

## Minute of Meeting Scotland Excel Joint Committee

Date	Time	Venue
Friday, 06 December 2019	10:45	City Chambers, Glasgow City Council, 80 George Square, Glasgow, G2 1DU

### Present

Councillor Alan Donnelly (Aberdeen City Council); Provost Bill Howatson (Aberdeenshire Council); Provost Norman Macdonald (Comhairle Nan Eilean Siar); Councillor Stephen Thompson (Dumfries & Galloway Council); Councillor Gordon Jenkins (East Ayrshire Council); Councillor John Jamieson (East Dunbartonshire Council); Bailie Norman MacLeod (Glasgow City Council); Councillor Aaron McLean (Moray Council); Councillor Paul Di Mascio (North Lanarkshire Council); Councillor Sheila McCole (Perth & Kinross Council); Councillor John Shaw (Renfrewshire Council); Councillor Simon Mountford (Scottish Borders Council); Councillor Amanda Hawick (Shetland Islands Council); Councillor Peter Henderson (South Ayrshire Council); Councillor Ian Dickson (West Dunbartonshire Council) and Councillor John McGinty (West Lothian Council).

### Chair

Councillor Shaw, Convener, presided.

### In Attendance

J Welsh, Director, S Brannagan, Head of Customer & Business Services, H Carr, Head of Strategic Procurement (all Scotland Excel); M Conaghan, Legal & Democratic Services Manager, C McCourt, Finance Business Partner, E Currie, Senior Committee Services Officer and K O'Neill, Assistant Democratic Services Officer (all Renfrewshire Council).

## **Apologies**

Councillor John Reynolds (Aberdeen City Council); Councillor Alastair Bews (Aberdeenshire Council); Councillors Rory Colville and Ellen Morton (both Argyll & Bute Council); Councillor Graham Hutchison (City of Edinburgh Council); Councillor Donald Balsille (Clackmannanshire Council); Councillor Tony Buchanan (East Renfrewshire Council); Councillor Ross Vettraino and Councillor Gary Bouse (both Falkirk Council); Councillor Martin McElroy (Glasgow City Council); Councillor Alister Mackinnon and Councillor Matthew Reiss (both Highland Council); Councillor Jim Clocherty (Inverclyde Council); Councillor Allan Graham (North Lanarkshire Council) and Councillor Barbara Foulkes (Orkney Council).

## **Declarations of Interest**

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

### **1 Minute of Joint Committee**

There was submitted the Minute of the meeting of the Joint Committee held on 21 June 2019.

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

### **2 Minutes of Executive Sub-committee**

There were submitted the Minutes of the meetings of the Executive Sub-committee held on 21 June, 2 August, 23 August, 20 September, 25 October and 22 November 2019.

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

### **3 Directors Update**

The Director of Scotland Excel gave a presentation to members providing an overview of what Scotland Excel was delivering for member councils; an update on Scottish Government and other projects; and an update on income streams and the funding position.

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

## **Adjournments**

During consideration of the following item of business, the fire alarm was activated twice. On both occasions, all members left the building and returned to the meeting when advised to do so by fire wardens.

## **Order of Business**

As the meeting had been adjourned twice due to fire alarms, the Convener intimated that should the fire alarm be activated for a third time, it would be his intention to adjourn the meeting to a date and time to be agreed in consultation with the Clerk.

To facilitate this, in terms of Standing Order 12, the Convener intimated that he proposed to alter the order of business to facilitate the conduct of the meeting by considering item 11 of the agenda after item 4 of the agenda.

#### **4 Revenue Estimates 2020/21**

There was submitted a joint report by the Treasurer and the Director of Scotland Excel relative to the revenue estimates for Scotland Excel including the requisition of the constituent authorities for financial year 2020/21 and indicative planning figures for 2021/22 and 2022/23.

The report intimated that the revenue estimates had been presented to the meeting of the Executive Sub-committee held on 22 November 2019 when it was decided that the revenue estimates be recommended to the Joint Committee.

Appendix 1 to the report detailed the revenue estimates for 2020/21 and Appendix 2 to the report detailed the member authority requisition levels.

The report provided information on the assumptions that the budget had been based on; a financial overview for Scotland Excel; the Scotland Excel funding model; and member authority requisitions for 2020/21.

Councillor Shaw, seconded by Bailie MacLeod, moved (a) that the revenue estimates of Scotland Excel for the financial year 2020/21, as detailed in table 1 of Appendix 1 to the report, be agreed; (b) that the requisitions for constituent authorities, as detailed in Appendix 2 to the report, be agreed; and (c) that the indicative estimates for 2021/22 and 2022/23 be noted.

Provost Howatson, seconded by Councillor Donnelly, moved as an amendment that there should be no increase in constituent authority requisitions.

On the vote being taken, 2 members voted the amendment and 14 members voted for the motion. The motion was accordingly declared carried.

#### **DECIDED:**

(a) That the revenue estimates of Scotland Excel for the financial year 2020/21, as detailed in Table 1 of Appendix 1 to the report, be agreed;

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

(c) That the indicative estimates for 2021/22 and 2022/23 be noted.

#### **5 Meetings of Scotland Excel Joint Committee 2020**

There was submitted a report by the Clerk relative to proposed meeting dates for the Joint Committee during 2020.

**DECIDED:** That meetings of the Joint Committee be held at 10.45 am on 19 June and 11 December 2020 within the City Chambers, Glasgow City Council.

## 6 Income Stream Update

There was submitted a report by the Director of Scotland Excel relative to the progress made on generating additional funding through a series of income generating projects, detailed financial information of which had been provided in the Revenue Estimates 2020/21 report considered at item 5 of this Minute, a summary of which was detailed in Appendix 1 of the report.

The report intimated that reports on the revenue estimates 2018/19 and the funding model review presented to the Joint Committee on 8 December 2017 and 29 June 2018, respectively, highlighted the challenging future financial landscape for local government and the impact on Scotland Excel. It was recognised that over the medium term, local government in Scotland was likely to face further contraction in available resources and in this context, Scotland Excel continued to seek operational savings to manage its financial position flexibly to maintain the aim of minimising the level of requisition required and develop value propositions for member authorities to ensure that best value was achieved.

Five funding opportunities had been approved by the Joint Committee and were progressing, with three projects contributing targeted surpluses within the current financial year. The report provided updates in relation to each of the funding streams and advised that further updates.

Scotland Excel had implemented a number of internal processes and practices to guide and support income generating projects which were detailed in the report and were developing methods for generating further innovation within the organisation, proposing future projects and sharing good practice with the wider Scotland Excel membership.

### **DECIDED:**

(a) That the progress made in this area be noted; and

(b) That it be noted that further updates on funding projects, including delivery against income targets, would be presented to future meetings of the Joint Committee and Executive Sub-committee.

## 7 Procurement Commercial Improvement Programme (PCIP) Update

There was submitted a report by the Director of Scotland Excel providing an update on the status of the work undertaken to support councils with the Procurement Commercial Improvement Programme (PCIP).

The report intimated that PCIP, a maturity model designed to assess Scottish public sector procurement performance in a common format, was introduced in 2015 and was a continuation of the work undertaken by the Procurement Capability Assessment carried out on an annual basis since 2008. The focus of PCIP was on the policies and procedures driving procurement performance and the results they delivered.

The first round of PCIP assessments with all 32 councils was carried out in 2016/17 following which a 'lessons learned' and consultation exercise was carried out with key stakeholders. The outcome was that councils would be offered two assessment routes in 2018/19, being either the full assessment route or a streamlined focussed assessment route with any council that scored below 55% in 2016/17 being automatically subject to the full assessment route.

Following selection of the assessment routes, 25 councils were subject to focussed assessment and seven were subject to the full assessment.

The report provided a summary of the profile of the number of councils and the performance band and a breakdown of the average scores across the local government sector for each section of the PCIP assessment for 2016/17 and 2018/19.

The focussed assessment approach delivered in 2018/19 had been well received by councils and Scotland Excel would work with councils, Scottish Government and other centres of excellence to share lessons and ensure that future programmes maintained value and met the needs and aspirations of the local government sector. The Scottish Government were organising a workshop to help inform the future direction of PCIP 2021.

**DECIDED:** That the progress and completion of the local government sector of the 2018/19 PCIP programme be noted.

## **8 Community Benefits and Fair Work Practices**

There was submitted a report by the Director of Scotland Excel highlighting the community benefits delivered as a result of the Scotland Excel framework portfolio in the period 1 April to 30 September 2019 together with an update on fair work practices which would give an analysis of suppliers' and providers' Living Wage status.

The report intimated that Scotland Excel continually strived to be innovative in its approach to community benefits and recognised that community benefits had a considerable social, environmental and economic impact within local communities. The newly developed community benefit menu had been favoured by procurement specialists when embarking on new procurement exercises; offered a focussed approach across the Scotland Excel portfolio; and encouraged suppliers and providers to deliver community benefits within the awarding local authority area.

Suppliers and providers were requested to complete a comprehensive community benefits template which, together with ongoing contract management, aimed to support the delivery of the commitments made by suppliers and providers at point of tender.

Table 1 to the report detailed a summary of the social value added across the portfolio since 2013. The appendix to the report detailed the community benefits by council for the period 1 April to 30 September 2019.

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

The next community benefits data collection, analysis and review cycle would be completed in line with the management information processes to cover the period to the end of March 2020. The results would be reviewed with the supply base and where appropriate would be incorporated into supplier performance objectives.

### **DECIDED:**

(a) That the report be noted; and

(b) That the measures proposed to monitor delivery of community benefits for the 2019/20 financial year be supported.

## **9 Operating Plan Update 2019/20**

There was submitted a report by the Director of Scotland Excel presenting the half-year performance against the Operating Plan 2019/20, a copy of which was appended to the report.

The report summarised the progress made against operating plan commitments and used a 'traffic light' symbol to provide a guide to the status of each activity. This guide had been revised to include symbols to indicate projects or activities which had not yet started and projects or activities which had been completed. The report also tracked performance against 14 key performance indicators linked to strategic outcomes.

**DECIDED:** That Scotland Excel's performance in the delivery of the Operating Plan 2019/20 be noted.

## **10 Risk Register Update**

There was submitted a report by the Director of Scotland Excel providing an update on the risk register maintained to assess threats and risks that could impact on the delivery of Scotland Excel's organisational objectives and to identify actions that had been taken to mitigate such risks.

The report intimated that currently there were nine risks identified ranging in assessed residual risk score from 6 to 20 and a summary of the key statistics in relation to each identified risk was detailed in Appendix 1 to the report.

The risk register template used by Scotland Excel had been adjusted to better reflect that used by Glasgow City Council and a copy of the revised risk register as at 31 October 2019 formed Appendix 2 to the report.

The risk management plan would be reported to the Executive Sub-committee twice a year and the Joint Committee on an annual basis to give members visibility of the risks and actions taken by the organisation to manage and mitigate these risks.

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

## **11 Membership of Scotland Excel Chief Executive Officers Management Group**

There was submitted a report by the Clerk seeking approval for the membership of Scotland Excel's Chief Executive Officers Management Group (CEOMG), a key governance body for the organisation.

The report intimated that the CEOMG had been part of Scotland Excel's governance since its inception in 2008 and members were appointed to the CEOMG in terms of the CEOMG procedures which were detailed in the report.

In August 2018 a presentation had been made to the SOLACE branch group seeking a new CEOMG member due to the retirement of Mary Pitcaithly. The SOLACE Executive decided to review the overall membership and nominations were received from Angela

Scott, Aberdeen City Council; Margo Williamson, Angus Council; Cleland Sneddon, Argyll & Bute Council; Steve Grimmond, Fife Council; Annemarie O'Donnell, Glasgow City Council and Sandra Black, Renfrewshire Council. Sandra Black would continue to chair meetings of the CEOMG as Chief Executive of the lead authority in line with the CEOMG procedures. These nominations were approved at a meeting of the Joint Committee held on 7 December 2018.

The report proposed that the CEOMG membership remain as detailed in paragraph 1.3 of the report until December 2020 to allow for continuity in the strategic direction for Scotland Excel.

**DECIDED:** That membership of the CEOMG remain as detailed in paragraph 1.3 of the report until December 2020.