00%		-£16,200.00	Benchmarked Current Contract
Highland	Yes	Contract Start		£168,799.00	council confirmed	3.00%		£5,063.97	Benchmarked Current Contract
Inverclyde	Yes	Contract Start		£85,000.00	council confirmed	1.00%		£850.00	Benchmarked Current Contract
Midlothian	Yes	Contract Start		£98,336.00	council confirmed	22.00%		£21,633.92	Benchmarked Current Contract
Moray	Yes	Contract Start		£129,424.00	council confirmed	3.00%		£3,882.72	Benchmarked Current Contract
North Ayrshire	Yes	Contract Start		£239,000.00	council confirmed	-2.00%		-£4,780.00	Benchmarked Current Contract
North Lanarkshire	Yes	Contract Start		£400,000.00	council confirmed	-2.00%		-£8,000.00	Benchmarked Current Contract
Orkney Islands	Yes	Contract Start		£32,000.00	Contract MI	1.00%		£320.00	Benchmarked Current Contract
Perth & Kinross	Yes	Contract Start		£165,000.00	council confirmed	3.00%		£4,950.00	Benchmarked Current Contract
Renfrewshire	Yes	Contract Start		£107,799.00	council confirmed	-2.00%		-£2,155.98	Benchmarked Current Contract
Scottish Borders	Yes	Contract Start		£141,810.98	council confirmed	22.00%		£31,198.42	Benchmarked Current Contract
Shetland Islands	No								
South Ayrshire	No								
South Lanarkshire	Yes	Contract Start		£450,000.00	council confirmed	-2.00%		-£9,000.00	Benchmarked Current Contract
Stirling	Yes	Contract Start		£94,898.00	council confirmed	-2.00%		-£1,897.96	Benchmarked Current Contract
Tayside Contracts	Yes	Contract Start		£240,000.00	council confirmed	9.00%		£21,600.00	Benchmarked Current Contract
West Dunbartonshire	Yes	Contract Start		£100,000.00	Contract MI	-2.00%		-£2,000.00	Benchmarked Current Contract
West Lothian	Yes	Contract Start		£240,000.00	council confirmed	1.00%		£2,400.00	Benchmarked Current Contract
				£5,881,316.98		3.8%		£138,128.94	

Appendix 2 - SME Status

Bidder's Name	SME Status	Location	Lots Tendered
Alba Tyre Management Ltd	Small	Glasgow & Strathclyde	4
Angus Tyres Ltd	Small	Tayside, Central & Fife	1,3,5
Auto Technical	Micro	Scotland South	1,2
Direct Tyre Management Limited	Medium	England	1,3,5
Goodyear Dunlop Tyres UK Ltd	Large	England	1,2,3,4
Kenway Tyres Ltd	Medium	Aberdeen & North East	1,2,3,4,5,6
McConechy's Tyre Service Ltd	Medium	Glasgow & Strathclyde	1,2,3,4,5,6
McKinnon & Forbes Ltd	Small	Glasgow & Strathclyde	1,2,3,4,5,6
Michelin Tyre Public Limited Company	Large	England	1,2,3,4,5,6
Redpath Tyres Ltd	Medium	Scotland South	1,2,3,4,5,6
Soltyre Limited	Small	Scotland South	1,3,5
Stewartry Tyres Newton Stewart Ltd	Micro	Scotland South	1,3,5

Appendix 3 - Scoring and Recommendations

Lot 1 - Supply & Fit - Tyres for Cars & Vans	
Supplier Name	Overall Total
McConechy's Tyre Service Ltd. *	94.87
REDPATH TYRES LTD *	94.71
Goodyear Dunlop Tyres UK Ltd *	85.06
Auto Technical *	83.94
Michelin Tyre Public Limited Company *	82.33
Kenway Tyres Ltd *	78.66
STEWARTY TYRES NEWTON STEWART LTD *	77.72
DIRECT TYRE MANAGEMENT LIMITED *	72.50
MCKINNON & FORBES LTD *	60.05
Soltyre Limited *	52.85
Angus Tyres Ltd *	50.93

Lot 2 - Supply Only - Tyres for Cars & Vans	
Supplier Name	Overall Total
REDPATH TYRES LTD *	93.84
McConechy's Tyre Service Ltd. *	91.60
Kenway Tyres Ltd *	90.01
Michelin Tyre Public Limited Company *	76.82
Auto Technical *	75.52
MCKINNON & FORBES LTD *	68.43
Goodyear Dunlop Tyres UK Ltd	Non Compliant

Lot 3 - Supply & Fit - Tyres for Trucks	
Supplier Name	Overall Total
McConechy's Tyre Service Ltd. *	88.43
REDPATH TYRES LTD *	83.40
Kenway Tyres Ltd *	69.73
Soltyre Limited *	67.87
STEWARTY TYRES NEWTON STEWART LTD *	66.28
DIRECT TYRE MANAGEMENT LIMITED *	60.70
Goodyear Dunlop Tyres UK Ltd *	60.09
Angus Tyres Ltd *	58.40
MCKINNON & FORBES LTD *	56.48
Michelin Tyre Public Limited Company *	52.45

Lot 4 - Supply Only - Tyres for Trucks	
Supplier Name	Overall Total
McConechy's Tyre Service Ltd. *	97.00
REDPATH TYRES LTD *	91.14
Kenway Tyres Ltd *	83.66
Alba Tyre Management Ltd *	82.82
MCKINNON & FORBES LTD *	71.24
Goodyear Dunlop Tyres UK Ltd *	70.04
Michelin Tyre Public Limited Company *	58.36

Lot 5 - Supply & Fit - Tyres for Agricultural/Plant	
Supplier Name	Overall Total
REDPATH TYRES LTD *	87.59
McConechy's Tyre Service Ltd. *	85.18
DIRECT TYRE MANAGEMENT LIMITED *	81.55
MCKINNON & FORBES LTD *	73.70
STEWARTY TYRES NEWTON STEWART LTD *	70.43
Angus Tyres Ltd *	67.09
Kenway Tyres Ltd *	66.31
Soltyre Limited *	52.62
Michelin Tyre Public Limited Company *	46.80

Lot 6 - Supply Only - Tyres for Agricultural/Plant	
Supplier Name	Overall Total
McConechy's Tyre Service Ltd. *	94.58
REDPATH TYRES LTD *	88.23
Kenway Tyres Ltd *	77.32
MCKINNON & FORBES LTD *	73.68
Michelin Tyre Public Limited Company *	51.01

(*) Denotes Successful Supplier



Scotland Excel

To: Executive Sub Committee

On: 15 September 2017

Report
by
Director Scotland Excel

Associate Member Update Report

1 Introduction

This report provides an update on the Associate Member strategy utilised by Scotland Excel. The report is in response to a request by members for further information on this topic.

2 Background

Scotland Excel proposed an **Associate Member Strategy** (Appendix 1) to committee members at the Joint Committee meeting on the 9th December 2016. This strategy was subsequently approved by members and is the current operating model for the organisation.

3 Scotland Excel Associate Member Profile

As of the 1st September 2017, Scotland Excel has a total of 58 associate members. Many these are arms-length organisations, typically originally derived from local authorities. A number of charitable bodies are members and there are currently thirteen housing associations registered as associate members of Scotland Excel.

In addition to full members and associate members, a reciprocal agreement is in place which allows use of frameworks to bodies represented by the other 3 centres of expertise at no charge:

NHS - National Shared Services (NSS)

Advanced Procurement for Universities and Colleges (APUC)

Scottish Government Procurement and its associated bodies.

Spend on Scotland Excel frameworks by non-council members is approximately £10m. Of this total, £4.2m is spent by associate members and the remainder through reciprocal agreements with Scottish Government bodies, Education and Health. Spend by housing associations is increasing based on engagement with Wheatley and other new members.

4 Associate Member Fees

Fees for associate membership were historically set as follows:

1. Contract spend up to £10,000 pay a £500 annual membership fee.
2. Contract spend between £10,000 and £50,000 pay a £1000 annual membership fee.
3. Contract spend over £50,000 pay a membership fee which represents a percentage of the spend. In this instance a maximum fee of £30,000 has been set.

At the Joint Committee meeting on the 9th December 2016, it was proposed that further work be undertaken to review the fee structure and to implement a new model specifically for housing associations. This was conducted in conjunction with the ***Affordable Housing*** project.

Scotland Excel undertook a market analysis of other member organisation fees within the housing sector and reviewed affordability and scale across Scotland. As a result of this analysis, a fee of £1.50 per unit was market tested and subsequently implemented. This rate has been generally accepted and delivers both a reasonable fee to Scotland Excel and a beneficial return to housing associations.

Additional work is still required on the original third tier fee (level 1 above) and this will be conducted in due course.

At the July Executive Sub Committee members raised the point of index linking fees. At present this is not done for member or associate fees and Scotland Excel is happy to provide options for this within its budget proposal in December 2017.

5 Associate Member Future Plans

Scotland Excel will continue with the implementation of the approved associate member strategy. The primary focus for the short term will remain housing associations. Initial exploratory work is being undertaken with regard to growth potential in the third sector.

6 Recommendations

Members are asked to note the progress made with regard to the Associate Member Strategy.

ASSOCIATE MEMBER STRATEGY

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1 INTRODUCTION

This document contains the strategic direction and recommendations for operating Associate membership of Scotland Excel. This strategy should be read in conjunction with the organisation's corporate strategy 2015-18¹

Since the organisation's inception, governing members of the organisation were keen to ensure the focus of its efforts were fixed on its core membership. As the organisation has matured and in significantly more challenging financial times, Scotland Excel's Joint committee has been supportive of the organisation exploring alternative funding sources. A key caveat to this is that these sources do not conflict with the objectives of the organisation or dilute the support given to the local authority members

The aim of the strategy is therefore twofold:

- Explore the method of offering supplementary and complementary services to a second tier of members that generates potential incremental income whilst having no detrimental impact on our core members.
- Providing Additional value to the wider public family.

2 BACKGROUND

Scotland Excel was formed in 2008 as the procurement centre of expertise for Scottish local authorities. It is a leading non-profit organisation representing all 32 local authorities.

In addition to full membership offered to Scotland's local authorities, the organisation offers access to its frameworks and additional services through associate membership. Associate members pay a significantly reduced fee in comparison to full members and therefore play no formal role in the governance or strategic direction of Scotland Excel. As a public body however, Scotland Excel endeavours to return additional value to the wider public family and does so through its use of associate membership. A robust governance process is utilised to ensure that organisations that apply fit within the public and third sector and also fully serve a public purpose.

Although associate membership has been in place since the outset of the organisation it is now felt prudent to review the strategic direction of this customer segment, consider the current operational model and make a series of recommendations on how to proceed.

¹ [Scotland Excel Strategy 2015-18](#)

3 EXECUTIVE SUMMARY

At the time of publication, Scotland Excel had 32 Scottish local authority members and 47 associate members. Eligibility to join as an associate members is determined within the governance of Scotland Excel and derived from the 1970 Local Government (Goods and Services) Act, as amended by the Local Government (Scotland) Act 2003.

In addition to full members and associate members, a reciprocal agreement is in place which allows use of frameworks to bodies represented by the other 3 centres of expertise at no charge:

- NHS - National Shared Services (NSS)
- Advanced Procurement for Universities and Colleges (APUC)
- Scottish Government Procurement

The associate membership fee for Scotland Excel was reviewed in 2015 and a new three tier model implemented. The fees structure agreed was as follows:

- Contract spend up to £10,000 pay a £500 annual membership fee.
- Contract spend between £10,000 and £50,000 pay a £1000 annual membership fee.
- Contract spend over £50,000 pay a membership fee which represents a percentage of the spend. In this instance a maximum fee of £30,000 has been set.

Services offered by Scotland Excel that may be interest to associate members have been split into three broad categories; Collaborative Procurement, Capability services including consultancy, assessment and policy and provision of learning and development.

Scotland Excel has undertaken an analysis of the market and potential competitors to understand the opportunities and strategic direction for associate membership. Markets for associate membership include:

- Housing Associations
- Charitable Organisations
- Transport Partnerships
- Arms Length Organisations (ALEO)

It is the recommendation of this strategy that Scotland Excel focuses on housing associations as its primary market for development. There are approximately 170 Registered Social Landlords (RSLs) governed by the Scottish Housing Regulator (SHR). The SHR sets very clear and specific criteria for membership and these guidelines mirror the requirements for Scotland Excel to accept organisations as associate members. There are a number of reasons why this group of organisations fit well with Scotland Excel now and how the organisation can develop to support them going forward as associate members. These are covered within this strategy.

Scotland Excel, at the request of Scottish Government, has provided a proposal outlining the implementation of a small team of four people dedicated to the housing sector for a fixed period of 2 years. Future operation of this team would have to be self funded. This recommendation is based on the acceptance of this proposal.

Funding

Scotland Excel believes that all work related to associate membership should be self-funding. This recognises the challenging economic position its core membership currently face and likely to continue to face. Scotland Excel will continue to seek alternative funding options similar to that discussed previously with Scottish Government and housing associations. It should however be recognised that in order to generate greater levels of associate member income resources and funding will be required. The main resource requirement areas are within business generation, account management and marketing. Any requirement for specific framework development would also require procurement resource.

Committee members may consider various funding options including re-investment of additional associate membership fees to generate greater returns or re-allocation of any budgetary surpluses. Scotland Excel recommends the creation of a robust business case for any resourcing and investment within this area whilst adhering to the self-funding principles.

Fees

The third tier membership is currently being reviewed and an alternative clearer method sought.

Reciprocal fee waivers are in place for a number of organisations:

- NHS trusts and organisations served by National Shared Services (NSS)
- All higher and further education organisations covered by Advanced Procurement for Universities and Colleges (APUC)
- All Non Departmental Public Bodies (NDPB) supported by Central Government Procurement

In addition to a fee waiver organisations utilising Scotland Excel frameworks may also earn a monetary rebate against their expenditure.

Options open to members include:

- Charging an associate member fee to these organisations and therefore terminating the bilateral fee waiver agreement.
- Retaining fee waiver as it currently stands.
- Retaining fee waiver but Scotland Excel retains any rebates earned by associate members.

It is unclear at this stage what extent local government makes use of framework agreements provided by the above centres of expertise. Understanding this and the potential impact to Scotland Excel core members is key to any future changes to this agreement. Further work is being undertaken in this area to consider the most beneficial route to core members and Scotland Excel.

The 19 ALEOs currently registered as associate members pay no fee. Recognising the significant financial challenges that members are facing and potentially also within their ALEOs it is recommended that implementation of any fee should be postponed to a future date. Guidance from members and committee is sought on this approach.

Scotland Excel is considering a more tailored fee structure for housing associations should this market sector grow to a reasonable scale. A number of ways are currently utilised by other member organisations in this sector and will be reviewed for suitability. The model that appears to be most accepted and utilised by housing associations is based on number of housing units.

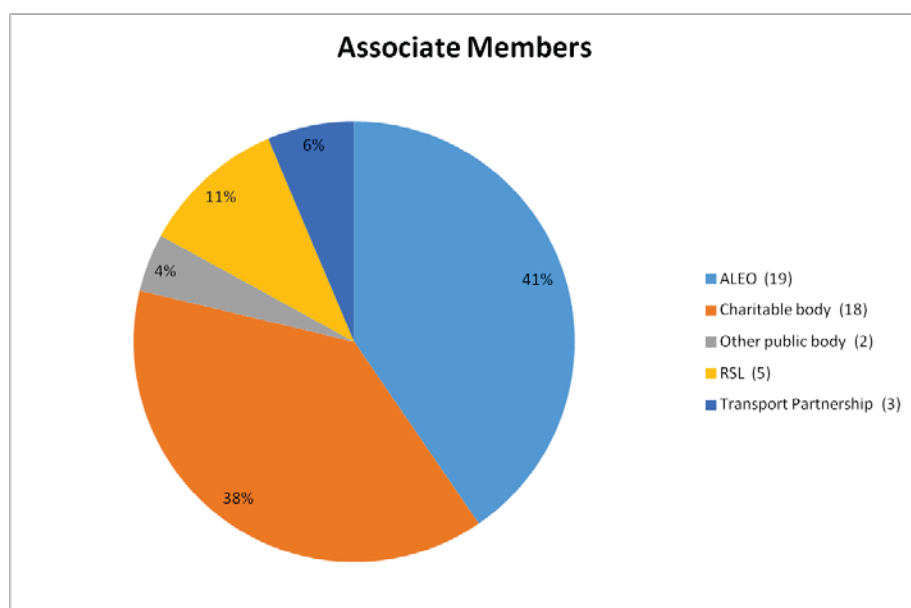
4 MEMBERSHIP AND SERVICES

At the time of publication Scotland Excel had the following membership profile:

- 32 Scottish Local Authorities.
- 47 Associate Members – (See <http://www.scotland-excel.org.uk/home/Aboutus/Ourmembers/Associate-members.aspx> on our website for a current list of associate members) A current list at time of publication is included in Appendix 1.

Associate members are split between various types of organisations which are represented in Figure 1.

Figure 1



Eligibility to join as an associate member's organisation is determined within the governance of Scotland Excel. "As a public sector procurement agency, Scotland Excel is restricted in the types of organisation which it can supply its services to. In order to become an associate member of Scotland Excel, the organisations Constitution, or Articles and Memorandum of Association must comply with the requirements of the 1970 Local Government (Goods and Services) Act, as amended by the Local Government (Scotland) Act 2003."

Non council bodies granted associate status typically fall under Part 1 Section 8(b) of the Local Government (Scotland) Act 2003. :

(c) a person who, in the circumstances set out in subsection (1L) below, enters into the contract in order to provide the local authority with goods or services, or with a person who, not being a public body, has functions of a public nature or engages in activities of that nature and the purpose or effect of the agreement is to facilitate discharge by that person of those functions or that person's engagement in those activities.

In addition to full members and associate members, a reciprocal agreement is in place which allows use of frameworks to bodies represented by the other 3 centres of expertise:

- NHS - National Shared Services (NSS)
- Advanced Procurement for Universities and Colleges (APUC)
- Scottish Government Procurement

The nature of this agreement has been discussed at a senior level to review its suitability. Each of the other three centres operate under a different central funding model affording this option.

4.1 Associate Membership Fees

The associate membership fee for Scotland Excel was reviewed in 2015 and a new three tier model implemented. The fees structure agreed was as follows:

- Contract spend up to £10,000 pay a £500 annual membership fee.
- Contract spend between £10,000 and £50,000 pay a £1000 annual membership fee.
- Contract spend over £50,000 pay a membership fee which represents a percentage of the spend. In this instance a maximum fee of £30,000 has been set.

The new fee structure works relatively well at the first and second tiers but has caused some difficulty at the third tier. Although one new third tier member was successfully signed up in 2016, the calculation process tends to be fairly detailed and not immediately available to the prospective customer. On a number of occasions, organisations that were felt to reside at this tier were confused by the inability to receive an immediate fee quotation. It is therefore recognised that a further review of this tier of associate membership and utilise a model that provides a clearer and timelier quotation to prospective members.

4.2 Service Offering

Services offered by Scotland Excel that may be of interest to associate members have been split into three broad categories:

- Collaborative Procurement
- Capability services including consultancy, assessment and policy.
- Provision of Learning and development.

Collaborative Procurement

Through collaboration with councils, suppliers, and partners, Scotland Excel has reached the point where we save Scottish local government in the region of £17m a year, while helping our members get the best possible value when it comes to sourcing the goods and services they need.

There are many factors at play in collaborative procurement - engaging, sharing, learning, benchmarking, agreeing, improving, and innovating - to name but a few. It is about achieving consensus not compromise. Scotland Excel procurement teams are committed to working with local authority colleagues to provide the best possible arrangements for all members.

Scotland Excel offers a number of frameworks to its members. Categories covered include:

- Construction
- ICT
- Education
- Social Care
- Fleet
- Corporate

The initial range of contracts offered by Scotland Excel was valued at circa £100m in 2008 and has grown to in excess of £700m today. While continuing to grow, the portfolio today embraces a wider range of goods and services with higher value and more complex contracts for technical and professional services. This increasing range of contracts has seen an increase in interest and in the use of the Scotland Excel portfolio by a wide range of organisations. Some of these are already associate members, some are not, and some gain access to the contracts through the principle of cross sector collaboration.

It is generally recognised that these organisations are making significant savings through the negotiated prices, economies of scale and the cost avoidance of having to run their own tenders.

The growth in the contract portfolio has resulted in a range of new opportunities for existing Associate Members and offers the potential to attract a wider range of organisations to join as associate members going forward

Capability Services

In addition to its extensive contract portfolio, Scotland Excel offers a wide range of services designed to support the ongoing development of member capabilities. In the local government sector, there was a real willingness to work together to deliver improvements. Scotland Excel developed a programme to facilitate this based on three phases – assessment, analysis and action – with priorities for the next phase agreed with councils at an annual event. These priorities informed a rolling programme of workshops, best practice initiatives and consultancy services delivered by Scotland Excel to lead and support change

One of the key mechanisms utilised by Scotland Excel is the use of a formal nationally recognised assessment tool. The Procurement Capability Assessment (PCA) tool has recently been redesigned and renamed the Procurement and Commercial Improvement Programme (PCIP).

To date Capability Services have only been offered to Scotland Excel's core membership however, a recent Scottish Government funded pilot programme for Scottish Housing Associations has demonstrated a potential new market opportunity. This market is covered later within this document.

Learning & Development

Scotland Excel is recognised as leading the way in learning and development across the public procurement sector. We are committed to supporting procurement capability to further develop the specialist knowledge and skills that exist within local authorities.

Our Enhancing Procurement Capabilities training programme for 2016 is well underway. This offers a range of courses for public procurement staff at all stages of their career, whether starting out or continuing their professional development. Our courses cover a wide variety of topics in procurement, legal, finance and supplier management, as well as specialist courses for construction, professional services and ICT procurement.

All learning and development services are open to associate members. To date little marketing of this has taken place with associate members.

4.3 Marketing and Communications

In general, very little specific marketing or communication for associate members is undertaken other than the page on the corporate web site. Associate members will receive general communications that are aimed at a wider distribution such as the quarterly newsletter.

More recently Scotland Excel has sought to increase visibility and awareness of the organisation and has attended external events such as the Chartered Institute of Public Finance and Accountancy (CIPFA) annual conference and the Chartered Institute of Housing (CIH) conference. This necessitated the need for associate member collateral and a leaflet was produced internally to minimise cost.

A significant increase in marketing and communication is required to increase the visibility to potential associate members.

4.4 Account Management

Scotland Excel provides dedicated account management to each of its 32 members from a pool of four full time account managers. At a minimum this involves a formal quarterly business review meeting with corporate procurement managers and their teams to review a number of elements including contract usage. Account managers provide core members with an extensive amount of information and work to ensure member satisfaction.

To date it has been the policy to only provide account management to core members. This has recently changed with the enrolment of an associate member paying the maximum £30k annual membership. In order to provide ongoing support to this associate member it has been agreed to schedule a quarterly account management meeting. The extent of this meeting is currently under development.

5 COMPETITIVE ANALYSIS

A high level competitive analysis has been undertaken utilising the three service categories identified above. In addition to the competitive analysis, this strategy attempts to identify the unique selling points of the organisation that provide competitive advantage and therefore enable a successful implementation of this strategy.

5.1 Competitive Services

Procurement frameworks

There are a wide variety of competitive products offered in the market. These products are offered by both public and private organisations. A full competitive analysis is beyond the scope of this strategy.

Organisations that provide a degree of overlap include:

- NHS National Procurement (NP)
- Scottish Government Procurement
- Advanced Procurement for Universities and Colleges (APUC)
- Crown Commercial Services (CCS)
- Eastern Shires Procurement Organisation (ESPO)
- Yorkshire Purchasing Organisation (YPO)
- Procurement for Housing (PfH)
- London Housing Consortium (LHC)
- Central Purchasing Consortium (CPC)
- North East Procurement Organisation (NEPO)

The above list is not exhaustive but does cover a number of the more prominent organisations. A recent review of overlap with regard to frameworks suitable for the housing sector indicated overlap in particular with Construction and Corporate framework categories.

Scotland Excel works extensively with its core customers to ensure that the frameworks being developed are appropriate and within the strategic direction of its members and therefore the organisation. Through the Collaborative Leads Group (CLG), the organisations works with the other centres of expertise to agree a common collaborative strategy.

Capability Services

Competition for the provision of these services occurs primarily within the private sector. The services delivered under the “Leading Change” banner mirror many of the services provided by private sector consultancy organisations. Scotland Excel does not have the breadth of resources available to many of the larger private sector competitors. In addition, the organisation does not have the financial resources to make the scale of investment often required at the outset of these projects.

Competition also exists within the public sector. It is recognised that a number of other public bodies provide similar services to their own customers. These customers all reside within the wider public family but in more recent months these customer boundaries have become more blurred. The growth ambition of the NHS National Services Scotland (NSS) has shown that more work is required to understand both boundaries and opportunities for collaboration. NSS, a centrally funded organisation, have much greater funding and resources and have an ability to invest significantly in change projects.

Despite these challenges Scotland Excel can and does still undertake competitive exercises on behalf of its members.

Learning & Development

Competition for learning and development provision resides primarily in the private sector. There are a number of organisations providing generic and specific face to face training on a multitude of subjects. Private provision of training is fairly disparate and typically does not have the insight into our customers' needs that Scotland Excel has.

5.2 Competitive Advantage

Competitive advantage may be viewed as offering better value to customers through better pricing or by demonstrating higher benefits at an equivalent or greater price. As a public body, the aim of the organisation is not to maximise shareholder returns but rather to return maximum value to its stakeholder members and ideally the wider public family. Its aim is therefore not to dominate a market but rather provide a cost effective and high quality service or product to its members. It is however important for the organisation to understand its competitive advantage and unique selling points to maximise customer value.

Procurement frameworks

Scotland Excel frameworks have a number of competitive advantages over other organisations.

As a public body driven by the requirements of its members and not shareholders, the organisation is focussed on delivering frameworks providing true member value.

Scotland Excel does not add any hidden rebate costs to fund framework provision. A number of the organisations listed above do not "charge" for membership but recoup substantial returns on less than transparent rebates.

Scotland Excel adheres to the Scottish Model of procurement and delivers substantial incremental social value within many of its frameworks. This includes living wage, community benefit, Scottish SME centred activities and a number of other sustainability criteria.

Many of the frameworks provided by Scotland Excel are within challenging areas that other providers are not able to tackle. These frameworks predominantly within the social care arena continue to grow and provide important services to members.

The organisation provides associate members with access to a dedicated web based Catalogue Content Management (CCM) system.

A number of competitive organisations have advantage over Scotland Excel through their extensive resources and ability to invest. The use of embedded rebates appears to be their main funding mechanism. Scotland Excel operates within a regime whereby members prioritise framework areas and gaps unfortunately remain.

It is also worth recognising the challenges associated with restrictions to associate members who join after frameworks have been put in place.

A number of areas of opportunity exist for associate members and frameworks. These opportunities tend to be based on the nature of the associate member.

Capability Services

The most significant challenge to Scotland Excel capability services lies in the ability of competitors to invest and in resource availability. The organisation does not have the bandwidth or funding to create services or offerings for future potential customers. This “loss leader” strategy is commonplace within private sector organisations to initiate customer engagement. Larger consultancy bodies also have a wealth of pre-created services and a breadth of talent that Scotland Excel cannot offer.

Competition also exists from NSS although has been limited to date. This situation is expected to change over the coming period.

Scotland Excel’s competitive advantage lies within its knowledge and experience of local government, its primary customers. With eight years of experience in leading capability development the organisation has built a wealth of knowledge and a degree of intellectual property that provides its advantage. In 2015 the Joint Committee agreed to permanent funding for three full time employees to provide these services. In conjunction with a number of other internal resources, the organisation provides this predominantly to its core customers.

An additional competitive advantage lies within the ethos of the organisation to serve members and not shareholders. This provides a financial advantage over private sector competitors.

Limited scope exists within the existing organisation to provide these services beyond core customers to associate members. This is solely due to financial and resource constraints. This situation may however be changed if appropriate opportunities arose and committee members were willing for this approach to proceed.

Learning & Development

Learning and Development services from Scotland Excel have generally sought to provide cost neutral or free courses to its customer base. The primary aim is to maximise value and cover primary costs associated with training provision. In the past this has not covered the cost of learning and development administration. In 2015 the Joint Committee agreed to fund two full time resources for the provision of Learning and Development.

This cost neutral approach has provided significant competitive advantage over private sector providers. In addition, the knowledge gained from delivery of a highly successful service over a number of years has served the organisation and its members well.

Scotland Excel believe there are potential routes to developing Learning & Development services which are currently being considered within its Learning and Development strategy. This will require further investment but will also offer better services to associate members and therefore provide a competitive advantage.

6 MARKET STRATEGY

In order to consider the market strategy for associate members an analysis of existing and future markets was undertaken.

6.1 Strategic Options

Scotland Excel utilised the Ansoff matrix² to consider the potential directions to take. Figure 2 represents the matrix. The tool is a widely utilised specifically when considering market expansion.

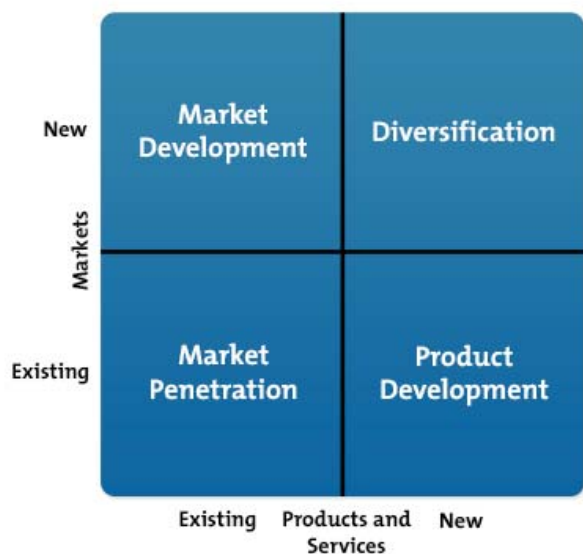


Figure 2

Market Penetration

This quadrant is where an organisation sets out to provide more of its existing services to its existing market.

Scotland Excel believe this is an important quadrant for the wider organisation. Growth of existing services to existing core members is an important part of our strategic direction and is covered within our corporate strategic plan. It is also equally relevant to our associate members.

The organisation has typically regarded its “market” as the wider public sector and made little effort to grow and develop this other than through an opportunistic approach. In addition to this, little effort has been placed on promotion of services to associate members once they join. Members once enrolled have little direct communication with the organisation and receive little support. Extensive work has however been undertaken with the organisational web site to provide a better “self-service” experience for members. A level of account management has also recently been introduced for third tier associate members and is outlined later within this document.

² [Ansoff Matrix](#)

Market penetration may therefore be regarded as a “simpler” option where Scotland Excel seeks to develop its services and relationship with existing members with an aim to improve member retention and explore incremental revenue within this group.

Market Development

This quadrant is where an organisation sets out to provide its existing core services to new customers within a new market

It may be argued that this is the quadrant that associate membership primarily resides. It is another important aspect to the organisations wider ambitions. Figure 1 demonstrated that the majority of associate members are currently arm’s length organisations of our core membership.

In this quadrant we explore the division of our wider public sector market into a number of divisions. One example of this may be Housing Associations. At the time of publication there were 5 housing associations registered as associate members. This represents approximately less than 3% of the Scottish market.

Diversification

This quadrant is where an organisation sets out to develop new services and to provide them to new customers in a new market. This is typically the most radical and difficult market expansion for an organisation. With regards to Scotland Excel associate membership, it is felt that sufficient opportunities exist within other quadrants and that this strategic option be considered at a future date.

Product Development

This quadrant is where an organisation sets out to develop new services and provide them to customers within its existing market. Similarly to the diversification quadrant, with regard to associate membership, this strategic direction is less attractive than market development and market penetration. It should however be forefront within the wider organisational strategic direction where new services could potentially support existing members.

6.2 Target Markets

A number of potential markets that may be considered as part of the “market development” approach have been identified. The areas being considered do not encompass all potential areas available but provide enough opportunity for this strategic timeframe.

6.2.1 Housing Associations

The area which has been identified as offering the greatest potential opportunity for Scotland Excel to develop is that of housing associations. There are approximately 170 Registered Social Landlords (RSLs) governed by the Scottish Housing Regulator (SHR). The SHR sets very clear and specific criteria for membership and these guidelines mirror the requirements for Scotland Excel to accept organisations as associate members

There are a number of reasons why this group of organisations fit well with Scotland Excel now and how the organisation can develop to support them going forward as associate members.

Housing Associations are to be subject to procurement legislation, the Public Contracts (Scotland) Regulations, and as part of this the Scottish Government has stated that Housing Associations should undertake procurement assessments as part of the process to embed continuous performance improvement. These

changes place a new burden on housing associations many of which have relatively small staff teams for whom the main task is providing and managing social rented housing and may have little if any procurement knowledge or experience.

Scotland Excel is in a unique position in the market place to become the partner of choice to housing associations to support them with the challenges that they face.

Scotland Excel offers:

- Compliant frameworks which enable organisations to easily and quickly access the goods and services they require (whilst recognising existing contract restrictions).
- An organisation which is based in Scotland, supporting the local economy with 70% of suppliers being SMEs.
- Promotes, as fully as possible, community benefits including the Living Wage, modern apprenticeships and training opportunities as part of contract delivery.
- Experience in reviewing organisations and assessing their procurement practices.
- Is a not for profit organisation with no shareholders or private partners.

However, there are specific new services that will need to be developed and offered to support the organisations and make membership an attractive option:

- Support to carry out tenders for specific goods and services which are not and would not be part of the Scotland Excel contract portfolio.
- Access to general procurement capability and policy services.
- A range of training for staff and management committees to allow them to understand procurement requirements and then specific training for staff carrying out procurement processes.
- Access to best practice to staff with technical skills but limited procurement expertise.

6.2.2 Transport Partnerships

Regional transport partnerships (RTPs) were established on 1 December 2005 to strengthen the planning and delivery of regional transport so that it better serves the needs of people and businesses.

RTPs are independent bodies defined in the Transport (Scotland) Act 2005. That legislation bases them on the local government model but they are not local authorities and they are not NDPBs. RTPs are like joint boards, bringing councils together to perform local government functions collectively and strategically over a larger area.

Three of the seven RTPs are existing associate members of Scotland Excel. Further work should be undertaken to engage the remaining four organisations.

6.2.3 Charitable Organisations

There are 24,122 different charities registered with the Scottish Charities Register (OSCR). Scotland Excel has eighteen (38 percent of current Scotland Excel members) that we regard generally as charitable bodies. This includes a wide variety of organisations by nature and scale. Scotland Excel can offer a number of attractive options to a number of these bodies and achieve bilateral benefits. These offerings and requirements are similar to those described above to housing associations in Scotland. The scale and diversity of charities is clearly however different and therefore will require a different approach.

6.2.4 Arm's Length Organisations

In recent years there has been a growing number of Arm's Length Organisations (ALEOs) set up by councils to deliver a range of services previously provided by the local authority. When the first of these were set up many years ago the argument was made that these were part of the council and as such should be given free associate membership of Scotland Excel. However, as the number and use of these has grown the nature of the relationship with the councils has changed and some organisations are almost completely separate from the council. Additionally, there is a growing demand from these organisations to have their own separate communication and engagement from Scotland Excel.

Currently there are 19 ALEOs which represents 41% of associate members. Governing members have questioned at committee on a number of occasions whether this group should continue to receive free membership. This is an area for further debate and consideration for committee members

6.2.5 Integrated Joint Boards

Legislation to implement health and social care integration, passed by the Scottish Parliament in February 2014, came into force on April 1, 2016. This brings together NHS and local council care services under one partnership arrangement for each area. In total 31 local partnerships have been set up across Scotland and they will manage almost £8 billion of health and social care resources.

At present procurement for IJBs has been undertaken through either local government or NHS budgets. Associate membership for IJBs should be discussed if further changes are applied to the IJB landscape.

7 RECOMMENDATIONS AND IMPLEMENTATION OF STRATEGY

This document has sought to consider the strategic direction for associate membership of Scotland Excel. It has considered; current membership, services offered and undertaken a high level competitive analysis. Utilising the Ansoff matrix, the potential strategic market direction has also been investigated.

This section of the strategy will now provide recommendations on the various options that are available.

7.1 Implementation of target markets

Potential markets for associate membership were previously identified in section 6.1.

7.1.1 Housing Associations

Scotland Excel has identified housing associations as the first group to be targeted for growth in associate membership.

A number of actions may be considered:

- Gain an improved understanding of the housing association market and segment to a suitable level. Initial recommendations are to target the top 40 in terms of revenue identified from the information available from the Scottish Housing Regulator.
- Agree a clear fee strategy for membership to allow effective marketing and discussions with organisations.
- Create appropriate marketing material specific to housing associations.
- Identification and provision of appropriate training courses covering an introduction to procurement, procurement legislation and then more specific technical procurement skills.
- Consider the development of an associate member user group to develop existing members, identify sector specific issues / solutions and to market services particularly training and consultancy.
- Consider a housing sector specific membership enrolment process. Rather than committee having to review and approve numerous reports submitted for housing association membership, provide delegated approval to officers to automatically approve if they are already members of the Scottish Housing Regulator.

Scotland Excel has previously worked with Scottish Government and housing associations to undertake a pilot project which investigated the procurement capability of the sector. This project was fully funded by Scottish Government and generated incremental income for Scotland Excel. In addition to the income it also allowed Scotland Excel to understand the market further and demonstrate its suitability as a partner of choice.

Throughout this project it was made clear to all parties that no further work could be undertaken without additional funding. Scotland Excel, at the request of Scottish Government, has provided a proposal outlining the implementation of a small team of four people dedicated to the housing sector for 2 years. The team would provide the following:

- Resources to undertake procurement assessments. This would firstly focus on the 40 associations that are developing houses and then the remaining 130 or so over a longer period.
- Support for wider capability development in the sector.
- Support for implementation of procurement policy.
- A more detailed understanding of the spend profile of the sector.
- Undertake appropriate procurement exercises appropriate to the sector.

This proposal brings a number of benefits to our associate member strategy:

- Scotland Excel will gain a unique and detailed view of the housing sector spend profile.
- Promotion of Scotland Excel and benefits of associate membership.
- Increase spend on wider Scotland Excel frameworks hopefully providing further benefits to existing core members.
- Potential ability to create frameworks that will also benefit core members.
- A fully externally funded model.

The proposal has been presented to ministers by Scottish Government and Scotland Excel awaits a decision.

It is recommended that if the proposal is accepted by Scottish Government then this market should be the primary group for associate membership. Other groups may be considered based on resources required and opportunistic membership progressed when received.

7.1.2 Transport Partnerships

The remaining four transport partnerships have been identified. An initial analysis of existing transport partners will be undertaken to quantify benefits and understand which frameworks are currently being utilised. Once this is completed each partnership will be contacted and meetings organised.

7.1.3 Charitable Organisations

Rather than target each of the specific sectors within this market, it is recommended that a more specific product or service offering be communicated to enrol new members. This is more about targeted communication rather than provision of a new product or service.

This approach would be progressed once the work on the primary group (housing associations) is at a more mature stage in its development.

7.1.4 Arm's Length Organisations

The challenges regarding ALEOs was covered previously within this document and is also covered later when discussing fee structures.

The scale of arm's length organisations across the 32 local authorities and wider public sector is unknown and unquantified in general. Further work may be undertaken to add clarity to this landscape.

Limited support is currently provided to the local authority originating ALEOs.

Further work on this market would again be undertaken after the primary group is addressed.

7.1.5 Organisations utilising Scotland Excel frameworks who are not members

Scotland Excel suppliers provide spend data on a quarterly basis. This data lists organisations who spend on frameworks. Suppliers have provided data that indicates spend by organisations who are not fee paying members of Scotland Excel e.g. in the last fiscal year there were over twenty housing associations listed as utilising frameworks yet only five fee paying members.

This associate level data has not been investigated further for accuracy but it is proposed that this is done as part of this strategic implementation.

7.2 Funding and Resources

Scotland Excel believes that all work related to associate membership should be self-funding. This recognises the challenging economic position its core membership currently face and likely to continue to face. Scotland Excel will continue to seek alternative funding options similar to that discussed previously with Scottish Government and housing associations. It should however be recognised that in order to generate greater levels of associate member income resources and funding will be required. The main resource requirement areas are within business generation, account management and marketing. Any requirement for specific framework development would also require procurement resource.

Committee members may consider various funding options including re-investment of additional associate membership fees to generate greater returns or re-allocation of any budgetary surpluses. Scotland Excel recommends the creation of a robust business case for any resourcing and investment within this area whilst adhering to the self-funding principles.

7.3 Associate Membership Fees

Associate membership fees should be considered in a number of ways:

Third tier membership

As previously highlighted, the third tier membership is being reviewed and an alternative clearer method sought.

Reciprocal Agreement

Reciprocal fee waivers are in place for a number of organisations:

- NHS trusts and organisations served by National Shared Services (NSS)
- All higher and further education organisations covered by Advanced Procurement for Universities and Colleges (APUC)
- All Non Departmental Public Bodies (NDPB) supported by Central Government Procurement

Overall this fee waiver will cover over 150 organisations.

In addition to a fee waiver organisations utilising Scotland Excel frameworks may also earn a monetary rebate against their expenditure.

Options open to members include:

- Charging an associate member fee to these organisations and therefore terminating the bilateral fee waiver agreement.
- Retaining fee waiver as it currently stands.
- Retaining fee waiver but Scotland Excel retains any rebates earned by associate members.

It is unclear at this stage what extent local government makes use of framework agreements provided by the above centres of expertise. Understanding this and the potential impact to Scotland Excel core members is key to any future changes to this agreement. Further work is being undertaken in this area to consider the most beneficial route to core members and Scotland Excel.

Arm's Length Organisations

The 19 ALEOs currently registered as associate members pay no fee. This is a historic agreement that argues, as originally part of local government, their fee is covered within Scotland Excel's core requisition. ALEOs currently make extensive use of Scotland Excel frameworks and in one instance receive extensive rebate income from use of the contracts.

Recognising the significant financial challenges that members are facing and potentially also within their ALEOs it is recommended that implementation of any fee should be postponed to a future date. Guidance from members and committee is sought on this approach.

Housing Associations

Scotland Excel is considering a more tailored fee structure for housing associations should this market sector grow to a reasonable scale. A number of ways are currently utilised by other member organisations in this sector and will be reviewed for suitability.

The model that appears to be most accepted and utilised by housing associations is based on number of housing units.

7.4 Service offering

Service offering to associate members may be regarded as a subset of that offered to core members. Further work will be undertaken to understand how these services may be positioned to better reflect the market sector e.g. Housing or charitable bodies.

7.5 Account Management

Scotland Excel recommends an account management approach for associate members which is proportionate to their scale and fee. This will initially be covered by existing account management resource whilst numbers are below an agreed level. This account management will likely be quarterly and seek to be a bilateral meeting providing benefits to both organisations.

7.6 Marketing and Communications

In order to better "sell" associate membership to prospective customers a significant marketing and communications effort will be required. Scotland Excel will review its marketing and communications strategy to consider how this can be achieved. Prior to this a review of current member communications must be undertaken. Resources and investment will provide challenges in this area also.

Appendix 1

Organisation Name
Angus Alive
Church of Scotland Social Care Council
City Building (Glasgow) LLP
Cordia (Services) LLP
Culture Perth & Kinross
CultureNL
East Ayrshire Leisure Trust
Edinburgh Leisure
Fife Cultural Trust
General Teaching Council
Glasgow Life
Hanover (Scotland) Housing Association
Hayfield Support Services with Deaf People
High Life Highland
Highland Reserve Forces and Cadets Association
Inverclyde Leisure
Islay and Jura Community Enterprise Ltd
Jobs & Business Glasgow
Jordanhill School
Kibble Education and Care Centre
Live Borders
Lochalsh and Skye Housing Association
North Area Transport Association
North Ayrshire Leisure Ltd
North East Transport Partnership (NESTRANS)
North Lanarkshire Leisure Ltd
RegenFX
Renfrewshire Association for Mental Health
Renfrewshire Leisure Ltd
River Clyde Homes
Rossie Secure Accommodation Services
Safer Glasgow
SB Cares
Scottish Wildlife Trust
Seamab School
SEEMIS Group LLP
South Lanarkshire Leisure and Culture
Sport Aberdeen
St Roch's Childcare Services
Strathclyde Partnership for Transport
The Firhill Complex
The Royal Zoological Society of Scotland
Transport Scotland
Tron Theatre
Trust Housing Association
Turning Point Scotland
Wheatley Group



Scotland Excel

To: Executive Sub Committee

On: 15 September 2017

Report by Director Scotland Excel

Affordable Housing Project Update Report

1 Introduction

This report provides an update on the Affordable Housing Programme currently being operated by Scotland Excel on behalf of the Scottish Government.

2 Background

The Scottish Government, as part of the Affordable Housing Supply programme (AHSP), has committed to delivering at least 50,000 affordable homes by March 2021, backed by over £3 billion of investment. The sector will therefore be required to undertake considerable procurement activity in relation to this programme.

The wider public sector has benefited from significant investment and focus in procurement reform since publication of Review of Public Procurement in Scotland - Report and Recommendations in 2006. The affordable housing sector has not been part of this national transformation programme.

In 2016 Scotland Excel provided Mr Derek McKay, Cabinet Secretary for Finance and the Constitution with a proposal for the role Scotland Excel could play in delivering the Scottish Government's aspirations within the AHSP. The proposal sought funding of £412k for a two year pilot programme to develop procurement capability, implement policy and identify financial savings. This proposal was accepted by the Scottish Government and approved by the Scotland Excel Joint Committee.

The project has a number of deliverables:

- Complete an analysis of the sector's current and future procurement activity to estimate the potential for savings through the use of national frameworks and/or further collaborative procurement.

- Develop a programme to communicate the immediate savings opportunities available through existing public sector collaborative frameworks and services.
- Undertake procurement assessments to benchmark current levels of procurement capability and identify opportunities for improvement.
- Identify the wider economic, social and environmental benefits that can be achieved through sustainable procurement.
- Undertake any 'quick win' collaborative procurement exercises identified where no existing collaborative frameworks are in place.

3 Project Update

Although preparation and initial work began on the project in early 2017, the project was formally launched in April 2017. Initial work included project scoping, marketing across the housing sector and recruitment of the team. The housing team consists of a housing services manager and three housing services specialists.

Scotland Excel has attended and presented at a number of conferences across Scotland within the housing sector. Numerous on-site visits have been conducted nationally to increase awareness and access to the support programme. An overview of the benefits of associate membership is provided during all meetings.

Scotland Excel and the Scottish Government sought volunteers for procurement assessments from the 160 housing associations in Scotland. As of the 1st September 2017, 51 housing associations have requested assessments. This represents 32% of the associations in Scotland but also over 50% of the proposed housing development in Scotland. This is an extremely positive response to the work undertaken by Scotland Excel. The organisation continues to receive positive recognition from partners and associations on how the project is being implemented.

The assessment process is now underway and a number of organisations are scheduled within the project calendar.

4 Project Benefits

The benefits of the Scottish Procurement Model are well rehearsed including; financial savings, improved governance, organisational efficiencies, implementation of policies including living wage, tackling zero hours contracts, supporting local economies etc. It is anticipated that all of these benefits can be delivered within the housing sector with Scotland Excel's support from this project.

Anecdotal evidence to date has provided a number of examples of the above and formal reporting will be provided throughout the project life cycle.

Additional benefits will also be derived by core members of Scotland Excel through; increased utilisation of frameworks, identification and promulgation of good practice and to support sustainability of Scotland Excel. A more recent benefit to members is the plan to utilise housing associate fees to fund a new contract for housing associations that is also a requirement for councils. This contract for gas maintenance was previously identified as a gap by councils but was not a high enough priority to members to proceed. This joint demand and additional funding has facilitated initiation of work on this project.

Further benefits are anticipated by members including the growth of collaboration across Scotland with housing associations and local authorities.

5 Recommendations

Members are asked to note the progress made with regard to the Affordable Housing project.



Scotland Excel

To: Executive Sub Committee

On: 15 September 2017

Report by Director Scotland Excel

Request for Associate Membership of Scotland Excel by Bield Housing & Care

1 Introduction

In addition to the 32 local authorities who are full members of Scotland Excel, applications can be made for Associate Membership by organisations such as council arms 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.

Organisations apply to Scotland Excel for Associate Membership to allow them to access the frameworks for goods and services which we have in place for our full members. Associates do not have the opportunity to influence the future contract delivery schedule which is reserved for the full local authority members.

2 Application

Following work carried out with them as part of a review of procurement capability within the organisation, Bield Housing & Care has applied to Scotland Excel for associate membership.

Bield are a not for profit organisation and Scottish Charity. They are also a Registered Social Landlord. The organisation is one of the largest providers of Housing and Care in Scotland with just under 4700 properties and a number of Care Services.

Bield Housing & Care are registered:

- As a social landlord with The Scottish Housing Regulator
- As a charity with the Office of the Scottish Charities Regulator
- With the Care Inspectorate for the provision of housing support services, support services and care home services

Bield Housing & Care has 4366 self-contained units, 164 non self-contained units and 151 care home flats.

To ensure the efficient and cost effective delivery of these services they have approached Scotland Excel and requested approval to become an associate member with access to our contracts.

3 Legislative Position

Before any application is submitted to committee for consideration checks are made into the organisation including scrutiny of the Memorandum & Articles of Association, finances and the type of contracts that the organisation wishes to access. Membership commences once committee has approved the application and a Membership Agreement between Scotland Excel and the organisation is signed. The Membership Agreement protects Scotland Excel and Renfrewshire Council in the event of default by the Associate Member in any contract.

Scotland Excel monitors all requests from arms length and other organisations to become associate members to ensure that any legal requirements are met as not all such organisations are fully funded from their local authority, in this case Bield Housing & Care qualify for membership as they in accordance with the Local Authorities (Goods and Services) Act 1970, section 1(1B), namely that the organisation is not a public body, but it has functions of a public nature or engages in activities of that nature and the purpose of accessing Scotland Excel's services is to facilitate the discharge of those functions and activities.

4 Recommendation

It is recommended to committee that the Bield Housing & Care application to join Scotland Excel as an associate member be approved, at a £7,020 annual fee, subject to completion and signing of the agreement document.

Scotland Excel

To: Exec Sub Committee

On: 15 September 2017

**Report
by
Director Scotland Excel**

Update on the Contract Delivery Plan

1. Introduction

This report provides a progress update on the 2017/ 2018 contract delivery plan.

2. Progress to Date

As detailed in Appendices 1 – 3, the 2017/2018 contract delivery plan comprises framework renewals, new developments, framework extensions and frameworks with ongoing contract management only.

There are 51 current frameworks in the Scotland Excel contract portfolio, with 11 of these current frameworks to be retendered in 2017/2018 (Appendix 1).

Scotland Excel plans to add a further 11 new frameworks to its contract portfolio by the end of the financial year (Appendix 2).

A further 9 of the frameworks on the current portfolio have extension options that will be considered in 2017/2018 (Appendix 3).

The estimated forecast value of the Scotland Excel framework portfolio by 31st March 2018 will be just over £1Billion.

As detailed in Appendix 1, the education materials framework went live in August to align with the reopening of schools after the summer break and will be fully operational from September. The library books and textbooks framework has been delayed until February next year to ensure incorporation of digital inclusion as requested by councils. The remaining renewal frameworks in 2017/ 2018 are currently on track with the forecast schedule.

All 10 of the new frameworks currently planned for delivery in 2017/ 2018 are being coordinated through the newly created small value contracts team. This team has been established by Scotland Excel to deliver frameworks for commonly used goods and services with combined council spend levels of between £1 million and £2 million per annum.

In addition to the activity detailed in Appendices 1 -3, Scotland Excel is exploring the benefits of further collaborative procurement across high spend, critical service areas of adult social care. Scotland Excel is now progressing with two stakeholder sub groups to look at focused work streams for both care at home and adult supported living. This development activity will continue over the

remainder of the year and a decision will be made with stakeholders regarding the appropriate procurement strategy.

Based on customer demand, Scotland Excel has begun development work on exploring the gas maintenance services market. Further updates to the development of this framework will be shared with the group.

Overall, efficiencies delivered to date continue to be within the 2-4% forecast range.

3. Conclusion

Members are invited to note the progress made to date.

Appendix 1 - List of contracts to be renewed

Service	Estimated Annual Collaborative Contract Opportunity	Activity	Original Forecast Date	Previous Forecast Date	Delivered Date	Latest Forecast Date if Different	Forecast Savings Range	Delivered Savings Forecast	Comments
Frozen Foods	25,000,000	Renew	Jun-17		Jun-17		2% - 4%	3.5%	Framework is live
Organic Waste	12,000,000	Renew	Jun-17		Jun-17		2% - 4%	-1.4%	Framework is live
Education Materials	16,000,000	Renew	Mar-17	Jun-17	Jun-17		2% - 4%	6.9%	Framework is live
Vehicle & Plant Hire	20,000,000	Renew	Nov-17				2% - 4%		Recommendations to be presented to Executive Sub Committee on 13 October 2017
Recycle & Refuse Containers	10,000,000	Renew	Nov-17				2% - 4%		Recommendations to be presented to Executive Sub Committee on 13 October 2017
Tyres	6,000,000	Renew	Nov-17				2% - 4%		Recommendations to be presented to Executive Sub Committee on 15 September 2017
Library Books & Textbooks	14,000,000	Renew	Nov-17	Jan-18		Feb-18	2% - 4%		Procurement Strategy Approved
Heavy Vehicles	35,000,000	Renew	Jan-18				2% - 4%		Procurement Strategy Approved
Milk	9,000,000	Renew	Jan-18				2% - 4%		Procurement Strategy Approved
Trade Materials	10,000,000	Renew	Feb-18				2% - 4%		Procurement Strategy Approved
Childrens Residential	105,000,000	Renew	Mar-18				n/a		Procurement Strategy Approved

Appendix 2 – List of new contracts to be developed and delivered in 2017/2018

Service	Estimated Annual Collaborative Contract Opportunity	Activity	Original Forecast Date	Previous Forecast Date	Delivered Date	Latest Forecast Date if Different	Forecast Savings Range	Delivered Savings Forecast	Comments
Bottled Gas	2,000,000	New Contract	Oct-17				5.5%		Tender Released
Laundry Equipment	1,100,000	New Contract	Oct-17				5.5%		Tender Released
Steeplejack Services	1,200,000	New Contract	Oct-17			Dec-17	5.5%		Tender Released
Pest & Vermin Control	2,000,000	New Contract	Dec-17				5.5%		Tender Released
Swimming Pool Contractors	1,200,000	New Contract	Dec-17				5.5%		Strategy in development
Water Coolers & Bottled Water	1,400,000	New Contract	Dec-17				5.5%		Strategy in development
Catering Machine Repairs	2,000,000	New Contract	Jan-18				5.5%		Strategy in development
Funeral Services	1,500,000	New Contract	Feb-18				5.5%		Strategy in development
Fire Fighting & Rescue Services	2,700,000	New Contract	Mar-18				5.5%		Strategy in development
IT Training Providers	1,000,000	New Contract	Mar-18				5.5%		Strategy in development
Vocational Training Service Providers	1,800,000	New Contract	Mar-18				5.5%		Strategy in development

Appendix 3 – Contracts with extension options and contract management activity ongoing in 2017/2018

Contracts with extension options in 2017/18

Contract Description	Est Annual Value
Building And Timber Materials	£ 15,200,000
Community Meals	£ 4,000,000
Electrical Materials	£ 14,000,000
Ground Maintenance	£ 12,500,000
Heavy Plant	£ 12,500,000
Janitorial Products	£ 9,000,000
Presentation & Audio Visual Equipment	£ 6,000,000
Security Services & Equipment	£ 18,000,000
Washroom Solutions	£ 3,500,000

Contracts highlighted in yellow have been approved for extension

Appendix 3 – Contracts with extension options and contract management activity ongoing in 2017/2018

Contracts with no renewal or extension activity in 2017/18

Contract Description	Est Annual Value
Agency Workers - Social Care	£ 20,000,000
Asbestos	£ 8,000,000
Bitumen Products	£ 12,000,000
Buildings Related Engineering Consultancy	£ 10,000,000
Care Homes for Adults (LD)	£ 31,000,000
Catering Sundries	£ 6,000,000
Customer Service Platform	£ 3,750,000
Demolition	£ 16,000,000
Domestic Furniture and Furnishings	£ 20,000,000
Education And Office Furniture	£ 9,000,000
Educational Materials	£ 17,400,000
Energy Efficiency Contractors	£ 200,000,000
Engineering Consultancy	£ 17,000,000
Fostering	£ 25,000,000
Groceries & Provisions	£ 30,000,000

Contract Description	Est Annual Value
Meats - Fresh, Prepared & Cooked (inc. Fresh Fish)	£ 7,000,000
Online School Payments	£ 2,500,000
Outdoor Play Equipment and Artificial Surfaces	£ 17,500,000
Personal Protective Equipment	£ 10,000,000
Plumbing and Heating Materials	£ 20,621,122
Recycle/Refuse Containers	£ 8,000,000
Road Maintenance Materials	£ 2,500,000
Roadstone	£ 35,000,000
Salt	£ 15,375,000
Secure Care	£ 20,000,000
Signage	£ 2,000,000
Street Lighting Bulk Renewal of Luminaires	£ 5,000,000
Street Lighting Materials	£ 35,000,000
Telecare and Telehealth Technologies	£ 3,400,000
Vehicle Parts	£ 12,000,000
Waste Disposal Equipment	£ 1,250,000

Scotland Excel

To: Executive Sub Committee

On: 15 September 2017

**Report
by
Director Scotland Excel**

Employee Absence Management Report

1. Introduction and purpose of the report

In response to the Renfrewshire Council Internal Audit team recommendation, the Joint Committee has requested that a report on organisational sickness absence be submitted on a quarterly basis highlighting the absence rate in the organisation. The absence rate is also a key performance indicator within the business plan section on organisational development and as such is monitored closely.

2. Scotland Excel Absence Management Target

The Joint Committee has previously agreed that Scotland Excel should work to an absence rate of below 4%. This target aligns Scotland Excel with partner organisations, supports good practice in this area and demonstrates the ongoing commitment to absence management as a key efficiency target.

3. Overview of Attendance

In line with audit recommendations, the attached report has been prepared for the Executive Sub Committee. The report details:

- Breakdown of current month, last six months and last 12 months absence figures
- Illustration of 12 months in days
- Illustration of last 12 months in percentages and full-time equivalent (FTE)

The report includes the latest absence details for period to August 2017. The rate of absence across the organisation has been maintained below the 4% target with the last 5 months showing figures of 2% or less

The absence rates for the reporting periods are:

- previous 1 month to 1.0% (13 days / 0.56 FTE)
- previous 6 months to 1.6% (132 days / 1.78 FTE)
- previous 12 month period to 2.1% (319 days / 1.42 FTE)

Scotland Excel will continue its positive practices, including working with Occupational Health and other support services, to support attendance and in particular to support the members of staff who have significant health issues and will work to maintain the absence rate below the 4% target.

4. Recommendation

The Executive Sub Committee is requested to note the contents of report.

Absence Report

Organisation Level

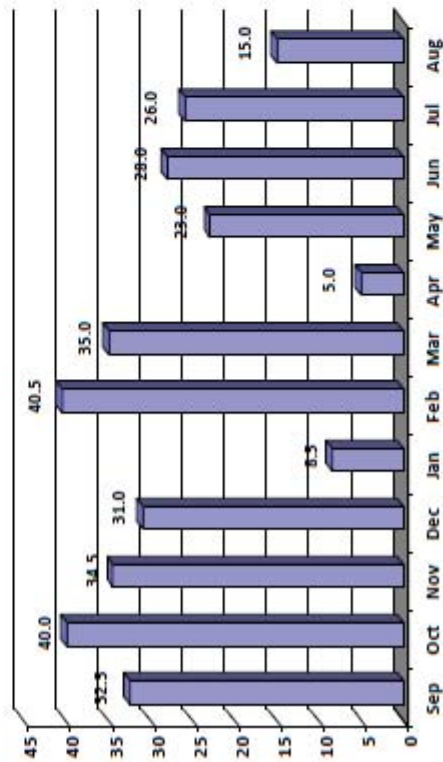
Month Ending: 31 August 2017



Current Month					Last 6 Months					Last 12 Months				
Self Certified Sick	2	13	15	1.0%	3	59.5	72.5	132	1.6%	29	125.5	193.5	319	2.1%
Doctor Certified Sick														
Sickness Absence Rate														
Sickness Absence Instances														
Total:	2	13	15	1.0%	3	59.5	72.5	132	1.6%	29	125.5	193.5	319	2.1%
Sickness Absence Instances														55

No of Employees (Permanent and Temporary): 86
 Average no of Sickness Absence Days per Employee: 3.7
 No of Leavers included: 8

Total Sickness Absence Days by Month for Last 12 Months



Monthly YTD Absence Rate

