

Minute of Meeting Scotland Excel Joint Committee

Date	Time	Venue
Friday, 18 June 2021	10:45	Remotely by MS Teams,

Present

Provost Bill Howatson (Aberdeenshire Council); Councillor David Cameron (Aberdeen City Council); Councillor Bob Myles (substitute for Councillor Angus Douglas) (Angus Council); Councillor Rory Colville (Argyll & Bute Council); Councillor Donald Balsille (Clackmannanshire Council); Provost Norman Macdonald (Comhairle Nan Eilean Siar); Councillor Stephen Thompson (Dumfries and Galloway Council); Councillor John Jamieson (East Dunbartonshire Council); Councillor Altany Craik and Councillor Ross Vettraino (Fife Council); Councillor Ruairi Kelly (Glasgow City Council); Councillor Aaron McLean (Moray Council); Councillor Joe Cullinane (North Ayrshire Council); Councillor Paul Di Mascio (North Lanarkshire Council); Councillor Sheila McCole (Perth and Kinross Council); Councillor John Shaw (Renfrewshire Council); Councillor Simon Mountford (Scottish Borders 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, Chief Executive, S Brannagan, Head of Customer & Business Services, H Carr, Head of Strategic Procurement, L Campbell, Corporate Services Manager (all Scotland Excel); and A MacArthur, Head of Finance; M Conaghan, Legal & Democratic Services Manager, P Shiach, Senior Committee Services Officer and K O'Neill, Assistant Democratic Services Officer (all Renfrewshire Council).

Apologies

Councillor Graham Hutchison (City of Edinburgh Council); Councillor Gordon Jenkins (East Ayrshire Council); Councillor Tony Buchanan (East Renfrewshire Council); Councillor Matthew Reiss (Highland Council); Councillor Derek Milligan (Midlothian Council); Councillor Allan Graham (North Lanarkshire Council); and Councillor Amanda Hawick (Shetland Islands Council).

Declarations of Interest

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

1 Minute of Joint Committee

There was submitted the Minute of the meeting of the Joint Committee held on 11 December 2020.

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 11 December 2020, 29 January 2021, 19 February 2021, 19 March 2021 and 21 May 2021.

DECIDED: That the Minutes be approved.

3 Membership of Scotland Excel Executive Sub-committee and Attendance at Executive Sub-committee Meetings

Under reference to item 13 of the Minute of the meeting of this Joint Committee held on 11 December 2020, there was submitted a report by the Clerk relative to the membership of the Executive Sub-committee for the period to June 2022 and attendance at Executive Sub-committee meetings for the period June 2020 to June 2021.

The report indicated that the Procedural Standing Orders provided that the Executive Sub-committee should comprise a maximum of 13 members including the Convener and Vice Convener of the Joint Committee. Where possible the membership of the Executive Sub-committee should reflect the geographic diversity of the constituent authorities.

At the meeting held on 19 June 2020, the Joint Committee approved the continued membership of the Councils listed in paragraph 3.3 of the report. The Joint Committee further decided that a report detailing the attendance of members, at meetings of the Executive Sub-committee since appointment in 2017, be submitted to the meeting of the Joint Committee to be held on 11 December 2020. At the meeting of the Joint Committee held on 11 December 2020, following consideration of the report detailing attendance of members, it was decided that the Clerk submit a report to the next meeting of the Joint Committee to be held on 18 June 2021 relative to membership of the Executive Sub-committee for the coming year and that the report provide details of member attendance from June 2020 to June 2021. The attendance of members at meetings was detailed in the appendix to the report.

DECIDED:

(a) That it be agreed that the Executive Sub-committee continue to comprise of elected members from Renfrewshire Council (Convener), North Lanarkshire Council (Vice Convener), Aberdeenshire Council, Angus Council, City of Edinburgh Council,

Comhairle nan Eilean Siar, Dumfries & Galloway Council, Fife Council, Glasgow City Council, Highland Council, North Ayrshire Council, Shetland Islands Council and South Lanarkshire Council;

(b) That membership of the Executive Sub-committee be next reviewed at the meeting of the Joint Committee to be held in June 2022; and

(c) That the attendance at meetings of the Executive Sub-committee, for the period from June 2020 to June 2021, as detailed in the appendix to the report, be noted.

4 Membership of Scotland Excel Chief Executive Officers Management Group

Under reference to item 12 of the Minute of the meeting of this Joint Committee held on 11 December 2020, there was submitted a report by the Clerk relative to the membership of Scotland Excel Chief Executive Officers Management Group (CEOMG).

The report intimated that at the meeting held on 11 December 2020, the Joint Committee agreed that the membership of the CEOMG remain as detailed in paragraph 1.1 of the report until December 2021. Since that meeting, both Steve Grimmond and Margo Williamson, had intimated that they wished to stand down from the CEOMG. The SOLACE Executive sought nominations for two replacement members and nominations were received from Eddie Fraser, East Ayrshire Council and Greg Colgan, Dundee City Council.

DECIDED:

(a) That it be noted that Steve Grimmond and Margo Williamson had intimated that they wished to stand down from the CEOMG;

(b) That it be agreed that both Eddie Fraser and Greg Colgan become members of the CEOMG; and

(c) That membership of the CEOMG be again reviewed in December 2021.

5 Presentation

The Chief Executive of Scotland Excel gave a presentation to members providing an overview of performance in 2021 which included information on what Scotland Excel had delivered for member councils; support for Scotland's recovery in terms of the COVID-19 pandemic and support for Scotland's green recovery; workforce development; blended working; income streams, children's services; adult social care; Scottish Enterprise; community wealth building; building construction consultancies; newbuild residential construction; energy efficient contractors; and electric vehicle charging infrastructure and the green fleet.

DECIDED: That the presentation be noted.

6 Scotland Excel Unaudited Annual Accounts 2020/21

There was submitted a report by the Treasurer relative to Scotland Excel's unaudited annual accounts for 2020/21, a copy of which were attached to the report.

The report intimated that the accounts for the year ended 31 March 2021 would be submitted to Audit Scotland for audit in advance of the statutory deadline of 30 June 2021.

The accounts indicated that Scotland Excel's core activities resulted in a surplus of income over expenditure of £14,399 in 2020/21 compared to a budgeted break-even position and projects returned income of £128,255 over expenditure. After a planned drawdown from project reserves, this resulted in a combined underspend for the year of £22,654 which had been added to usable reserves, which were committed as outlined in note 5 to the accounts.

The management commentary within the accounts provided an overview of Scotland Excel's performance during 2020/21 along with risk information and its outlook for the future.

The Local Authority Accounts (Scotland) Regulations 2014 required that Scotland Excel prepare and publish a set of accounts, including an annual governance statement, by 30 June each year. The unaudited accounts were then required to be formally considered by the Joint Committee no later than 31 August and the annual governance statement should be formally approved at this time.

In accordance with the Local Authority Accounts (Scotland) Regulations 2014, the unaudited annual accounts would then be signed only by the Treasurer as proper officer. The accounts would then be subject to external audit by the Joint Committee's appointed auditor, Audit Scotland, by 30 September. Under the Coronavirus (Scotland) Act 2020, this had been extended to 30 November this year. The 2020/21 audited annual accounts were scheduled to be presented to the Executive Sub-committee on 19 November 2021 for approval and signing by the Convener, the Chief Executive of Scotland Excel and the Treasurer, in accordance with the regulations.

DECIDED:

- (a) That the unaudited annual accounts for 2020/21 be noted; and
- (b) That the annual governance statement be approved.

7 Income Stream Update

Under reference to item 5 of the Minute of the meeting of this Joint Committee held on 11 December 2020, there was submitted a report by the Chief Executive of Scotland Excel relative to the progress made on generating additional funding through a series of income generating projects.

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. At that time, prior to the world-wide pandemic, it was recognised that over the medium-term local government in Scotland was likely to face further contraction in available resources.

Five funding opportunities had been approved by the Joint Committee and the report provided updates in relation to each of the funding streams.

It was noted that Scotland Excel continued to develop its income stream strategy, processes and capabilities. As a growing and important aspect of the sustainability of the organisation, this was an important mechanism to mitigating larger requisition increases whilst also providing key member services. A monthly interview was undertaken to provide assurance that all steps were being taken for the current and future years targets. Scotland Excel's income stream processes were recently reviewed by internal audit with a positive report being received.

DECIDED: That the content of the report be noted and that the Joint Committee continue to support Scotland Excel in endeavours to achieve financial sustainability by encouraging their organisations to make use of the New Build Housing Framework; encouraging use of existing services such as The Academy and consultancy services; promote associate membership; and promote the new services on offer from Scotland Excel.

8 **Operating Plan Update 2021/22**

There was submitted a report by the Chief Executive of Scotland Excel presenting the organisation's performance against the interim Operating Plan for 1 January to 31 March 2021, a copy of which was appended to the report.

The report intimated that quarterly progress reports were produced to track Scotland Excel's performance against operating plan commitments. It was noted that 25 operating plan commitments were progressing in line with plans and were indicated as green within the report; three commitments impacted by external factors were indicated as amber within the report; and one commitment had been completed during the first quarter and was indicated as black with in the report.

The report detailed some key activities that had taken place during this quarter.

DECIDED: That Scotland Excel's progress in delivering the commitments contained within the Operating Plan 2020/21, during the period 1 January to 31 March 2021, and the updates contained in the report, be noted.

9 **Annual Procurement Report**

There was submitted a report by the Chief Executive of Scotland Excel relative to Scotland Excel's annual procurement report, a copy of which was appended to the report.

The report intimated that where a public organisation was required to prepare a procurement strategy or review an existing one, it must also publish an annual procurement report. The Procurement Reform (Scotland) Act 2014 set out what, as a minimum, each annual procurement report must contain.

Annual procurement reports were expected to be published no later than five months following the end of the financial year and should be relevant and proportionate; provide transparency of purchasing activities; and address all matters contained in the organisations' procurement strategy.

Scottish Ministers would produce an annual report on procurement activity in Scotland informed by the individual annual procurement reports published by contracting authorities in Scotland.

DECIDED:

- (a) That the content of the annual procurement report, as appended to the report, be noted; and
- (b) That publication of the annual procurement report on Scotland Excel's website be approved.

10 Care Update

There was submitted a report by the Chief Executive of Scotland Excel providing an update in relation to the work of the social care team.

In relation to children's services, the report provided updates on The Promise; the Children's Residential Care and Education including Short Breaks framework; and the study launched by the Competition and Markets Authority Study into the market for children's social care services. In relation to adult social care, updates were provided in relation to the Independent Review of Adult Social Care; the National Care Home contract; and the £500 Project.

DECIDED: That the contract updates be noted and supported.

11 Community Benefits and Fair Work Practices Update

There was submitted a report by the Chief Executive of Scotland Excel highlighting the community benefits delivered as a result of the Scotland Excel framework portfolio in the period 1 October 2020 to 31 March 2021 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 approach to community benefit commitments had been developed to further advance the undertakings made by suppliers and to facilitate a robust process for the collection of responses. Scotland Excel utilised the community benefit menu that had been favoured by procurement specialists when embarking on new procurement exercises and offered a focussed approach across the Scotland Excel procurement portfolio. It aimed to encourage suppliers and providers to deliver community benefits within the awarding council area.

Information supplied by providers had been collated to illustrate the variety and extent of community benefits delivered as a result of Scotland Excel frameworks and this method of collection together with ongoing contract management aimed to support the delivery of commitments made by suppliers and providers at point of tender. For the return through to 31 March 2021, community benefits had been sought from suppliers and providers who had received in excess of £50,000 spend over the quarter via a Scotland Excel framework.

Table 1 of the report provided a summary of the social value added across the portfolio since 2013. The figures were complete for the year ending on 31 March 2021.

The appendix to the report detailed the community benefits by council for the period October 2020 to March 2021. 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.

It was noted that the next community benefits data collection, analysis and review cycle would be completed in line with management information process to cover the period to 30 September 2021.

DECIDED: That the content of the report be noted and that the ongoing practice to monitor delivery of community benefits for the 2021/22 financial year be supported.

12 **Sickness Absence, Special Leave and Hospitality**

There was submitted a report by the Chief Executive of Scotland Excel relative to staff absence rates, special leave given to staff and hospitality granted by the organisation in 2020/21.

DECIDED: That the report be noted.

13 **Date of Next Meeting**

DECIDED: That it be noted that the next meeting of the Joint Committee would be held at 10.45 am on 10 December 2021.