

Notice of Meeting and Agenda Scotland Excel Joint Committee

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

KENNETH GRAHAM
Clerk

Membership

Councillor John Reynolds and Councillor David Cameron (both Aberdeen City Council); Provost Bill Howatson and Councillor Alastair Bews (both Aberdeenshire Council); Councillor Angus Macmillan Douglas (Angus Council); Councillor Rory Colville (Argyll and Bute Council); Councillor Alasdair Rankin and Councillor Andrew Johnston (both City of Edinburgh Council); Councillor Donald Balsillie (Clackmannanshire Council); Provost Norman Macdonald (Comhairle Nan Eilean Siar); Councillor Stephen Thompson (Dumfries and Galloway Council); Bailie Willie Sawers (Dundee City Council); Councillor Gordon Jenkins (East Ayrshire Council); Councillor John Jamieson (East Dunbartonshire Council); Councillor John McMillan (East Lothian Council); Councillor Tony Buchanan (East Renfrewshire Council); Councillor Gary Bouse (Falkirk Council); Councillor Altany Craik and Councillor Ross Vettraino (both Fife Council); Councillor Ruairi Kelly and Councillor Martin McElroy (both Glasgow City Council); Councillor Jimmy Gray and Councillor Matthew Reiss (Highland Council); Councillor Jim Clocherty (Inverclyde Council); Councillor Derek Milligan (Midlothian Council); Councillor Aaron McLean (Moray Council); Councillor Joe Cullinane (North Ayrshire Council); Councillor Paul Di Mascio and Councillor Allan Graham (both North Lanarkshire Council); vacant position (Orkney Islands Council); Councillor Sheila McCole (Perth and 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 Josh Wilson and vacant position (both South Lanarkshire Council); Councillor Alison Laurie (Stirling Council); Councillor Ian Dickson (West Dunbartonshire Council); and Councillor John McGinty (West Lothian Council).

Councillor John Shaw (Convener): Councillor Paul Di Mascio (Vice Convener).

Further Information

If you require further information in relation to this meeting please call 0141 618 7111.

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 | Minutes of Joint Committee | 5 - 14 |
| | Minute of meeting of the Joint Committee held on 18 June 2021 and Minute of special meeting of the Joint Committee held on 22 October 2021. | |
| 2 | Minutes of Executive Sub-committee | 15 - 40 |
| | Minutes of meetings of the Executive Sub-committee held on 18 June, 20 August, 17 September, 22 October and 19 November 2021. | |
| 3 | Presentation | |
| | Presentation by Chief Executive of Scotland Excel. | |
| 4 | Revenue Estimates 2022/23 | 41 - 48 |
| | Joint report by Treasurer and Chief Executive of Scotland Excel. | |
| 5 | Contract Delivery Plan Update | 49 - 60 |
| | Report by Chief Executive of Scotland Excel. | |
| 6 | Operating Plan Update 2021/22 | 61 - 74 |
| | Report by Chief Executive of Scotland Excel. | |
| 7 | Draft Operating Plan for April 2022 to March 2023 | 75 - 84 |
| | Report by Chief Executive of Scotland Excel. | |
| 8 | Strategic Risk Register Update | 85 - 112 |
| | Report by Chief Executive of Scotland Excel. | |
| 9 | Community Benefits and Fair Work Practices Update | 113 - 118 |
| | Report by Chief Executive of Scotland Excel. | |
| 10 | Membership of Scotland Excel Chief Executive Officers Management Group | 119 - 120 |
| | Report by Clerk. | |

- | | | |
|----|---|-----------|
| 11 | Consideration of Remuneration of the Roles of Convener and Vice Convener of Scotland Excel Joint Committee
Report by Clerk. | 121 - 122 |
| 12 | Meetings of Scotland Excel Joint Committee in 2022
Report by Clerk. | 123 - 124 |



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.

Minute of Special Meeting Scotland Excel Joint Committee

Date	Time	Venue
Friday, 22 October 2021	10:15	Remotely by MS teams,

Present

Councillor David Cameron (Aberdeen City Council); Councillor Charles Buchan (substitute for Provost Bill Howatson) (Aberdeenshire Council); Councillor Rory Colville (Argyll and Bute Council); Provost Norman Macdonald (Comhairle Nan Eilean Siar); Councillor John Jamieson (East Dunbartonshire Council); Councillor John McMillan (East Lothian Council); Councillor Tony Buchanan (East Renfrewshire Council); Councillor Gary Bouse (Falkirk Council); Councillor Altany Craik and Councillor Ross Vettraino (both Fife Council); Councillor Ruairi Kelly (Glasgow City Council); Councillor Jim Clocherty (Inverclyde Council); Councillor Aaron McLean (Moray Council); Councillor Paul Di Mascio and Councillor Allan Graham (both North Lanarkshire 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 Josh Wilson (South Lanarkshire 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, H Carr, Head of Strategic Procurement, L Campbell, Corporate Services Manager, J McKerrall, Strategic Procurement Manager, K Forrest, Office Manager, J Reid, Corporate Services Assistant, M Robertson, Marketing & Communications Manager, JJ Turner and J Campbell, both Category Managers (all Scotland Excel); and M Conaghan, Legal & Democratic Services Manager, E Currie, Senior Committee Services Officer and K O'Neill, Assistant Democratic Services Officer (all Renfrewshire Council).

Apologies

Provost Bill Howatson (Aberdeenshire Council); Councillor Angus Macmillan Douglas (Angus Council); Councillor Andrew Johnston (City of Edinburgh Council); Councillor Stephen Thompson (Dumfries and Galloway Council); Councillor Gordon Jenkins (East Ayrshire Council); Councillor Martin McElroy (both Glasgow City Council); Councillor Matthew Reiss (Highland Council); Councillor Derek Milligan (Midlothian Council); Councillor Joe Cullinane (North Ayrshire Council).

Declarations of Interest

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

1 Response to National Care Service Consultation

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

The report intimated that in February 2021 the report on the findings of the Independent Review of Adult Social Care had been published and that this report found issues with implementation of social care policy and was critical of current commissioning and procurement activity. Amongst the recommendations, to help drive improvement in the sector, was the establishment of a NCS in Scotland to take over responsibility for the strategic aspects of social care planning and commissioning from local government. Local government would become a care provider alongside the private and voluntary sectors and would be commissioned to deliver services on behalf of the NCS.

The report advised that in August 2021, the Scottish Government published their consultation on the creation of the NCS in Scotland and the proposals within this document were significant and would result in a fundamental change to the role of local government in Scotland if implemented. The scope of services proposed for inclusion in the NCS was far broader than was initially anticipated and included services relating to adult social care, children's services, community health, addiction, justice and social care in prison.

The report noted that the potential impact on Scotland Excel's role was significant as the proposed plans included the creation of a new team within the NCS to undertake national commissioning of complex care services including residential services and the National Care Home Contract. This new team would also undertake national market research and analysis activity in relation to social care and would lead on the creation of a new 'Structures of Standards and Processes'.

At a meeting held on 17 September 2021, the Executive Sub-committee considered the approach to the consultation response and the governance plans relating to the response and decided that a special meeting of the Joint Committee be held to consider the proposed response given the significance of the proposals for local government. Scotland Excel met with the Chief Executive Officers Management Group (CEOMG) to discuss the response and the draft response, as set out in Appendix 1 to the report, had been produced for submission to the Scottish Government.

Following discussion, it was proposed (i) that the consultation response be amended to contain further detail in relation to VAT, the last resort provider to strengthen the wording around costs, to emphasise the importance of local commissioning and understanding regional variations, and to highlight that different authorities use Scotland Excel contracts to varying degrees as a result of this local variance and (ii) that it be delegated to the Chief Executive, in consultation with the Convener, to approve and submit the amended consultation response to the Scottish Government. This was agreed unanimously.

DECIDED:

(a) That the consultation response be amended to contain further detail in relation to VAT, the last resort provider to strengthen the wording around costs to emphasise the importance of local commissioning and understanding regional variations, and to highlight that different authorities use Scotland Excel contracts to varying degrees as a result of this local variance; and

(b) That it be delegated to the Chief Executive, in consultation with the Convener, to approve and submit the amended consultation response to the Scottish Government.



Minute of Meeting Scotland Excel Executive Sub-committee

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

Present

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

Chair

Councillor Shaw, Convener, presided.

In Attendance

J Welsh, Chief Executive, H Carr, Head of Strategic Procurement, S Brannagan, Head of Customer and Business Services, L Campbell, Corporate Services Manager, E Martin, Senior Procurement Specialist, C Richardson, Senior Procurement Specialist, E Macluskie, Procurement Coordinator, S Kilgour, Project and Account Manager, S Boyle, Assistant Procurement Specialist, K Farley, Assistant Procurement Specialist, S Ferracuti, Graduate Trainee, L McIntyre, Senior Communications Specialist, L A Campbell, Academy Tutor and K Forrest, Office Manager (all Scotland Excel); and M Conaghan, Legal & Democratic Services Manager, K Campbell, Assistant Chief Auditor, L Meikle, Senior Accountancy Assistant, P Shiach, Senior Committee Services Officer and K O'Neill, Assistant Democratic Services Officer (all Renfrewshire Council).

Apologies

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

Declarations of Interest

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

1 **Minute**

There was submitted the Minute of the meeting of the Executive Sub-committee held on 21 May 2021.

DECIDED: That the Minute be approved.

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

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

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

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

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

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

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

The annual report for Scotland Excel formed the appendix to the report and outlined the role of internal audit, the performance of the internal audit team, the main findings from the internal audit work undertaken in 2020/21 and contained an audit assurance statement.

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

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

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

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

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

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

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

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

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

In order to adequately account for the impact of recent pandemic restrictions on retail businesses in this sector, and to ensure market preparedness for a tender in line with government advice, Scotland Excel were not proceeding to award lot 7, musical instruments, and had informed affected bidders and the UIG. Scotland Excel would carry out a tendering exercise for this lot in the coming weeks in line with applicable law and guidance.

Appendix 4 to the report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage.

The report intimated that, in accordance with Scotland Excel's established contract and supplier management programme, this framework had been classified as class C in terms of risk and spend, as detailed in Appendix 5 to the report.

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

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

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

The framework would provide councils and other participating bodies with a mechanism to procure a range of furniture suitable for classrooms, pre-5 environments, dining rooms, flexible learning and workspaces, office environments, meeting rooms and reception areas.

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

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

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

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

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

Appendix 4 to the report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage.

The report intimated that, in accordance with Scotland Excel's established contract and supplier management programme, this framework had been classified as class D in terms of risk and spend, as detailed in Appendix 5 to the report.

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

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

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

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

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

The report intimated that following publication of the Independent Care Review's report in February 2020, The Promise Team was established to implement the review's recommendations with the objective of keeping 'the Promise' to improve the care system. The Independent Care Review highlighted that the period between April 2021 and March 2024 would be a bedding-down period when the necessary legislative reform would be underway. This framework extension option allowed for a re-tender in 2024 if there were significant legislative reforms which required a restructuring of the framework.

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

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

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

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

Appendix 4 to the report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage.

The report intimated that, in accordance with Scotland Excel's established contract and supplier management programme, this framework had been classified as class B in terms of risk and spend, as detailed in Appendix 5 to the report.

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

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

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

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

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

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

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

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

scoring achieved by each bidder.

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

Appendix 4 to the report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage.

The report intimated that, in accordance with Scotland Excel's established contract and supplier management programme, this framework had been classified as class D in terms of risk and spend, as detailed in Appendix 5 to the report.

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

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

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

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

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

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

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

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

DECIDED: That the application by Sportscotland to become an associate member of Scotland Excel, with no annual membership fee, be approved subject to completion and signing of the agreement documentation.

6 **Date of Next Meeting**

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

Minute of Meeting Scotland Excel Executive Sub-committee

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

Present

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

Chair

Councillor Shaw, Convener, presided.

In Attendance

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

Apologies

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

Declarations of Interest

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

1 Minute

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

DECIDED: That the Minute be approved.

2 Chief Executive's Update Report

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

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

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

DECIDED: That the report be noted.

3 Revenue Budget Monitoring

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

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

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

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

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

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

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

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

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

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

DECIDED:

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

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

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

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

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

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

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

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

There was submitted a report by the Chief Executive of Scotland Excel advising that Caledonian Maritime Assets Limited (CMAL) had submitted an application to become an associate member of Scotland Excel.

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

DECIDED: That the application by Caledonian Maritime Assets Limited (CMAL) to become an associate member of Scotland Excel, with no annual membership fee, be approved subject to completion and signing of the agreement documentation.

Declaration of Interest

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

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

There was submitted a report by the Chief Executive of Scotland Excel advising that Heriot-Watt University had submitted an application to become an associate member of Scotland Excel.

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

DECIDED: That the application by Heriot-Watt University to become an associate member of Scotland Excel, with no annual membership fee, be approved subject to completion and signing of the agreement documentation.

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

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

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

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

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

There was submitted a report by the Chief Executive of Scotland Excel advising that West Granton Housing Co-operative Limited had submitted an application to become an associate member of Scotland Excel.

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

DECIDED: That the application by West Granton Housing Co-operative Limited to become an associate member of Scotland Excel, with an annual membership fee of £558, be approved subject to completion and signing of the agreement documentation.

6 **Contract Delivery Plan Update**

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

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

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

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

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

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

DECIDED: That the progress made to date be noted.

7 **Operating Plan Update 2021/22**

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

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

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

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

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

8 **Date of Next Meeting**

DECIDED: That it be noted that the next meeting of the Executive Sub-committee would be held at 9.30 am on 17 September 2021.

Minute of Meeting Scotland Excel Executive Sub-committee

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

Present

Provost Bill Howatson (Aberdeenshire Council); Provost Norman A Macdonald (Comhairle Nan Eilean Siar); Councillor Stephen Thompson (Dumfries & Galloway Council); Councillor Altany Craik (Fife Council); Councillor Ruairi Kelly (Glasgow City Council); Councillor Paul Di Mascio (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council); and Councillor Amanda Hawick (Shetland Islands Council).

Chair

Councillor Shaw, Convener, presided.

In Attendance

J Welsh, Chief Executive, S Brannagan, Head of Customer and Business Services, H Carr, Head of Strategic Procurement, L Campbell, Corporate Services Manager, L Richard, Strategic Procurement Manager, M Mitchell, Strategic Procurement Manager, J McKerrall, Strategic Procurement Manager, D Kerr, Senior Procurement Specialist, M Boyle, Senior Business Services Specialist, S Christie, Commercial Manager, and S Morrison, Project Account Manager and H Reed, Assistant Category Manager (all Scotland Excel); and M Conaghan, Legal & Democratic Services Manager, E Gray, Senior Committee Services Officer and P Shiach, Senior Committee Services Officer (all Renfrewshire Council).

Apologies

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

Declarations of Interest

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

1 Minute

There was submitted the Minute of the meeting of the Executive Sub-committee held on 20 August 2021.

DECIDED: That the Minute be approved.

2 Response to Scottish Government Consultation

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

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

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

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

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

DECIDED:

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

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

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

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

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

3 **Supply Chain Disruption and Price Volatility**

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

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

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

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

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

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

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

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

Based on the evaluation undertaken, and in line with the criteria and weightings set out in the report, it was recommended that a multi-supplier framework arrangement be awarded to five suppliers across the four lots, as outlined in Appendix 3 to the report. Appendix 4 to the report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage.

The report intimated that, in accordance with Scotland Excel's established contract and supplier management programme this framework had been classified as class D in terms of risk and spend, as detailed in Appendix 5 to the report.

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

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

There was submitted a report by the Chief Executive of Scotland Excel advising that the University of Stirling had submitted an application to become an associate member of Scotland Excel.

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

DECIDED: That the application by the University of Stirling to become an associate member of Scotland Excel, with no annual membership fee, be approved subject to completion and signing of the agreement documentation.

Sederunt

Councillor Kelly left the meeting prior to consideration of the following item of business.

6 **Employee Absence Management Report**

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

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

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

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

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

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

DECIDED: That the content of the report be noted.

7 **Date of Next Meeting**

DECIDED: That it be noted that the next meeting of the Executive Sub-committee would be held at 9.30 am on 22 October 2021.

Minute of Meeting Scotland Excel Executive Sub-committee

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

Present

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

Chair

Councillor Shaw, Convener, presided.

In Attendance

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

Apologies

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

Declarations of Interest

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

Order of Business

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

1 Minute

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

DECIDED: That the Minute be approved.

2 Revenue Budget Monitoring to 17 September 2021

There was submitted a joint revenue budget monitoring report by the Treasurer and the Chief Executive of Scotland Excel for the period 1 April to 17 September 2021.

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

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

DECIDED: That the report be noted.

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

There was submitted a report by the Chief Executive of Scotland Excel advising that Live Active Leisure Limited had submitted an application to become an associate member of Scotland Excel.

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

DECIDED: That the application by Live Active Leisure Limited to become an associate member of Scotland Excel, with no annual membership fee, be approved subject to completion and signing of the agreement documentation.

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

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

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

DECIDED: That the application by Zero Waste Scotland Limited to become an associate member of Scotland Excel, with no annual membership fee, be approved subject to completion and signing of the agreement documentation.

Declaration of Interest

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

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

There was submitted a report by the Chief Executive of Scotland Excel advising that the University of St Andrews had submitted an application to become an associate member of Scotland Excel.

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

DECIDED: That the application by the University of St Andrews to become an associate member of Scotland Excel, with no annual membership fee, be approved subject to completion and signing of the agreement documentation.

4 Date of Next Meeting

DECIDED: That it be noted that the next meeting of the Executive Sub-committee would be held at 9.30 am on 19 November 2021.

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

Minute of Meeting Scotland Excel Executive Sub-committee

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

Present

Provost Bill Howatson (Aberdeenshire Council); Councillor Angus Douglas (Angus Council); Provost Norman A Macdonald (Comhairle Nan Eilean Siar); Councillor Stephen Thompson (Dumfries & Galloway Council); Councillor Ian Cameron (substitute for Councillor Craik, Fife Council); Councillor Ruairi Kelly (Glasgow City Council); Councillor James Gray (Highland Council); and Councillor Joe Cullinane (North Ayrshire Council). Councillor Paul Di Mascio (North Lanarkshire Council); Councillor John Shaw (Renfrewshire Council) and Councillor Amanda Hawick (Shetland Islands Council).

Chair

Councillor Shaw, Convener, presided.

In Attendance

J Welsh, Chief Executive; H Carr, Head of Strategic Procurement; S Brannagan, Head of Customer and Business Services; L Campbell, Corporate Services Manager; N Howie, Procurement Co-ordinator; L Muir, Category Manager; K Forrest, Office Manager; L Robertson, Project and Account Manager and L McIntyre, Senior Communications Specialist (all Scotland Excel); and A MacArthur, Head of Finance; M Conaghan, Legal & Democratic Services Manager and K O'Neill, Assistant Democratic Services Officer (all Renfrewshire Council).

Apology

Councillor Andrew Johnston (City of Edinburgh Council).

Declarations of Interest

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

1 **Minute**

There was submitted the Minute of the meeting of the Executive Sub-committee held on 22 October 2021.

DECIDED: That the Minute be approved.

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

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

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

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

DECIDED: That the report be noted.

3 **Revenue Estimates 2022/23**

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

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

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

DECIDED:

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

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

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

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

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

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

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

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

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

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

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

Appendix 4 to the report detailed the approach taken by suppliers in relation to fair work practices and their position on the payment of the Real Living Wage.

The report intimated that, in accordance with Scotland Excel's established contract and supplier management programme, the framework had been classified as class D in terms of risk and spend, as detailed in Appendix 5 to the report.

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

5 **Update on the Contract Delivery Plan**

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

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

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

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

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

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

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

DECIDED: That the progress made to date be noted.

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

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

DECIDED:

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

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

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

7 **Date of Next Meeting**

DECIDED: That it be noted that the next meeting of the Executive Sub-committee would be held at 9.30 am on 10 December 2021.

Scotland Excel

To: Joint Committee

On: 10 December 2021

**Report by:
The Treasurer and Chief Executive**

Revenue Estimates 2022/23

1. Summary

- 1.1 The following report has been prepared by the Treasurer, in consultation with the Chief Executive, to present the Revenue Estimates of Scotland Excel including the requisition of the constituent authorities for the financial year 2022/23 along with indicative planning figures for 2023/24 and 2024/25.

2. Recommendations

- 2.1 It is recommended that members:

- approve the Revenue Estimates of Scotland Excel for the financial year 2022/23 as shown in Table 1 of Appendix 1;
- approve the requisitions from constituent authorities detailed in Appendix 2; and
- note the indicative estimates for 2023/24 and 2024/25.

3. Background

- 3.1 The annual Revenue Estimates process outlines the summary revenue budget position for the organisation. The budget estimates provided in the attached Appendix 1 outline the projected position and proposed requisitions for 2022/23 and outline an indicative projected position for 2023/24 and 2024/25. The assumptions used in developing these projections are outlined in sections 4 and 5 below.
- 3.2 The financial environment within which Scotland Excel and its member authorities currently operate continues to be characterised by uncertainty due to the ongoing impact of the COVID-19 pandemic and the emerging impact of Brexit. These factors have influenced the revenue budget estimates for 2022/23, 2023/24 and 2024/25 contained within this report. Indeed, figures presented for 2023/24 and 2024/25 should be treated as indicative only and will be subject to constant review as economic conditions develop post pandemic and post Brexit.

- 3.3 It is anticipated that, due to the impact of these factors, local government in Scotland is likely to face further challenges in relation to available resource over the coming years. In this context, Scotland Excel will continue to seek operational efficiencies, to manage its financial position flexibly in order to maintain its aim of minimising the level of requisition required, and also to develop value propositions for member authorities to ensure that best value is achieved.
- 3.4 Scotland Excel has provided an update on the proposed requisition increase to a number of stakeholder groups including; SOLACE, the Chief Executive Officers Management group, PiP Steering group (procurement managers) and the CIPFA Finance Directors forum. Whilst the need for a requisition increase has been recognised by stakeholders, the challenging financial landscape was also articulated.

4. Budget Assumptions

- 4.1 The expenditure budget is based on the following assumptions:
- 4.2 An estimated budget provision of 3% in relation to a pay award for 2022/23 has been included in the budget forecast. An estimated 3% increase has also been added to the Employee Costs element of the indicative figures shown for 2023/24 and 2024/25. These are estimates only, used to provide indicative figures for 2023/24 and 2024/25 and should be viewed taking the current economic and operational uncertainty into consideration. It should be noted that the 2021/22 pay award has not yet been agreed and this will influence the total pay bill in the period covered by this report.
- 4.3 In line with previous years practice, no standard inflationary adjustment has been made to non-salary expenditure lines. Any individual adjustments made are detailed in paragraph 4.4 below.
- 4.4 Adjustments to existing budgets have been made to specific expenditure lines to reflect operational demand in relation to:
- **Employee Costs** – in addition to the 3% pay inflation noted above, employee costs also include recognition of the one-year Social Care National Insurance levy of 1.25% and employee increment payments. As in previous years, there is a staffing turnover assumption of 5%.
 - **Property Costs** – no inflationary element applied.
 - **Transport Costs** – no inflationary element applied.

- **Transfer Payments** – as the Apprenticeship Levy directly relates to Employee costs, £2k has been added to this budget line.
- **Supplies and Services** – budget has been increased by £20k reflecting increased costs in relation to legal support for the growing Scotland Excel framework portfolio.
- **Support Costs** - budgetary provision for Insurances has been increased by £6k in line with the forecast outturn for 2021/22.

4.5 Income estimates include the following assumptions and adjustments to existing budgets:

- **Council Requisitions** – At the Joint Committee in December 2020, members noted an indicative 3% increase in requisition for 2022/23 and this has now been applied (see also section 7 below).
- **Associate Income** – The budget has been amended to reflect pre-COVID estimates and in light of a projected over-recovery against budget during 2021/22.
- **Income from Projects** – Includes anticipated income from several Projects, including New Build Housing, Consultancy Services and Learning and Development (Academy). Further detail on the estimated income generated by each of these elements is presented in section 5 below.
- **Rebates** – Income from Rebates during 2022/23 has been amended in line with current forecasts in relation to the increasing number of Scotland Excel frameworks with rebates attached. Further detail in relation projected Rebate income for 2022/23, 2023/24 and 2024/25 is also presented in section 5 below.

4.6 In total, estimated non-requisition income for 2022/23 totals £1,049k representing 21% of operating costs for the year. Indicative figures for estimated non-requisition income 2023/24 and 2024/25 are 22% and 21% respectively.

4.7 The current projected outturn position for 2021/22 is a break-even position for Core activities. Income and expenditure will continue to be monitored closely throughout the financial year and reported regularly to the Executive Sub-Committee.

5. Income from Projects

5.1 **New Build Housing** – Income provision from the New Build project (£45k) is in line with projections noted by the Joint Committee in December 2020 and takes into consideration the continuing volatile environment within the construction industry.

- 5.2 **Consultancy Services** – Income provision from Consultancy projects has been projected at £211k for 2022/23 reflecting the confirmed consultancy project portfolio at time of writing and the growing market utilisation of the Flexible Procurement options being offered by Scotland Excel.
- 5.3 The Consultancy project pipeline continues to bounce back after being adversely affected by the COVID-19 pandemic. The Scotland Excel Flexible Procurement options being offered to partners continue to grow in popularity, particularly in light of the challenging recruitment environment currently being experienced across the sector.
- 5.4 **Learning and Development (Academy)** – Income provision from the Scotland Excel Academy for 2022/23 has been projected at £30k to reflect the continuing journey back to pre-pandemic activity levels. Transition from a high quality face-to-face, longer-term learning experience to an online environment continues to present challenges for the Academy; however, it is forecast to achieve its target contribution of £20k for 2021/22.
- 5.5 Overall, income from New Build Housing (£45k), Consultancy (£211k) and the Scotland Excel Academy (£30k) will contribute £286k to core operating costs recorded under Income from Projects.
- 5.6 **Rebates** – Income provision from Rebates for 2022/23 has been projected at £543k. This projection reflects the increasing number of Scotland Excel frameworks anticipating a rebate on activity during 2022/23.
- 5.7 Income from Rebates for Scotland Excel depends entirely on expenditure levels made through its frameworks. During the COVID-19 and Brexit periods, expenditure levels across Scotland Excel frameworks have varied significantly from pre-pandemic/Brexit levels. Expenditure through some frameworks has reduced significantly (Construction, Building Supplies), while others have experienced an increase in expenditure (Janitorial Supplies).
- 5.8 Estimated framework spend for 2022/23, 2023/24 and 2024/25 is derived from a range of management information including historical spend, COVID-19 impact and market intelligence. This information is then used to estimate total framework spend, from which a Rebate figure is calculated.
- 5.9 Scotland Excel will monitor expenditure levels across all its frameworks to ensure Rebate levels continue to be achievable and will report any significant variation to budget to the Executive Sub-Committee.

6. Financial Overview

- 6.1 As outlined above, the financial outlook in the short and medium-term continues to be characterised by economic and operational uncertainty. At this point, areas of financial risk for the Joint Committee include the uncertain impact of both the COVID-19 pandemic and Brexit on Scottish Government funding allocations and on inflation.
- 6.2 Members will be aware that a new funding model was approved at the June 2018 Joint Committee, which sees Core operations funded from both requisitions and income generated from a range of other sources. This move to a more commercial funding model has increased the overall level of financial risk to the organisation, which requires to be appropriately mitigated through a prudent level of reserves.
- 6.3 It is estimated that Core uncommitted reserves will amount to £249k at the end of the 2021/22 financial year, which represents 5.6% of anticipated operating income in that year. This balance will be held to protect against any unforeseen costs that may arise as a result of the current levels of economic uncertainty. The minimum level of uncommitted reserves balance recommended by the Treasurer is 5%.
- 6.3 The information provided in Appendix 1 outlines the forecast year-end financial position for 2021/22 and estimates for 2022/23, 2023/24 and 2024/25. The funding streams, set out within the Funding Model Review approved by members at the June 2018 Joint Committee, have been incorporated into these estimates, making allowance where appropriate for the current economic uncertainty. These include the use of Associate income and income that is expected to be earned and generated by Projects during 2021/22. A 3% requisition increase has therefore been recommended for financial year 2022/23 in line with the figure noted by the Joint Committee in December 2020.
- 6.4 Indicative figures have also been included within the paper for financial years 2023/24 and 2024/25. In relation to requisition levels, the figures presented to the Joint Committee in December 2020 have been reviewed in light of experience during the current year and the ongoing uncertainty around the continuing impact of the pandemic and Brexit. Indicative figures for 2023/24 and 2024/25 now propose a 3% increase in both years to address anticipated inflationary cost increases and to mitigate against further inherent operational risk.
- 6.5 Members will note that a memorandum section is detailed in Appendix 1 (Table 2) relating to the projects that Scotland Excel operates. The funding relating to these projects is not covered by requisition income and the income and expenditure shown are for information purposes only. Project expenditure and

income will vary each financial year and are generally short-term in nature, therefore only the 2022/23 figures, as known at this time, are provided. As outlined above, projects are forecast to contribute income towards Core activities during the forthcoming financial year.

7 2022/23 Member Authority Requisitions

- 7.1 An increase of 3% has been recommended for 2022/23 for member authority requisitions, as detailed in Appendix 2 of this report. As per the Minute of Agreement, member requisitions are calculated by aggregating a fixed annual membership fee, which is 20% of requisition total, with the remainder based on each member council's population as a proportion of total member population. For 2022/23, population numbers have been sourced from the 2019 mid-year population estimates published by the National Records of Scotland. It should be noted that the requisitions outlined do not include amounts payable by councils in relation to the National Care Home Contract.
- 7.2 In addition to member authority requisitions for 2022/23, Appendix 2 also details the estimated savings and estimated cost avoidance accrued by member authorities during 2020/21. Joint Committee representatives and all local authorities received their annual value reports during November 2021 detailing savings, cost avoidance, rebates and other member benefits.
- 7.3 Any future events that may materially affect these finances will be the subject of a report to the Joint Committee.
- 7.4 The requisition funding drawdown will be invoiced annually during October, in accordance with arrangements made by the Treasurer.

Appendix 1

Scotland Excel Revenue Estimates

	2021/22 Revised Budget £000	2021/22 Forecast outturn £000	2022/23 Proposed Budget £000	2023/24 Indicative Budget £000	2024/25 Indicative Budget £000
Core Activity					
Employee Costs - direct	3,652	3,661	4,039	4,153	4,278
Employee Costs - indirect			57	107	107
Property Costs	217	216	217	217	217
Transport Costs	20	8	20	20	20
Supplies and Services	291	282	311	312	313
Transfer Payments	14	14	16	17	18
Support Costs	266	272	272	272	272
Total Core Operating Costs	4,460	4,453	4,932	5,098	5,225
Council Requisitions	(3,770)	(3,770)	(3,883)	(3,999)	(4,119)
Associate Income	(180)	(190)	(220)	(230)	(240)
Income from Projects	(297)	(280)	(286)	(286)	(286)
Rebates	(213)	(213)	(543)	(583)	(580)
Total Core Operating Income	(4,460)	(4,453)	(4,932)	(5,098)	(5,225)
Core Operating Deficit/(Surplus)	0	0	0	0	0
Uncommitted (Core) Reserves					
Opening balance at 1 April	235	249	249	249	249
Use of Reserves	0	0	0	0	0
Closing balance at 31 March	235	249	249	249	249
% of Operating Income	5.3%	5.6%	5.0%	4.9%	4.8%
Project Activity					
Employee Costs	1,163	1,653	1,416		
Transport Costs	7	3	4		
Supplies and Services	52	51	10		
Transfer Payments	2	4	5		
Third Party Payments	155	266	501		
Total Project Costs	1,379	1,977	1,936		
Income from Projects	(1,227)	(2,084)	(2,111)		
Project Deficit/(Surplus)	152	(107)	(175)		
Transfer to Core	252	280	286		
Transfer from Project Reserves	404	173	111		
Project Reserves					
Opening balance at 1 April	454	772	599		
Use of Reserves	(404)	(173)	(111)		
Closing balance at 31 March	50	599	488		
% of Operating Income	4.1%	28.7%	23.1%		

Appendix 2

Member Requisitions 2022/23 & Savings Achieved 2020/21

Requisition by Authority	2021/22	2022/23	Savings Achieved 20/21	Cost Avoidance 20/21	Savings + Cost Avoidance
Aberdeen City	£149,800	£154,289	£355,459	£127,800	£483,259
Aberdeenshire	£167,763	£172,791	£404,828	£127,800	£532,628
Angus	£87,710	£90,340	£153,457	£127,800	£281,257
Argyll and Bute	£70,967	£73,094	£219,367	£127,800	£347,167
City of Edinburgh	£313,348	£322,741	£705,432	£127,800	£833,232
Clackmannanshire	£52,013	£53,574	£170,714	£127,800	£298,514
Dumfries and Galloway	£105,741	£108,910	£219,675	£127,800	£347,475
Dundee City	£105,993	£109,171	£237,255	£127,800	£365,055
East Ayrshire	£90,918	£93,643	£251,977	£127,800	£379,777
East Dunbartonshire	£83,537	£86,041	£198,700	£127,800	£326,500
East Lothian	£82,681	£85,160	£139,686	£127,800	£267,486
East Renfrewshire	£76,300	£78,587	£351,133	£127,800	£478,933
Falkirk	£112,382	£115,750	£874,189	£127,800	£1,001,989
Fife	£229,780	£236,667	£525,108	£127,800	£652,908
Glasgow City	£373,073	£384,257	£649,125	£127,800	£776,925
Highland	£153,752	£158,361	£122,438	£127,800	£250,238
Inverclyde	£66,512	£68,506	£161,214	£127,800	£289,014
Midlothian	£74,603	£76,841	£85,951	£127,800	£213,751
Moray	£76,460	£78,752	£62,256	£127,800	£190,056
Na h-Eileanan Siar	£38,313	£39,462	£67,326	£127,800	£195,126
North Ayrshire	£97,946	£100,881	£253,955	£127,800	£381,755
North Lanarkshire	£212,013	£218,370	£535,290	£127,800	£663,090
Orkney Islands	£35,857	£36,932	£18,054	£127,800	£145,854
Perth and Kinross	£107,447	£110,667	£422,231	£127,800	£550,031
Renfrewshire	£122,433	£126,104	£420,981	£127,800	£548,781
Scottish Borders	£87,330	£89,947	£92,563	£127,800	£220,363
Shetland Islands	£36,216	£37,301	-£759.00	£127,800	£127,041
South Ayrshire	£85,729	£88,298	£165,209	£127,800	£293,009
South Lanarkshire	£200,511	£206,520	£360,779	£127,800	£488,579
Stirling	£75,571	£77,836	£117,007	£127,800	£244,807
West Dunbartonshire	£72,657	£74,834	£428,226	£127,800	£556,026
West Lothian	£124,643	£128,379	£310,160	£127,800	£437,960
	£3,770,000	£3,883,008	£9,078,986	£4,089,600	£13,168,586

***Cost Avoidance calculation** - the number of new and renewed Scotland Excel frameworks that went live in the financial year is multiplied by the average number of councils participating in those frameworks then multiplied by £12,000. This sectoral figure is then allocated evenly across the 32 local authorities."

Scotland Excel

To: Joint Committee

On: 10 December 2021

**Report by:
Chief Executive of Scotland Excel**

Contract Delivery Plan Update

1. Introduction

This report provides a progress update on the 2021/ 2022 contract delivery plan.

2. Progress to Date

As detailed in Appendices 1 – 4, the 2021/ 2022 contract delivery plan details new framework developments and renewals, framework extensions and frameworks with ongoing contract management only.

There are 74 current frameworks in the Scotland Excel contract portfolio, with 4 further new frameworks to be added and 25 of these frameworks to be renewed before 31 December 2022 (Appendix 1).

A further 16 of the frameworks on the current portfolio have extension options that are likely to be exercised in 2021/ 2022, with 5 of these extensions already approved.

The estimated forecast value of the Scotland Excel framework portfolio by 31 March 2022 will be approximately £2Billion.

Overall, efficiencies delivered to date in 2021/ 2022 are 3.07%, which is slightly above the forecast range.

A summary of spend and forecast savings per council between July 2020 and June 2021 can be found in appendix 5, with an average forecast efficiency of c.1.72%.

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

The Care and Support Flexible Framework went live on 1 April 2020. The framework has currently 119 providers offering over 460 Services.

There has been a steady increase in uptake since the framework start date with 13 councils having confirmed they are utilising the framework. Indicative baseline data submitted by 10 councils projected to the end of the financial year (31 March 2022) indicates support packages for around 4,700 service users will be in place by the end of March 2022.

The framework was re-opened in October enabling new providers to apply to join the framework from April 2022.

The Flexible Framework Agreement for the provision of Social Care Agency Workers is due to expire on 31st July 2022. This framework currently covers the provision of agency staff in social care roles, social work and other professional roles and ancillary support roles. The third-generation framework is anticipated to go live on the 1st August 2022. Consultation to help inform the strategy development work is due to begin shortly with sessions for suppliers and purchasers scheduled for December 2021.

Negotiations in relation to the National Care Home Contract (NCHC) rates for 2022/23 began in early November. An interim increase is required to take effect from 1st December to reflect Scottish Government's workforce increase as part of winter planning measures. Implementation of Scottish Government's adult annual social care increase will need to be considered along with detailed discussion on cost pressures faced by the sector.

Scotland Excel has been consulting with key stakeholders in relation to future plans for the national framework for Children's Residential Care & Education. This work seeks to understand the potential impact on the sector of policy change coming from the work of The Promise and to determine how best to reflect this in the national arrangement.

The activity under the New Build Residential Construction Framework has continued to grow as our members have renewed their activity on new build housing projects. To date, the framework has 14 awarded projects which together are delivering over 550 homes and also a care facility. Twelve projects are live on site and are already delivering substantial local benefits, with over £32 million being awarded to local contractors and subcontractors. It is anticipated that in total 22 projects with a combined value of c£230m will be awarded through the framework by the end of 2021/22.

Supply Chain disruption is having a significant impact on construction materials. Scotland Excel is deploying a range of measures to manage the impact on council members. Part of that strategy includes consolidating the number of frameworks associated with these product groupings. By doing this it will simplify the contract management arrangements for both the supply base and the operational teams using the framework. Building and Timber Materials, Plumbing and Heating Materials, Electrical Materials, Trades Materials and Power Tools will be combined into a multi-lotted framework which will mean fewer tender responses for the supply market and a simplified call off for end users. As part of this rationalisation Gas Boiler Maintenance services will also be aligned with maintenance services across a wider scope. Regulation 72 will be used to harmonize the end dates of the affected frameworks.

Scotland Excel has developed a new process for undertaking opportunity assessments for OSS (Operational Supplies and Services) contracts to understand how these frameworks have operated, for example their participation and spend profile. These opportunity assessments will be used to inform discussions with councils as to whether it is viable to renew each of these frameworks or, for example, if their scope should be changed significantly. This will ensure that the contracts within the OSS team continue to meet council requirements.

Supply Chain disruption also continue to have a major impact on supply across the Scotland Excel food portfolio. Suppliers continue to be impacted by the industry-wide, global supply chain challenges. The primary challenge for suppliers is a shortage of staff. When combined with knock-on impacts to production and haulage capacity, this is affecting the ability of many of our suppliers to deliver to members on time and in full.

Multiple categories and product types are affected, from farm to fork, whether sourced from the UK, the EU or from further afield. These challenges have been ongoing since the market reopened summer 2021, and are forecast to continue until beyond Christmas, and even further into 2022 in some parts of the country. Scotland Excel will continue to work closely with suppliers and members to ensure communication is managed during this uncertain period.

The next generation of the Frozen Foods framework is currently under evaluation and will be presented to the Executive Sub Committee in January 2022. Scotland Excel will then begin work on the development of the renewal for Fresh Meats, Cooked Meats and Fresh Fish.

A new category manager has been appointed to oversee the management of the ICT and digital category and to lead the development of sourcing strategies to deliver value for money and improved services for our members. The category manager will work with strategic partners such as the Digital Office for product/service development, research, innovation and working collaboratively to improve digital access across Scotland.

3. Conclusion

Members are invited to note the progress made to date.

Appendix 1 – List of New or Renewal Contracts until December 2022

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
Electric Vehicle Charging Points	20,000,000	New Contract	Aug-20	Dec-21		Feb-21	5.5%		Tender is currently out to the market, schedule to close December 2021.
Lift Maintenance (OSS)	1,250,000	New Contract	Mar-20	Mar-21		Cancelled	5.5%		After consulting with members it is not a viable option to take forward as a tender exercise. Can be discussed further at commercial UIGs should this be a requirement in the future.
Building Construction Consultancy	18,750,000	New Contract	May-21	Mar-22		Apr-22	2% - 4%		Initially merged with Engineering Consultancy but delayed due to separate service offering. Strategy Consultation commenced. Forecast start date May 2022.
Waste Composition Analysis	750,000	New Contract	Jun-21		May-21		5.50%	0%	Approved by Executive Sub Committee May 2021. Contract effective 09/06/2021
Digital Telecare	4,000,000	New Contract	Apr-21			Aug-21	5.5%		Approved by Executive Sub Committee August 2021
Musical Instruments	1,750,000	New Contract	Oct-21	Nov-21		Dec-21	5.5%	5%	Will be presented to Executive Sub Committee December 2021
Property Repair, Maintenance and Refurbishment	100,000,000	New Contract	Dec-22				2%-4%		Opportunity Assessment
Online School Payments	3,000,000	Renew	Apr-20	Apr-21		Sep-21	2% - 4%		Approved by Executive Sub Committee September 2021
Vehicle Parts	12,000,000	Renew	Jan-21	Apr-21	Apr-21		2% - 4%	1.4%	Approved by Executive Sub Committee April 2021.
Education and Office Furniture	5,000,000	Renew	Mar-21	May-21	Jun-21	Aug-21	2% - 4%	1.27%	Approved by Executive Sub Committee June 2021.
Outdoor Play and Sports Facilities	15,000,000	Renew	Mar-21	Mar-22		May-22	2% - 4%		A reg 72 extension has been taken out on this will now go to May Committee with a July 2022 start date
Fostering and Continuing Care	34,000,000	Renew	Mar-21		Jun-21	Jul-21	N/A	N/A	Approved by Executive Sub Committee June 2021.
Organic Waste	12,000,000	Renew	Apr-21		Jun-21	July'21	2%-4%	0%	Approved by Executive Sub Committee June 2021.
Energy Efficiency Contractors	200,000,000	Renew	May-21	Nov-21		Feb-22	2% - 4%		Will be presented to Executive Sub Committee December 2021

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	Jul-21	Dec-22		Jan-22	2% - 4%		Will be presented to Executive Sub Committee January 2022
Education Materials	17,500,000	Renew	Aug-21	May-21	Jun-21		2% - 4%	0.50%	Approved by Executive Sub Committee June 2021.
Personal Protective Equipment	10,000,000	Renew	Mar-21	Oct-21		Mar-22	2% - 4%		Strategy approved, tender in development
Laundry Equipment	1,100,000	Renew	Nov-21			Not being renewed	2% - 4%		Opportunity Assessment was undertaken and showed limited spend and participation to date. Framework will not be renewed.
Bottled Gas	2,000,000	Renew	Nov-21			Not being renewed	2% - 4%		Opportunity Assessment was undertaken and showed limited spend and participation to date. Framework will not be renewed.
Pest Control Services	1,500,000	Renew	Nov-21	Nov-21		Jan-22	2% - 4%		Tender published 10/11/2021, due to close 8/12/2021
Steeplejack Services	1,750,000	Renew	Dec-21	Oct-21		Mar-22	2% - 4%		Strategy approved. Delays due to legal support.
Heavy Vehicles	25,000,000	Renew	Jan-22				2% - 4%		Tender published 11th October. Recommendations to go to January Executive Sub-Committee, go live early February
Tyres for Vehicles and Plant	6,500,000	Renew	Nov-21	Jan-22		Jan-22	2% - 4%		Tender published 29th September. Recommendations to go to January Executive Sub-Committee, go live early February.
Vehicle and Plant Hire	15,000,000	Renew	Nov-21	Feb-22			2% - 4%		Tender documents going through final legal checks prior to publishing. Recommendations to go to February Executive Sub-Committee.
Recycle and Refuse Containers	8,000,000	Renew	Nov-21	Dec-21		Dec-21	2% - 4%		Will be presented to Executive Sub Committee December 2021
Water Coolers	1,500,000	Renew	Jan-22	Jan-22		Feb-22	2% - 4%		PIN notice issued, strategy under development]
Repair of Catering Machines	2,000,000	Renew	Jan-22	Jan-22		Feb-22	2% - 4%		PIN notice issued, strategy under development]
Swimming Pool Chemicals	1,250,000	Renew	Jan-22			Not being renewed	2% - 4%		Opportunity Assessment was undertaken and showed limited spend and participation to date. Framework will not be renewed.
Library Books & Textbooks	14,000,000	Renew	Feb-22	Feb-22		Mar-22	2% - 4%		Strategy in development
Digital Publications and Services	1,000,000	Renew	Feb-22	Feb-22		Mar-22	2% - 4%		Strategy in development
Trade Materials	10,000,000	Renew	Feb-22				2% - 4%		Regulation 72 extension progressing through governance, new end date will align with merged Construction Materials framework.
Milk	9,000,000	Renew	Mar-22			Nov-21	2% - 4%		Approved by executive Sub Committee November 2021

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
Children's Residential	105,400,000	Renew	Mar-22				n/a		Options for the future of the framework are being considered in line with changes in national policy direction.
Fire Safety Products	2,500,000	Renew	Apr-22				2%-4%		Opportunity Assessment to be undertaken to confirm requirements/spend
Roadstone	5,000,000	Renew	Jul-22				2%-4%		Pending
Salt for winter maintenance	16,250,000	Renew	Jul-22				2%-4%		Pending
Street Lighting Materials	35,000,000	Renew	Aug-22				2%-4%		Pending
Road Maintenance Materials	2,500,000	Renew	Sep-22				2%-4%		Pending
First Aid Materials	2,000,000	Renew	Sep-22				2%-4%		Opportunity Assessment to be undertaken to confirm requirements/spend
Washroom Solutions	14,000,000	Renew	Sep-22				2%-4%		Pending
Fresh Meats, Cooked Meats and Fresh Fish	40,000,000	Renew	Sep-22				2%-4%		Pending
Commercial Catering Equipment	4,000,000	Renew	Oct-22				2%-4%		Opportunity Assessment to be undertaken to confirm requirements/spend
Construction Materials	70,000,000	Renew	Apr-23				2%-4%		Opportunity Assessment

Appendix 2 – Flexible Contracts until December 2022

Service	Estimated Annual Collaborative Contract Opportunity	Activity	Anticipated Re-Opening Date	Comments
Care and Support	£140,000,000	Flexible Framework Agreement	In Progress	The framework is currently open for new providers to apply to join. It is anticipated that successful new providers will be able to offer services under the framework from April 2022
Care Homes For Adults With Learning Disabilities Including Autism	£26,500,000	Flexible Framework Agreement	TBC	The survey findings have indicated that there was sufficient interest to initiate discussions at a future User Intelligence Group (UIG) to further develop the framework and reopening pending market consultation.
Social Care Agency Workers	£20,000,000	Flexible Framework Agreement	TBC	Determined by the requirements of Purchasing Authorities. To be retendered, date to be confirmed with suppliers joining for 1st August 2022.
Bikeability Scotland Training Providers	£300,000	Dynamic Purchasing System (DPS)	N/A	New entrants may be approved at any point during the lifetime of the DPS
Recyclable and Residual Waste	£40,000,000	Dynamic Purchasing System (DPS)	N/A	New entrants may be approved at any point during the lifetime of the DPS
Digital Telecare	£4,000,000	Dynamic Purchasing System (DPS)	N/A	New entrants may be approved at any point during the lifetime of the DPS

Appendix 3 – Contracts with extension options and contract management activity ongoing until December 2022

Contract Description	Est Annual Value
Asbestos	£12,000,000
Boiler Maintenance	£10,000,000
Grounds Maintenance Equipment	£6,000,000
Groceries and Provisions	£30,000,000
Fresh Bread Rolls and Bakery Products	£1,500,000
Fresh Fruit and Vegetables	£1,500,000
Hot Beverages (OSS)	£1,000,000
Energy Advice (OSS)	£1,000,000
Vending Machines (OSS)	£1,250,000
Cleaning Equipment (OSS)	£2,250,000
Alcoholic Beverages (OSS)	£1,250,000
Sheriff Officers (OSS)	£1,100,000
Technology Enabled Care	£6,300,000
Demolition Services	£18,000,000
New Build Residential Construction	£375,000,000
Secure Care	£17,500,000

Contracts which are shaded have been approved for extension

Appendix 4 - Contracts with no renewal or extension activity and contract management activity ongoing until December 2022

Contract Description	Est Annual Value	Contract Description	Est Annual Value
Audio Visual	£7,500,000	Plumbing and Heating Materials	£22,500,000
Bitumen Products	£12,000,000	Road Signage Materials	£1,250,000
Building and Timber	£15,000,000	Security Services and Cash Collection	£12,500,000
Catering Sundries	£6,000,000	Social Care Case Management Solutions	£7,000,000
Community Meals	£4,000,000	Vehicle Purchase RM6060	£10,000,000
Electrical Materials	£20,000,000	Waste Disposal Equipment	£1,250,000
Janitorial Products	£12,000,000	Supply Teacher Booking System	£300,000
Light and Heavy Plant	£10,000,000	Domestic Furniture and Furnishings	£26,000,000
Waste Composition Analysis	£750,000	Engineering and Technical Consultancy	£17,125,000
Vehicle Parts	£12,000,000	Organic Waste	£12,000,000
Fostering and Continuing Care	£34,000,000		

Appendix 5 – Expenditure summary per Council: Jul'20 – Jun'21

Member Organisation	Sum of Actual Spend	Sum of Forecast Spend	Variance	% of Total Actual Spend	Sum of Estimated Saving	% Saving
The City of Edinburgh Council	£45,136,129	£34,112,422	132.3%	6.92%	£789,908	1.75%
Glasgow City Council	£43,049,498	£52,015,882	82.8%	6.60%	£762,550	1.77%
Fife Council	£42,107,637	£113,111,492	37.2%	6.45%	£640,188	1.52%
South Lanarkshire Council	£38,970,107	£68,073,112	57.2%	5.97%	£434,159	1.11%
Aberdeenshire Council	£34,476,560	£39,228,746	87.9%	5.28%	£446,727	1.30%
Associate Members	£31,713,146	£58,198,074	54.5%	4.86%	£490,616	1.55%
West Lothian Council	£28,661,467	£28,511,140	100.5%	4.39%	£364,352	1.27%
Falkirk Council	£28,658,578	£44,972,329	63.7%	4.39%	£1,019,393	3.56%
Aberdeen City Council	£27,598,423	£36,362,466	75.9%	4.23%	£518,640	1.88%
West Dunbartonshire Council	£25,243,709	£26,312,727	95.9%	3.87%	£528,370	2.09%
The Highland Council	£25,046,129	£29,130,509	86.0%	3.84%	£166,660	0.67%
North Lanarkshire Council	£21,684,782	£58,322,714	37.2%	3.32%	£538,609	2.48%
North Ayrshire Council	£21,343,674	£51,515,266	41.4%	3.27%	£314,976	1.48%
Dundee City Council	£19,589,464	£15,131,022	129.5%	3.00%	£264,611	1.35%
Renfrewshire Council	£17,871,465	£39,460,389	45.3%	2.74%	£434,747	2.43%
East Lothian Council	£15,658,525	£13,454,253	116.4%	2.40%	£201,674	1.29%
Argyll and Bute Council	£13,984,480	£10,052,226	139.1%	2.36%	£253,452	1.81%
Dumfries and Galloway Council	£15,230,035	£13,164,003	115.7%	2.33%	£276,068	1.81%
East Ayrshire Council	£15,171,016	£16,345,970	92.8%	2.33%	£287,716	1.90%
Scottish Borders Council	£13,188,554	£13,436,482	98.2%	2.02%	£112,708	0.85%
Perth and Kinross Council	£12,515,946	£11,037,217	113.4%	1.92%	£414,798	3.31%
Tayside Contracts	£12,473,006	£12,345,377	101.0%	1.91%	£225,887	1.81%
Stirling Council	£12,325,900	£8,995,147	137.0%	1.89%	£131,213	1.06%
South Ayrshire Council	£12,168,532	£20,189,524	60.3%	1.87%	£141,222	1.16%
The Moray Council	£11,178,761	£23,548,339	47.5%	1.71%	£104,566	0.94%
East Dunbartonshire Council	£10,809,022	£10,605,548	101.9%	1.66%	£205,755	1.90%
Inverclyde Council	£10,802,337	£8,021,292	134.7%	1.66%	£212,144	1.96%
Clackmannanshire Council	£10,117,463	£12,975,917	78.0%	1.55%	£194,372	1.92%
East Renfrewshire Council	£9,555,038	£12,094,012	79.0%	1.46%	£409,562	4.29%
Angus Council	£8,863,087	£17,191,476	51.6%	1.36%	£156,693	1.77%
Midlothian Council	£7,981,931	£12,180,758	65.5%	1.22%	£119,439	1.50%
Orkney Islands Council	£2,952,504	£2,370,786	124.5%	0.45%	£13,822	0.47%
Shetland Islands Council	£2,765,548	£3,159,783	87.5%	0.42%	£5,241	0.19%
Comhairle nan Eilean Siar	£2,160,109	£5,131,223	42.1%	0.33%	£36,934	1.71%
Total	£651,052,560	£920,757,622	N/A	100.00%	£11,217,773	1.72%

Scotland Excel

To: Joint Committee

On: 10 December 2021

**Report by:
Chief Executive of Scotland Excel**

Operating Plan Update 2021-22

1. Summary

- 1.1 In June 2018, Scotland Excel's Joint Committee approved a new five-year corporate strategy supported by annual operating plans. Due to the impact of the Covid-19, the annual planning process was suspended and an interim operating plan created to guide activities until the end of 2020.
- 1.2 In December 2020, the Joint Committee approved a new operating plan which covers the fifteen-month period from January 2021 to March 2022. To simplify reporting, the number of commitments in the plan was reduced from 68 detailed commitments to 30 broader commitments. These align to more than 120 specific actions that have been cascaded to staff as part of Scotland Excel's Performance Review and Development (PRD) programme.
- 1.3 Reports are issued quarterly to track progress made towards the delivery of the commitments contained within the operating plan. This paper presents the most recent report which covers operating plan activity for the nine-month period to 30 September 2021.

2. Progress since September

- 2.1 As of the end of September 2021, twenty-four operating plan commitments were progressing in line with plans and are indicated as green within the report, including a growing number of chargeable projects and programmes that contribute towards Scotland Excel's income targets.
- 2.2 Four commitments are indicated as amber within the report, three of which relate to the uncertainty created by proposals for a National Care Service. Scotland Excel is closely monitoring this situation while continuing to deliver national care commissioning activities in line with plans. The fourth amber commitment refers to the project to develop a competitor analysis model which progressed more slowly than anticipated during Q2. However, the

project is delivering positive results and is expected to be completed by the end of the financial year.

- 2.3 One commitment, the reopening of the flexible framework for care and support services, was completed during the first quarter and is indicated as black within the report. However, this framework is now reopening for a second time, and progress from Q3 will revert to red, amber and green indicators.
- 2.4 The commitment to reinstate the Coaction learning and development approach is indicated as white within the report, and an event to progress this is currently scheduled for delivery towards the end of the financial year.
- 2.5 The next quarterly report, covering the period from 01 October to 31 December 2021, will be published in January. Some key activities that have taken place during this period are noted below by way of an interim update for the Joint Committee.
- 2.6 Following extensive stakeholder engagement, and approval from the Joint Committee, Scotland Excel submitted its response to the Scottish Government's National Care consultation. Scotland Excel's views on national care commissioning have featured in several key publications and the consultation submission is available to download from the website.
- 2.7 Scotland Excel held a Supporting Scotland's Green Recovery webinar on 28 October to align with the COP26 conference and its call for "collaboration between governments, businesses and civil society" to tackle climate change. The keynote address was presented by Ivan McKee MSP, Minister for Business, Trade, Tourism and Enterprise, and the event also featured speakers from the Construction Scotland Innovation Centre, Soil Association and Scottish Enterprise. More than 130 delegates attended the event.
- 2.8 Scotland Excel has embarked on a two-year consultancy programme with South Lanarkshire Council to support the organisation's strategic procurement aims as part of a wider transformation programme. The two-year transformation programme for East Lothian Council came to its conclusion during Q3, with savings of £1.3m delivered and a new procurement team structure implemented to increase capability.
- 2.9 Scotland Excel is working with the Improvement Service and the Scottish Government to develop a procurement process for employability services. The procurement will support the implementation of the 'No One Left Behind' strategy which places people at the centre of the design and delivery of employability services. Funding for this programme will transfer to local Government from April 2022, and will be governed through Local Employability Partnerships (LEPs).






- 2.10 The Scottish Government has agreed to provide funding for Scotland Excel to deliver a second tranche of Procurement & Commercial Improvement Programme (PCIP) assessments for housing associations. The programme will be launched in early 2022, and will support a number of Scotland Excel's objectives in relation to associate membership, contract usage and community wealth-building.

Recommendations

- 3.1 The members of the Joint Committee are invited to note Scotland Excel's progress in delivering the commitments contained within the Operating Plan 2021-22.

3. Background

- 4.1 Progress reports are produced quarterly to track Scotland Excel's activity against operating plan commitments. Reports are produced at the end of each quarter and submitted to Executive Sub-Committee meetings. The most recent quarterly report is also submitted to Joint Committee meetings with recent updates noted.
- 4.2 The reports summarise the progress made against operating plan commitments and uses a 'traffic light' symbol to provide a guide to the status of each activity. This guide has been revised to include symbols to indicate projects or activities which have not yet started, and projects or activities which have been completed:

	Project or activity not yet started
	Project or activity is currently stalled or significantly behind schedule
	Project or activity is progressing at a slower pace than anticipated and/or results have been weaker than expected
	Project or activity is progressing in line with expected/agreed timelines and results
	Project or activity completed











Operating Plan




2021 – 2022

Q2 Progress Report





Goa1 1: Shaping the delivery of innovative public services



Strategic Objective	Commitment	RAG status	Progress summary
1.1 Deliver a programme of collaborative procurement to support early intervention and the delivery of public services	<ul style="list-style-type: none"> Continue to engage directly with local authority services on the collaborative procurement opportunities pipeline and identify opportunities to lead and/or participate in national cross-sector opportunities and initiatives with partners in health, further and higher education, and central government. 		<ul style="list-style-type: none"> A new tool has been developed to assess framework opportunities in the Operational Supplies and Services portfolio to ensure that resource is focused on developing frameworks which offer the greatest impact for council members. Scotland Excel has recently joined the Scottish Government-led Supply Chain Development Programme which shares knowledge and information across the public sector to develop stronger supply chains.
	<ul style="list-style-type: none"> Continue to develop and deliver a contract and supplier management (CSM) programme which monitors and enhances the performance of Scotland Excel contracts, incorporating new environmental performance measurements 		<ul style="list-style-type: none"> Scotland Excel's contract and supplier activity (CSM) is being reinstated following the disruption caused to suppliers by the Covid-19 pandemic. Regular meetings are currently taking place with construction suppliers to understand how material shortages and price rises are affecting the market. This information is being shared with councils, housing associations and national partners.
	<ul style="list-style-type: none"> Open the adult care and support flexible framework to allow new providers to join, ensuring a diverse range of services and providers are available to meet the varying needs of people across the country, and promote choice for people who need support. 		<ul style="list-style-type: none"> The first reopening of the adult care and support framework was completed in April 2021. Use of the framework is growing at a steady pace, with current projections estimating that c. 4,500 care packages with a value of over £100m will be in place by the end of financial year. The framework will reopen again in Q3 to allow further providers to join from April 2022.
1.2 Deliver programmes which lead and develop professional, organisational and commercial capability	<ul style="list-style-type: none"> Develop a portfolio of accredited and non-accredited Academy programmes based on member and wider public sector requirements whilst progressing other strategic areas such as apprenticeships and becoming a credit rating body. 		<ul style="list-style-type: none"> The Scotland Excel Academy is currently delivering 14 cohorts of accredited programmes across a range of disciplines, with a further 8 programmes being planned. A second tranche of the free Stay Connected online workshops will be launched in Q4, along with a new programme of low-cost extended workshops.

	<ul style="list-style-type: none"> • Deliver sector and local initiatives which support Scottish Government national policy objectives, such as flexible and affordable solutions. 		<ul style="list-style-type: none"> • Scotland Excel continues to host regular Procurement Improvement Programme (PIP) steering group meetings to identify opportunities to support procurement practice across the sector. The group is informing topics for the forthcoming Stay Connected online learning programme which will include a range of 'Best Practice' sessions.
	<ul style="list-style-type: none"> • Continue to deliver chargeable consultancy and transformation programmes, responding to any requests for these types of services and building the Scotland Excel knowledge bank to retain the intellectual property of improvement methodologies and resources within the local government sector 		<ul style="list-style-type: none"> • Scotland Excel is continuing to deliver a range of chargeable and consultancy services for councils and associate members. These include flexible procurement resource, transformation consultancy, support for early learning expansion, and bespoke learning and development programmes. Scotland Excel is also delivering three Scottish Government-funded projects for community wealth-building, care worker payments, and online learning to support the work of the Serious and Organised Crime Taskforce.
	<ul style="list-style-type: none"> • Engage with members, suppliers and providers to understand the impact of Covid-19 and BREXIT to support the delivery of frameworks, services and knowledge to meet Local Authority and national objectives. 		<ul style="list-style-type: none"> • Covid-19 and Brexit are continuing to have a significant impact on the price and availability of many framework commodities. The supply of construction materials has been particularly affected, and Scotland Excel is providing regular intelligence to stakeholders to mitigate the impact where possible. Scotland Excel is also working closely with food suppliers to minimise disruption from ongoing price, supply and logistics volatility.
	<ul style="list-style-type: none"> • Drive the next generation development of the National Care Home Contract (NCHC) and continue negotiations with providers on rates of return to enable implementation of the NCHC Cost Model © which supports the delivery of affordable and sustainable social care services. 		<ul style="list-style-type: none"> • National care home contract fees for 2021-22 were agreed in April, and negotiations on 2022-23 fees will begin in Q3. A wide range of stakeholders have expressed an interest in participating in the design of the next generation of this contract, and the first meeting of this group is expected to take place in November. Scotland Excel is closely monitoring the potential impact of a National Care Service on all care commissioning activity including the NCHC redesign.





1.3 Harness the potential of digital technology and data insight to support the delivery of public services	<ul style="list-style-type: none"> Continue to develop The Academy's online learning platform, to support engagement and learning, and to deliver national coaction events, video content and programmes. 		<ul style="list-style-type: none"> Videos of 33 sessions delivered at Scotland Excel's Annual Conference are now available to view on the Academy online platform. Automation for assessment tasks is being implemented to the platform functionality to increase productivity.
	<ul style="list-style-type: none"> Continue to provide ICT procurement services for the Digital Office for Scottish Local Government, engaging proactively with stakeholders to accelerate a collaborative approach to the adoption of digital technologies. 		<p>As well as providing ICT procurement services for the Digital Office, Scotland Excel is working on ICT projects with other partners including SEEMiS, Improvement Service and Crown Commercial Service. A new ICT category team is being established within Scotland Excel as part of workforce planning. A dynamic purchasing system (DPS) for digital telecare goods and a framework for online school payments were approved by the Executive Sub-committee during Q2.</p>
1.4 Use our insight and experience to shape policy and meet the challenges of future public service delivery	<ul style="list-style-type: none"> Continue to work with the Scottish Government and other partners to support the development and/or delivery of national policy objectives across the SXL portfolio including guidance, tools and reporting. 		<ul style="list-style-type: none"> Scotland Excel is continuing to work with the Scottish Government and other partners across a range of policy areas including construction, supply chain development, climate change, community wealth-building and skills development. Proposals for a new National Care Service (NCS), issued for consultation in August 2021, suggest that the national commissioning activity should be centralised within the NCS. A robust response to the consultation is being prepared to evidence the success of current arrangements for national commissioning undertaken by Scotland Excel.



Goa1 2: Being sustainable in everything we do

Strategic Objective	Commitment	RAG status	Progress summary
2.1 Deliver positive and measurable social value through our contracts and services	<ul style="list-style-type: none"> Work with partners and secure care providers to support the implementation of the new National Standards and Pathways for Secure Care Centres. 		<ul style="list-style-type: none"> The new national standards have been built into secure care contracts. Scotland Excel continues to liaise with key partners on future plans for secure care including the potential for a collaborative approach to the procurement of secure care transportation. As with other care commissioning services, Scotland Excel is monitoring the potential for this area of work to be affected by National Care Service proposals.
	<ul style="list-style-type: none"> Continue to monitor the proportion of Scotland Excel suppliers paying their staff the Real Living Wage and identify any opportunities to increase this 		<ul style="list-style-type: none"> Almost 86% of suppliers have confirmed payment of the Living Wage, and commitments continue to be monitored through ongoing contract management. Work is continuing with the Scottish Government and other partners to explore options for a national approach to annual care fee uplifts as part of the Fair Work in Social Care agenda.
	<ul style="list-style-type: none"> Continue to embed community benefit models which enable councils to achieve direct benefits for their areas and the participation of supported businesses and the third sector within our supply chain 		<ul style="list-style-type: none"> Work is underway to gather community benefits data to September 2021, and a report will be submitted to the Joint Committee in December. Scotland Excel continues to undertake regular engagement with supported businesses, and the development of a supported business strategy will now take place in early 2022 to reflect upcoming changes to the remit and goals of the national Supported Business Advisory Group (SBAG).
2.2 Deliver positive and measurable local economic impact through SME and third sector participation in our contracts	<ul style="list-style-type: none"> Support the continued application of community wealth building including living wage Scotland Excel suppliers and work with partners including Scottish Government and the Supplier Development Programme (SDP) 		<ul style="list-style-type: none"> The community wealth building project, delivered by Scotland Excel with funding from the Scottish Government, is progressing well with Stirling, Clackmannanshire, Dumfries & Galloway and Renfrewshire Councils. In Q2, Scotland Excel presented two webinars with the Supplier Development Programme and attended their 'Meet the Buyer North' event.





<p>2.3 Deliver positive and measurable environmental benefits through our contracts</p>	<ul style="list-style-type: none"> • Continue to deliver and promote environmental sustainability goals including Scotland Excel and supplier carbon footprint and consider "best value" and 'whole life' costing within tender evaluations 		<ul style="list-style-type: none"> • Scotland Excel has launched a Supporting Scotland's Green Recovery campaign to promote the organisation's approach to environmental sustainability and frameworks which help members work towards net zero targets. The campaign will run through to Q4 to encompass the COP26 conference and the launch of new frameworks for energy efficiency contractors (EEC) and electric vehicle charging infrastructure.
<p>2.4 Lead and develop sustainable procurement knowledge and practice</p>	<ul style="list-style-type: none"> • Explore the development of progressive, sustainable learning pathways to support career development within the sector, co-chairing the Scottish Government professional practice and development framework, and work with educational partners and/or suppliers to establish workforce needs and promote the benefits of procurement as a career. 		<ul style="list-style-type: none"> • The Academy is continuing to co-chair the cross-sector Professional Practice and Development (PPD) forum on national initiatives to attract and develop procurement talent. Scotland Excel is currently exploring options for attracting new entrants to the organisation through internships, graduate traineeships and/or modern apprenticeships.




Goa1 3: Placing people at the heart of our business






Strategic Objective	Commitment	RAG status	Progress summary
3.1 Ensure our customers continue to receive maximum value from our services	<ul style="list-style-type: none"> Continue to deliver Scotland Excel's account management services to ensure and demonstrate value to members and support a positive customer experience 		<ul style="list-style-type: none"> Scotland Excel's Project and Account Managers continue to provide a wide range of support to council procurement teams including quarterly business reviews, change projects, and workshops. Work is underway to produce Annual Value Reports to provide each council with detailed view of the value of their membership.
	<ul style="list-style-type: none"> Continue and refresh Scotland Excel's stakeholder engagement activity including understanding priorities and assessing satisfaction 		<ul style="list-style-type: none"> An updated stakeholder map to support the work of the new build group continues to be reviewed quarterly. Plans to embed the use of stakeholder engagement and mapping tools across the organisation will be implemented during Q4.
3.2 Engage stakeholders in the delivery of effective local solutions	<ul style="list-style-type: none"> Continue to engage directly with service users and the wider community, where appropriate, to ensure their needs are met and incorporated into the development of procurement strategies 		<ul style="list-style-type: none"> Scotland Excel's community wealth building services continue to generate significant interest among council members, and the outputs of projects will be used to inform future contract strategies. Scotland Excel is continuing to help several councils to engage with their local early learning and childcare (ELC) providers as part of the national policy to expand childcare provision.
	<ul style="list-style-type: none"> Continue to engage directly with partners to ensure that national social care contracts meet the needs of all care groups and align with national strategy 		<ul style="list-style-type: none"> Scotland Excel continues to engage with The Promise and other partners to reflect policy direction within frameworks for children's services. Plans to engage with representatives of care home residents and their families are being developed as part of the national care home contract re-design project. Other stakeholders engaged in this project include advocacy groups, providers, provider representatives, unions and local government representatives. Scotland Excel, is monitoring the potential for this engagement activity to be affected by National Care Service proposals.

3.3 Represent the collective views of stakeholders at a national level	<ul style="list-style-type: none"> Continue to collect, review and represent the views of members, customers and communities at appropriate fora 		<ul style="list-style-type: none"> Scotland Excel is continuing to represent the local government sector within Scottish Government national initiatives including the Construction National Portfolio Forum, the Professional Practice and Development Forum, and the Supply Chain Development Programme.
3.4 Implement policies which develop, empower, value and engage our workforce	<ul style="list-style-type: none"> Continue to implement the Scotland Excel organisational development strategy, developing initiatives to inspire and develop staff, increase Scotland Excel's capability, and support succession planning 		<ul style="list-style-type: none"> Work is continuing on the development and implementation of a new organisational development strategy and action plan to support the recommendations of the recent Investors in People (IiP) review. This work is supported by an ongoing refresh of HR policies and an internal learning and development programme which will be launched to staff in Q3.

Goa1 4: Delivering sustainable and scalable growth

Strategic Objective	Commitment	RAG status	Progress summary
4.1 Implement a new governance model which supports scalable business growth	<ul style="list-style-type: none"> Promote the concept of Coaction to senior stakeholders and explore opportunities where creation, delivery and production of high-quality national cost-effective learning is jointly undertaken 		<ul style="list-style-type: none"> Following cancellation of regional workshops in 2020 due to the pandemic, Coaction 2021 is now being scheduled as an online event for later in the year. Coaction brings together key stakeholders from across the public sector to share expertise and collaborate on the development of targeted learning opportunities.
	<ul style="list-style-type: none"> Continue to implement appropriate funding routes through the delivery of new and existing services, monitoring income and providing regular reports to the joint committee whilst recognising the impact of the pandemic 		<ul style="list-style-type: none"> Demand for income generating services has continued to grow during 2021, particularly for consultancy services. Rebate forecasts, including for the new build framework, are now moving into line with previous expectations.
4.2 Continue to maintain a robust business infrastructure to support our growth ambitions	<ul style="list-style-type: none"> Continue to develop and support a robust working environment and infrastructure that includes the use of digital technology, agile working and emerging technology to benefit staff and customers 		<ul style="list-style-type: none"> Scotland Excel's new cloud based Spend Data Repository (SDR) was launched to internal users in July. The system provides the capability to upload, track and maintain detailed spend and product information for Scotland Excel frameworks, and supports data analysis through the Power BI business intelligence platform. A customer portal for accessing the system is in development. Cyber security and disaster recovery provision continues to be reviewed in partnership with the Digital Office and in line with National Cyber Security Centre guidance. An annual programme of cyber security training is in place for all staff.
4.3 Use our knowledge and insight to identify new services and/or sectors which provide growth opportunities	<ul style="list-style-type: none"> Research collaborative procurement and leading change solutions available in other public sector markets to identify potential business opportunities, reporting on the findings to inform future growth plans 		<ul style="list-style-type: none"> A cross-organisational project team is continuing to work on a competitor analysis model, which has had positive results from pilot workshops. Although progress has been slower than anticipated during Q2, the team is working towards a roll out of the model across the organisation by the end of the financial year.

	<ul style="list-style-type: none"> Continue to grow and develop Scotland Excel's associate membership programme to maximise its commercial potential for the organisation including framework spend whilst providing demonstrable benefits for members 		<ul style="list-style-type: none"> Six new associate members were approved during Q2, with total annual income of £3.5k. Scotland Excel has been working with associate members, Police Scotland, to provide framework information to assist with their preparations for the COP26 event. Plans and activities are continuing to promote membership and encourage greater contract usage by existing members.
4.4 Explore opportunities to work with partners on the development and delivery of new business opportunities	<ul style="list-style-type: none"> Continue to market Scotland Excel through traditional and social media, targeted communications activity and political engagement to support new business opportunities and promote our knowledge and experience in support of policy and public affairs goals 		<ul style="list-style-type: none"> Scotland Excel launched a new website in July 2021 with enhanced content to promote the organisation's expanding portfolio of services. Other activity for Q2 has included public affairs support for Scotland Excel's response to the National Care Service consultation and the launch of the Supporting Scotland's Green Recovery campaign which includes advertising and advertorial in key publications, press releases, social media, and an online event.
	<ul style="list-style-type: none"> Explore new Scotland Excel partnership opportunities and continue to develop partnerships e.g. Crown Commercial Services (CCS) to ensure most effective delivery of Scotland Excel and customer objectives 		<ul style="list-style-type: none"> The Crown Commercial Services (CCS) partnership continues to operate well, with further opportunities being explored. Scotland Excel is continuing to build positive relationships with Scottish Enterprise and the Construction Scotland Innovation Centre (CSIC) to implement a joined-up approach to public procurement, innovation, and economic investment. The long-term relationship with Zero Waste Scotland is strengthening the connection between public procurement and net-zero policy.

Report Key	
	Project not yet started
	Project or activity is currently stalled or significantly behind schedule
	Project or activity is progressing at a slower pace than anticipated and/or results have been weaker than expected
	Project or activity is progressing in line with expected/agreed timelines and results
	Project completed

Report issued: October 2021

Scotland Excel

To: Joint Committee

On: 10 December 2021

**Report by:
Chief Executive of Scotland Excel**

Draft Operating Plan for April 2022 – March 2023

1. Purpose of the report

In June 2018, Scotland Excel's Joint Committee approved a new five-year corporate strategy which is supported by annual operating plans. This report presents the organisation's proposed operating plan for the period 01 April 2022 to 31 March 2023.

The plan covers the key activities that will be undertaken during the 2022-23 financial year to complete the delivery of the current five-year corporate strategy. A new five-year strategy will be developed over the coming year in conjunction with the Executive Sub-Committee, and will be presented to the Joint Committee for approval in December 2022.

2. Strategic Planning Process

Scotland Excel follows a robust process to develop its corporate strategy and operating plans as illustrated below.



Due to the impact of the Covid-19 pandemic, Scotland Excel's annual planning process was suspended in 2020, and an interim operating plan was created to guide activities for the remainder of the year. This was followed by a 15-month operating plan covering the period from 01 January 2021 to 31 March 2022 which was approved by the Joint Committee in December 2020.

Responding to feedback from Scotland Excel's Executive Sub Committee, the 2021-22 operating plan was simplified to reduce the number of detailed commitments to ensure that reporting focused on key priority areas. The plan retained the 16 strategic objectives set out in the original five-year plan but reduced the number of detailed commitments from 68 to 30.






It is important to note that this approach did not represent a decrease in Scotland Excel activity. The 30 commitments were aligned to more than 120 specific actions cascaded to staff as part of Scotland Excel's Performance Review and Development (PRD) programme.

The draft 2022-23 plan continues with this approach to allow reporting to focus on those activities that are most relevant for members. The new plan has 34 commitments reflecting the key actions Scotland Excel will undertake next financial year to conclude the five-year strategy, with expanded commitments on project work to reflect growing demand for flexible procurement, consultancy and Academy services.

3. Reporting methodology

Progress reports are produced quarterly to track Scotland Excel's performance against operating plan commitments. Reports are produced at the end of each quarter and submitted to Executive Sub-Committee meetings. Half yearly and annual reports are also submitted to Joint Committee meetings.

The reports summarise the progress made against operating plan commitments and use a 'traffic light' symbol to provide a guide to the status of each activity. This guide was revised in 2018-19 to include symbols to indicate projects or activities which have not yet started, and projects or activities which have been completed:

	Project or activity not yet started
	Project or activity is currently stalled or significantly behind schedule
	Project or activity is progressing at a slower pace than anticipated and/or results have been weaker than expected
	Project or activity is progressing in line with expected/agreed timelines and results
	Project or activity completed

4. Key Performance Indicators

Members will note that the proposed plan does not contain quantified key performance indicators (KPIs). The ongoing and residual impact of both the Covid-19 pandemic and Brexit has made it difficult to provide indicators that offered a degree of confidence in an uncertain operational environment. A new set of KPIs will be developed as part of the new five-year strategy and planning process that will begin in early 2022.

5. Recommendation

The members of the Joint Committee are invited to approve the proposed operating plan for 2022-23.



Operating Plan

01 April 2022 – 31 March 2023

Introduction

Scotland Excel is the Centre of Procurement Expertise for the local government sector. Established in 2008, we deliver procurement and commercial solutions through a portfolio of high risk, high value collaborative contracts, professional development opportunities and organisational change initiatives which enhance the influence and impact of procurement across the sector.

Our contracts are designed to increase efficiency and ensure money is saved to protect front line public services. Our strategic approach to procurement supports innovation in service delivery, helps to deliver national and local policies, and brings social, economic and environmental benefits to communities.

Accredited professional development programmes and practitioner workshops, delivered through the Scotland Excel Academy, are designed to increase the skills and knowledge of those working in public procurement. Our change initiatives take a 'whole organisation' approach to best procurement practice, ensuring that it is considered in the development of policies and plans across all service areas.

In 2018, we published a new five-year corporate strategy which builds on the achievements of our 2015-18 strategy and sets out our ambitions for supporting local authorities and public sector partners. Developed in consultation with key local government stakeholders, the strategy seeks to increase the value delivered by Scotland Excel and ensure the long-term sustainability and growth of our organisation.

Our vision is to be recognised as a leading provider of innovative, transformative procurement solutions for local and national public services across Scotland. We aim to achieve this by building on our strategic procurement expertise and experience of developing collaborative solutions which support better outcomes for Scotland's people and communities.

The strategy map on page 3 provides an overview of the business goals and strategic objectives which support our aim. The full strategy document is available to download from our website.

To support the strategy, we develop annual operating plans which record the commitments we will undertake to achieve our business goals. Each year, the plan is used to set priorities and develop detailed action plans for the organisation, which are cascaded as annual performance objectives for employees.

This document records the commitments we will deliver from April 2022 - March 2023 to complete the delivery of our existing five-year strategy. Reports are issued quarterly to record our progress against these commitments.

A new five-year strategy will be developed during 2022, informed by our stakeholders, to build on our progress and ensure that our activities continue to reflect public sector priorities.

Strategy Map

Vision

To provide innovative, transformative solutions for local and national public services across Scotland

Mission

To make the most of our strategic **procurement expertise** and our experience of developing **collaborative solutions** which support **better outcomes** for Scotland's people and communities through **early intervention** and the delivery of **sustainable public services**

Values

Professional • Courageous • Respectful • Integrity

Outcomes

Our services shape the effective and efficient delivery of public services

Our services facilitate the delivery of national and local policy priorities

Our insight and knowledge underpin innovative solutions for our customers

Our customers receive a measurable return on investment through savings

Our expertise leads continuous improvement in commercial performance

Our services enable positive and sustainable outcomes for people and communities

Our activities are recognised as leading the way in public procurement

Our customers are satisfied with our services and how we deliver them

Goals

1: Shaping solutions for innovative public services

Strategic objectives:

1.1 Deliver a programme of collaborative procurement to support early intervention and the delivery of public services

1.2 Deliver programmes which lead and develop professional, organisational and commercial capability

1.3 Harness the potential of digital technology and data insight to support the delivery of public services

1.4 Use our insight and experience to shape policy and meet the challenges of future public service delivery

2: Being sustainable in everything we do

Strategic objectives:

2.1 Deliver positive and measurable social value through our contracts

2.2 Deliver positive and measurable local impact through SME and third sector participation in our contracts

2.3 Deliver positive and measurable environmental benefits through our contracts

2.4 Lead and develop sustainable procurement knowledge and practice

3: Placing people at the heart of our business

Strategic objectives:

3.1 Ensure our customers continue to receive maximum value from our services

3.2 Engage stakeholders in the delivery of effective local solutions

3.3 Represent the collective views of stakeholders at a national level

3.4 Implement policies which develop, empower, value and engage our workforce

4: Driving sustainable and scalable growth

Strategic objectives:

4.1 Implement a new governance model which supports scalable business growth

4.2 Continue to maintain a robust business infrastructure to support our growth ambitions

4.3 Use our knowledge and insight to identify new services and/or sectors which provide growth opportunities

4.4 Explore opportunities to work with partners on the development and delivery of new business opportunities

Goa1 1: Shaping solutions for innovative public services

Strategic Objective	Commitment
1.1 Deliver a programme of collaborative procurement to support early intervention and the delivery of public services	<ul style="list-style-type: none"> Continue to engage with local authority and cross-sector partners to identify and deliver on collaborative procurement and supply chain opportunities Continue to monitor, report on and, where possible, mitigate the impact of supply chain disruptions arising from the Covid-19 pandemic and Brexit Continue to drive the development of the next generation National Care Home Contract (NCHC) incorporating the use of the NCHC Cost Model © to support the delivery of affordable and sustainable social care services Develop a strategy for the next generation new build residential framework which incorporates learnings from the current framework and findings from stakeholder engagement meetings
1.2 Deliver programmes which lead and develop professional, organisational and commercial capability	<ul style="list-style-type: none"> Continue to deliver a portfolio of accredited Academy programmes based on member and wider public sector requirements Develop and deliver programmes of free and/or low-cost online workshops and events which support practitioner skills and best practice Develop and deliver bespoke chargeable Academy programmes requested by councils, associate members or other partners Continue to deliver chargeable consultancy and transformation programmes requested by councils, associate members or other partners Continue to develop and grow Scotland Excel's flexible procurement service to provide chargeable support which increases the capacity and/or capability of councils, associate members and other partners
1.3 Harness the potential of digital technology and data insight to support the delivery of public services	<ul style="list-style-type: none"> Continue to develop Scotland Excel's ICT procurement category, providing procurement services for the Digital Office for Scottish Local Government and other partners to accelerate a collaborative approach to the adoption of digital technologies
1.4 Use our insight and experience to shape policy and meet the challenges of future public service delivery	<ul style="list-style-type: none"> Continue to work with the Scottish Government and other partners to support the development and/or delivery of national policy objectives across the Scotland Excel portfolio

Goa1 2: Being sustainable in everything we do

Strategic Objective	Commitment
2.1 Deliver positive and measurable social value through our contracts	<ul style="list-style-type: none"> Continue to champion Fair Work principles as part of framework development and contract management, including payment of the Real Living Wage Continue to develop and deliver community benefit and supply chain initiatives which enable members to achieve direct benefits for their areas
2.2 Deliver positive and measurable local economic impact through SME and third sector participation in our contracts	<ul style="list-style-type: none"> Continue to engage with SME, supported business and other third sector organisations to encourage their participation in public procurement, working with partners such as the Supplier Development Programme (SDP) and Chambers of Commerce Continue to develop and deliver supply chain opportunities for SME, supported business and other third sector organisations to participate in public procurement, including joint initiatives with partners such as Scottish Enterprise
2.3 Deliver positive and measurable environmental benefits through our contracts	<ul style="list-style-type: none"> Refresh Scotland Excel's sustainable procurement strategy to ensure that frameworks and other business activities maximise opportunities to support carbon reduction Promote member usage of the next generation energy efficiency contractors (EEC) and electric vehicle charging infrastructure frameworks to help members work towards their net-zero targets
2.4 Lead and develop sustainable procurement knowledge and practice	<ul style="list-style-type: none"> Continue to explore the development of progressive, sustainable learning pathways, working with educational and/or cross-sector partners to address skills gaps, support career development, and attract new entrants to procurement

Goa1 3: Placing people at the heart of our business

Strategic Objective	Commitment
3.1 Ensure our customers continue to receive maximum value from our services	<ul style="list-style-type: none"> Continue to deliver Scotland Excel's account management services to demonstrate value to members and support a positive customer experience Continue to develop and deliver stakeholder engagement plans to assess member satisfaction and identify key priorities for Scotland Excel's new five-year strategy
3.2 Engage stakeholders in the delivery of effective local solutions	<ul style="list-style-type: none"> Continue to develop and deliver initiatives to help members implement a progressive procurement approach which supports their community wealth-building plans Continue to engage directly with stakeholders, partners and service users to ensure that Scotland Excel's social care contracts meet the needs of all care groups, and align with national policy
3.3 Represent the collective views of stakeholders at a national level	<ul style="list-style-type: none"> Continue to represent the views of members, customers and communities within appropriate national and/or cross-sector fora and working groups Monitor the progress of National Care Service proposals and continue to champion Scotland Excel's delivery of national care arrangements that support local, person-centred commissioning
3.4 Implement policies which develop, empower, value and engage our workforce	<ul style="list-style-type: none"> Continue to implement Scotland Excel's organisational development strategy and Investors in People (IIP) action plan Develop and implement a refreshed recruitment and retention strategy to mitigate the impact of skills shortages and/or changing attitudes in the workforce

Goa1 4: Driving sustainable and scalable growth

Strategic Objective	Commitment
4.1 Implement a new governance model which supports scalable business growth	<ul style="list-style-type: none"> Continue to deliver Scotland Excel's approved funding model, including income from rebates, projects, Academy programmes and associate membership, and provide regular reports to the governance committees
4.2 Continue to maintain a robust business infrastructure to support our growth ambitions	<ul style="list-style-type: none"> Continue to develop a robust business environment and infrastructure that securely and effectively supports Scotland Excel's hybrid working model Continue to develop Scotland Excel's digital technology capability, harnessing data assets and emerging technology to benefit staff and customers
4.3 Use our knowledge and insight to identify new services and/or sectors which provide growth opportunities	<ul style="list-style-type: none"> Roll out a competitor analysis model across the organisation to support the successful delivery of new and existing business opportunities Continue to grow and develop Scotland Excel's associate membership programme to maximise benefits for the organisation and members. Deliver a second tranche of Procurement & Commercial Improvement Programme assessments for housing associations, highlighting the community value of enhanced procurement practices and collaboration
4.4 Explore opportunities to work with partners on the development and delivery of new business opportunities	<ul style="list-style-type: none"> Continue to develop and implement effective marketing and communications plans to promote Scotland Excel through traditional and social media in support of financial, policy and public affairs goals Continue to explore and develop partnership opportunities with organisations such as Crown Commercial Services (CCS), Scottish Enterprise, Construction Scotland Innovation Centre and Zero Waste Scotland (ZWS) which support the delivery of business and policy objectives

Scotland Excel

To: Joint Committee

On: 10 December 2021

**Report by:
Chief Executive of Scotland Excel**

Strategic Risk Register Update

1. Introduction

This report provides an update on the Strategic Risk Register which is maintained to assess threats/risks that could impact on the delivery of Scotland Excel's organisational objectives and to identify controls and actions that are being taken to mitigate these risks.

2. Background

The attached Strategic Risk Register was initially created in June 2018 when Scotland Excel carried out a full review of the organisation's Risk Register to reflect the new 5-year operating plan. It was agreed that 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 elected members visibility of the risks, and actions being taken by the organisation to manage and mitigate these risks.

In June 2019, the Strategic Risk Register template used by Scotland Excel was adjusted to better reflect that used by partner organisations. The revised template plus additional information which is now in use can be seen within the document at Appendix 1 of this report.

3. Risk Management update

The Strategic Risk Register is maintained and continues to be a focus for the on-going operations of the organisation. A process of regular review meetings is in place involving the entire Senior Management Team (SMT). These meetings are held quarterly to review, revise and update the register. Actions being undertaken in mitigation of the risks are on-going throughout the year.

Currently there are 11 risks identified within the Strategic Risk Register ranging in assessed risk score from 6 to 20. A summary of key statistics in relation to each identified risk is shown in Appendix 1 to this report.

The on-going impact of the COVID-19 pandemic, the emerging impact of Brexit on markets and suppliers and, the uncertainty in relation to the Scottish Government plans for a National Care Service (NCS) are the over-riding influences on the Strategic Risk Register at present. These factors are reflected in upward or static trends in relation to risk scores showing against a number of

the existing strategic risks and in the introduction of a new risk in respect of, “National Care Service” (SXL-011-21/22) in October 2021.

The updated Strategic Risk Register identifies a number of existing and new linked actions in relation to each strategic risk, aimed at mitigating the impact of each risk in the present day and going forward. Actions marked complete are for information only and will be removed at the next review meeting and where appropriate, added to the current risk controls section.

Identified Strategic Risks with the highest residual risk score (20) relate to Supplier Failure (SXL005-21/22) and the National Care Service (SXL011-21/22). The strategic risk of Supplier Failure has been assessed at 20 at each quarterly review meeting over the past year due to the continuing uncertainty and market volatility persisting post Brexit and the emerging impact of the pandemic. National Care Service is a new risk added in October 2021 to reflect the uncertainty in relation to potential impact on Scotland Excel of Scottish Government plans for a National Care Service. A number of linked actions have been identified in relation to each risk aimed at mitigating the financial and operational impact on the organisation.

Other Strategic Risk with high-risk scores include those relating to Political Risk (SXL003-21/22) and, Staff Recruitment and Selection (SXL006-21/22). Political Risk remains high due to Scottish Government policy direction and the pending local government elections in May 2022. Continuing challenges in relation to staff recruitment within the procurement environment has resulted in a rising risk score reflecting the potential impact on service delivery if appropriate recruitment does not take place.

Factors taken into consideration, in addition to the COVID-19 pandemic and Brexit when reviewing the entire Strategic Risk Register over the year included, recruitment challenges within the procurement sector; continuing financial uncertainty across local government, social housing and the third sector; the developing importance of corporate social responsibility across the public sector; growing environmental awareness across society and the increasing size of the Scotland Excel contract portfolio.

Following quarterly review of these and other factors, the Scotland Excel Risk Register as of 26th October 2021 is shown in appendix 1.

4. Recommendation

Members are invited to provide any feedback on the risk register and the actions identified to manage risks.



Strategic Risk Register

Professional – Respectful – Courageous - Integrity

Document Control 2021	
Review Dates:	05 November 2020
	27 April 2021
Exec Sub Comm.	21 May 2021
Review Dates:	16 June 2021
	26 October 2021
Joint Committee	10 December 2021
This document is available in alternative formats on request.	

Table 1 summarises risks identified within the Scotland Excel Risk Register and orders them according to their Residual Risk Score as of 26th October 2021. The Residual Risk Score represents the assessed risk score taking into consideration all risk controls and mitigations in place in relation to that specific risk on that date.

Table 1: Risk – Highest to Lowest Risk Score 26/10/21

Risk Ref.	Risk Title	Residual Risk Score
SXL005-21/22	Supplier Failure	20
SXL011-21/22	National Care Service	20
SXL003-21/22	Political Change	16
SXL006-21/22	Staff Recruitment and Retention	16
SXL010-21/22	National Emergency including Pandemic	15
SXL001-21/22	Organisational Sustainability	15
SXL009-21/22	Environmental Impact and Climate Change	12
SXL002-21/22	Managing Growth and Diversity	12
SXL004-21/22	Reputational Risk	12
SXL008-21/22	Risk of Not Performing/Delivering	8
SXL007-21/22	Corporate Social Responsibility	6

Table 2 charts risk score movement and trend over the past year in relation to each risk identified within the Scotland Excel Risk Register.

Table 2: Residual Risk Movement During Past Year












Period	Nov 20	April 21	June 21	Oct 21	4 quarter Trend
Risk Ref.					
Supplier Failure	20	20	20	20	
National Care Service	n/a	n/a	n/a	20	
Political Change	16	16	16	16	
Staff Recruitment & Retention	9	9	9	16	
National Emergency/Pandemic	20	15	15	15	
Organisational Sustainability	20	15	15	15	
Environmental Impact etc.	6	6	6	12	
Managing Growth & Diversity	16	12	12	12	
Reputational Risk	12	12	12	12	
Risk of Not Performing	12	8	8	8	
Corporate Social Responsibility	6	6	6	6	

Diagram 1: Consolidated Risk Matrix (October 2021)

Impact	5			Organisational Sustainability		
	4		Risk of not performing	Reputation Risk Managing Growth Environmental Impact etc.	Political Change Staff recruitment and retention	Supplier Failure National Care Service
	3		Corporate Social Responsibility			National Emergency Including Pandemic
	2					
	1					
		1	2	3	4	5
		Likelihood				


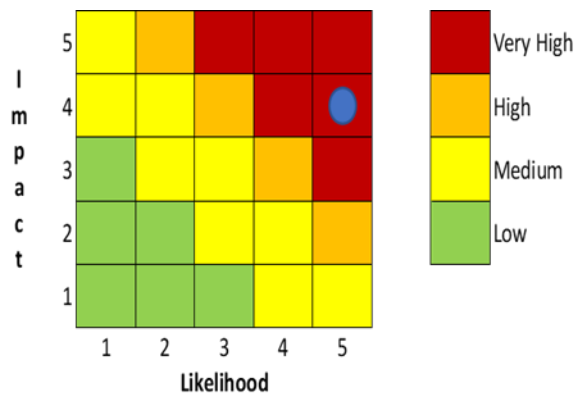
PESTEL Analysis – October 2021		
POLITICAL		
Reference	Risk	Risk Score
SXL011-21/22	National Care Service	20
SXL003-21/22	Political Change	16
ECONOMIC		
SXL005-21/22	Supplier Failure	20
SXL001-21/22	Organisational Sustainability	15
SXL002-21/22	Managing Growth and Diversity	12
SOCIAL		
SXL006-21/22	Staff Recruitment and Retention	16
SXL010-21/22	National Emergency including Pandemic	15
SXL004-21/22	Reputational Risk	12
SXL008-21/22	Risk of Not Performing/Delivering	8
SXL007-21/22	Corporate Social Responsibility	6
TECHNOLOGICAL		
ENVIRONMENTAL		
SXL009-21/22	Environmental Impact	12
LEGAL/LEGISLATIVE		

Appendix 2 presents details in relation to identified Strategic Risks in the Scotland Excel (SXL) risk template format. An explanation of each element of the risk template is shown in the table below.


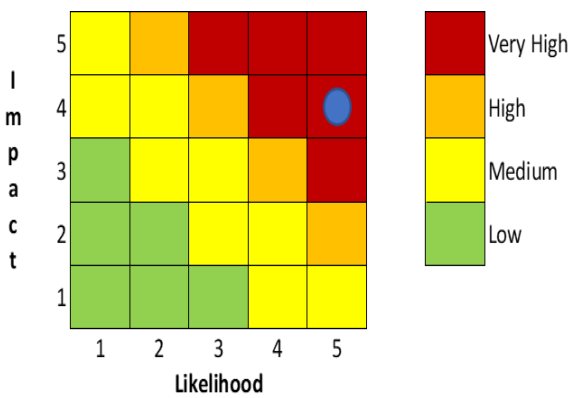
Strategic Risk Register – Risk Template	
Element	Description
<i>Reference</i>	Unique risk identifier and Risk Title
<i>Context</i>	Context of identified risk
<i>Risk Statement</i>	Description of risk
<i>Risk Owner</i>	Executive Team Risk Owner
<i>Current Risk Controls</i>	Specific risk controls currently in place
<i>Risk Score</i>	Risk assessment detail
<i>Likelihood</i>	How likely is it that the Risk actually occurs (1-5)
<i>Impact</i>	What impact on SXL if the Risk occurs (1-5)
<i>Evaluation</i>	Likelihood x Impact = Evaluation Score
<i>Trend</i>	Evaluation movement over past 4 periods
<i>Residual</i>	Current Residual Risk Evaluation after Controls
<i>Risk Register Review Updates</i>	Meeting dates of Risk Management Group
<i>Linked Actions</i>	Current/on-going actions to mitigate and control risk

Appendix 2: - Scotland Excel Risk Register (26 October 2021)


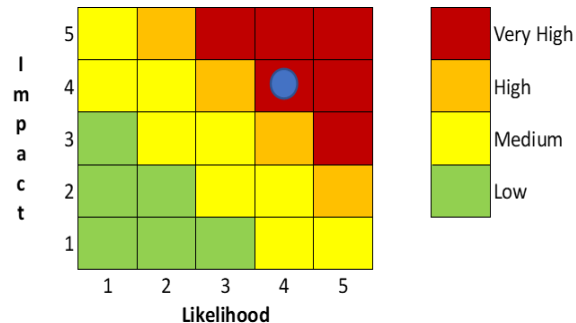
Appendix 21: Scotland Excel Social Care Risk Register (20 October 2021)

Reference:	SXL011-21/22	National Care Service (NEW)							
Context		Risk Statement	Risk Owner	Current Risk Controls	Risk Score				
					Likelihood	Impact	Residual	Trend	Eval.
The Scottish Government has stated its intention to form a National Care Service (NCS) for Scotland. Within a consultation document the Scottish Government has indicated that the NCS will include responsibility for Contracting and Commissioning of care services across Scotland. Currently, Scotland Excel provides the National Care Homes Contract and a range of Social Care frameworks for Scottish Local Authorities.		Centralisation of Contracting and Commissioning for Care will impact not only the Social Care teams within Scotland Excel but will also impact framework spend across a broad range of SXL teams potentially impacting financial viability of SXL. Centralisation will also remove Care as an area of Strategic Development for SXL.	HC	On-going liaising with key organisational stakeholders in relation to NCS proposal. Participation in key Scottish Government working groups relating to NCS Social Care Contracting and Commissioning expertise already in place. Consultation with key stakeholders in relation to consultation response. Existing customer and supplier base using Scotland Excel Social Care frameworks Existing supplier and customer trust in existing Scotland Excel Social Care frameworks.	5	4	20		20
									
Risk Register Review Updates									
Date	05/11/20	n/a							
	27/04/21	n/a							
	16/06/21	n/a							
	26/10/21	New Strategic Risk was introduced. Risk score was evaluated at 20 (Likelihood 5, Impact 5). A range of actions were identified to mitigate the impact of the risk adding to existing controls.							
Linked Actions									
Description			Assigned To:	Due Date	Status	Notes			
Submit Scotland Excel response to Scottish Government consultation in relation to NCS			JMK	30.11.21	On-going	Response being drafted to Scottish Govt. consultation			
Consult with Scotland Excel Governance bodies in relation to proposed consultation response			JMK	31.10.21	Complete	Exec. Sub Committee (Sept 21); Joint Committee and CEOMG			


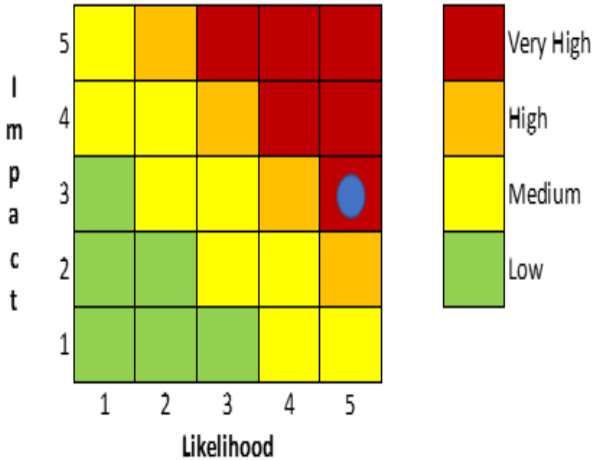
Share Scotland Excel consultation response on NCS with key stakeholders including Councilors, Chief Executives and Chief Officers of IJDs.	SMT	30.11.21	On-going	
On-going engagement with the Scottish Government re proposed NCS activity	SMT	31.03.22	On-going	
Roll out and implementation of Marketing and Promotion plan in relation to Social Care frameworks	SMT	31.12.21	On-going	

Reference:		SXL005-21/22		Supplier Failure					
Context		Risk Statement	Risk Owner	Current Risk Controls	Risk Score				
					Likelihood	Impact	Residual	Trend	Eval.
<p>Financial and other socio-economic factors impacting the resilience of Scotland Excel framework suppliers.</p> <p>Focus required in areas which have a direct impact on delivery as a result of business failure.</p> <p>Long-term impact of Covid pandemic, energy costs, recruitment challenges and Brexit remain to be shown in relation to supplier sustainability.</p> <p>Increasing number Social Care providers are also being impacted by the pandemic with recruitment challenges impacting financial sustainability.</p>		<p>The failure of a service provider within a Scotland Excel framework could have significant implications for service provision within member council areas.</p> <p>Negative reputational impact for SXL across the portfolio from breach of contract and / or supplier failure.</p>	HC	<p>Effective risk management is in place during development and management of contracts.</p> <p>Robust processes for monitoring financial stability of suppliers carried out prior to award and throughout the life of a contract, utilising external advice as required.</p> <p>Specific measures are in place to meet the management of Social Care contracts and these key areas of risk.</p> <p>Scotland Excel has a range of measures for monitoring supplier resilience in addition to the external financial monitoring tools used.</p> <p>A new tailored approach to financial risk for high-risk contracts has been implemented “Step-in Right” within relevant and appropriate social care contracts maintained.</p> <p>Scotland Excel are involved in various groups to support provider sustainability in particular in relation to COVID-19.</p> <p>Robust Market Analysis Strategy practiced across procurement categories.</p>	5	4	20		12
									
Risk Register Review Updates									
Date	05/11/20	Linked action added; Linked actions updated, and risk discussed; Residual Risk Score (20) remains unchanged due to COVID-19 pandemic and increasing possibility of No Deal Brexit.							
	27/04/21	Linked actions reviewed – No change to Residual Risk score due to full impact of COVID-19 pandemic and BREXIT still to filter down to all suppliers and true impact may still be to emerge.							
	16/06/21	Linked actions reviewed – No change to Residual Risk score due to full impact of COVID-19 pandemic and BREXIT still to filter down to all suppliers and true impact may still be to emerge. Potential impact of key staff shortages across sectors.							
	26/10/21	Linked actions reviewed and added – No change to Residual Risk score due to full impact of pandemic and BREXIT still to fully filter down to all suppliers and true impact may still be to emerge (i.e., Recruitment, Energy). Potential impact of key staff shortages across sectors.							


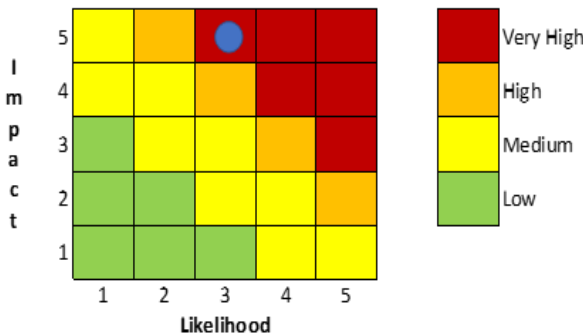
Linked Actions				
Description	Assigned To:	Due Date	Status	Notes
Expand supplier dialogue and comms; engage suppliers in pro-active contract management discussions; monitor emerging issues i.e., COVID; BREXIT	HC	30/06/21	Complete	Pandemic planning has been carried out with suppliers
Carry out Data workshop looking at how we analyse and use data across the organisation	ET	17/06/21	Complete	Team met in Glasgow to review current practice and to create plan
Develop a plan and proposal in relation to how Scotland Excel gather, record, process, and report operational and wider data both internally and externally to our partners.	ET	31/03/22	On-going	Follow up from workshop and subsequent meetings with SMT and partners
Continue comprehensive market analysis activity across all framework areas ensuring early visibility of pending issues.	SMT	31/03/22	On-going	Increasing existing activity and engagement with all stakeholders

Reference: SXL003-21/22		Political Change							
Context		Risk Statement	Risk Owner	Current Risk Controls	Risk Score				
					Likelihood	Impact	Residual	Trend	Eval.
Legislative and Policy changes impact upon the organisation and how it must operate. Political uncertainty created by, for example, Brexit create unknown challenges for the organisation Green Party joining Scottish Government. Scottish Local Government Elections May 2022		Political, Legislative and Policy changes at local, national, UK and international levels may impact Scotland Excel operations and practice.	JW	An effective and properly resourced public affairs strategy is in place. Effective research, engagement, partnership working and briefings ensuring the organisation is aware of and able to respond to challenges and opportunities in the external environment. Active participation by the organisation in various groups and boards influencing policy and “direction of travel”. Waste proposal developed to support customers in using changes to procurement legislation to deliver waste services externally if required. The Green Party manifesto was reviewed pre-election.	4	4	16		16
									
Risk Register Review Updates									
Date	05/11/20	Linked action added; Linked actions updated, and risk discussed; Residual Risk Score (16) remains unchanged due to possibility of No Deal Brexit and pending Scottish Government elections							
	27/04/21	Linked actions reviewed – No change to Residual Risk score due to pending Scottish Government elections on 6 th May 2021.							
	16/06/21	Linked actions reviewed – No change to Residual Risk pending impact of Scottish Govt Elections.							
	26/10/21	Linked actions reviewed – No change to Residual Risk pending impact of Scottish Local Government Elections and growing centralisation agenda of Scottish Government							
Linked Actions									
Description				Assigned To:	Due Date	Status	Notes		
Review of Scotland excel Public Affairs strategy promoting closer engagement with partners				ET	31/05/21	Complete			
Carry out analysis of Green Party policy in the light of their agreement with SNP.				SMT	31/03/22	On-going			


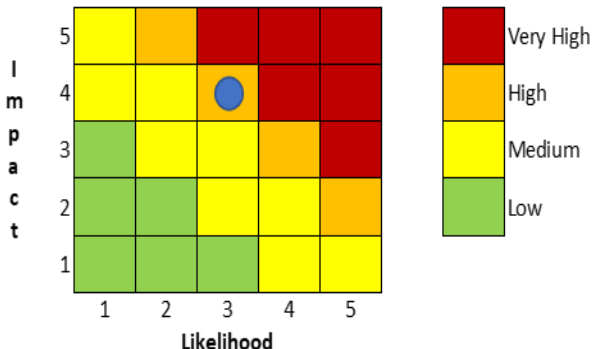
Review scope of political inquiries relating to pandemic being undertaken to identify and prepare for any witness requests received by Scotland Excel.	SMT	31/03/22	On-going	
Develop Marketing campaign to evidence how Scotland Excel is "Supporting Scotland's Green Recovery"	SMT	31/12/21	On-going	An on-going programme will continue to the end of the year.
Continuing Customer Engagement exercise with key Scottish Local Authority partners	ET	31/12/21	On-going	Engagement plan to start in November 2021
On-going engagement with the Scottish Government re proposed NCS activity	SMT	31/03/22	On-going	

Reference:		SXL010-21/22		National Emergency Including Pandemic					
Context		Risk Statement	Risk Owner	Current Risk Controls	Risk Score				
					Likelihood	Impact	Residual	Trend	Evaluation
A National Emergency or Pandemic is declared by the Scottish Government and/or the UK Government which impacts the day-to-day operations of Scotland Excel.		Scotland Excel must ensure that, during a National Emergency or Pandemic, it can continue to deliver all its services to local authorities, associate members and to suppliers attached to its contract frameworks	JW	<p>Existing ICT arrangements within Scotland Excel perform well within a Home Working scenario.</p> <p>Employee support mechanisms (Occupational Health, Time to Talk etc.) remain in place during Home Working scenarios.</p> <p>Access to a range of video communication software allows business meetings to take place and ensures employees living alone or experiencing difficulties can be supported.</p> <p>Governance of the organisation can be maintained in line with governing documents.</p> <p>Framework nature of managed contracts ensure minimum dependence on single suppliers.</p> <p>The organisation can adapt to changing priorities and allocate resources accordingly, for example PPE and Food during Covid pandemic.</p> <p>Review of contract terms and conditions every 2 years</p>	5	3	15		25
									
Risk Register Review Updates									
Date	05/11/20	Linked actions added, existing actions updated – Residual Risk Score remains unchanged							
	27/04/21	Linked actions reviewed – Residual Risk Score (Impact) reviewed following SXL positive response to COVID-19 pandemic and mitigating actions put in place. Residual Risk Score revised to 15 (5 Likelihood, 3 Impact)							
	16/06/21	Linked actions added, existing actions updated – Residual Risk Score remains unchanged							
	26/10/21	Linked actions reviewed, updated and new actions added. - Residual Risk Score remains unchanged.							


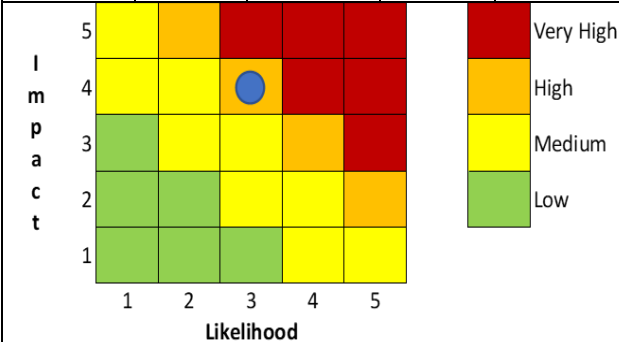
Linked Actions				
Description	Assigned To:	Due Date	Status	Notes
A return to office-based working plan for employees to be developed in line with Scottish Government and Renfrewshire Council guidance	SMT	31/12/21	On-going	Observing Govt & Renfrewshire Council guidance on office return.
A comprehensive review of Scotland Excel operations during Lockdown, Unlock and Post Lockdown to be carried out	SMT	26/05/21	Complete	COVID Lessons learned session
Carry out a review of Contract Terms and Conditions ensuring they are appropriate during National Emergency or Pandemic situations.	BM	30/09/21	Complete	Overall review incorporating insurance market, councils-standard terms-special terms etc.
Make “Mental Health at Work Commitment”, develop and deliver an associated action plan to implement across the organisation	SB	31/12/21	On-going	Action plan includes training for managers and all staff etc.
Develop a Home Working Risk Assessment in line with HSE guidelines to be issued to all employees expressing an interest in blended working	LC	31/12/21	On-going	Completion of Assessment is a pre-requisite for blended working
Review Scotland Excel Business Continuity planning in light of lessons learned during pandemic to ensure the plan remains fit for purpose	SMT	31/03/22	On-going	
Continuing Customer Engagement exercise with key Scottish Local Authority partners	ET	31/12/21	On-going	Engagement plan to start in November 2021

Reference: SXL001-21/22		Organisational Sustainability						
Context	Risk Statement	Risk Owner	Current Risk Controls	Risk Score – no change				
				Likelihood	Impact	Residual	Trend	Evaluation
Potential for local government organisations withdrawing support. Requirement to diversify and generate financial income from alternate sources. Council budget cuts impacting upon use of services provided. Scottish Government policy changes impacting on Scotland Excel operations.	Membership of Scotland Excel is optional for all stakeholders and Scotland Excel must be alert to this and the impact of Councils or Associate Members resigning their membership.	JW	<p>Continuing focus on added Core Value delivered for all member councils.</p> <p>On-going development of projects offering new services and increasing benefits to stakeholders.</p> <p>Identification of new opportunities to provide additional chargeable services based on customer demand.</p> <p>Ongoing robust market testing of all new shared service propositions.</p> <p>Ongoing robust business model is in place for all new services (cost to serve, funding/uptake forecasts).</p> <p>Regular engagement with Chief Execs, Finance Directors, Corporate Procurement Leads and Elected Members demonstrating the value added by Scotland Excel</p>	3	5	15		16
								
Risk Register Review Updates								
Date	05/11/20	Linked action added; Linked actions updated, and risk discussed; Residual Risk Score increased to 20 (Likelihood 4 x Impact 5) due to emerging financial impact of COVID-19 pandemic.						
	27/04/21	Linked actions reviewed – Residual Risk Score (Likelihood) reviewed following SXL positive financial performance during COVID-19 pandemic and mitigating actions put in place. Residual Risk Score revised to 15 (3 Likelihood, 5 Impact)						
	16/06/21	Linked actions reviewed – No change to Residual Risk Score (3 Likelihood, 5 Impact).						
	26/10/21	Linked actions reviewed – No change to Residual Risk Score (3 Likelihood, 5 Impact).						
Linked Actions								
Description			Assigned To:	Due Date	Status	Notes		
Continuing Customer Engagement exercise with key Scottish Local Authority partners			ET	31/12/21	On-going	Engagement plan to start in November 2021		
Detailed review of Project and Contract opportunities.			SB	30/09/21	Complete	Review of contract opportunities post COVID-19		


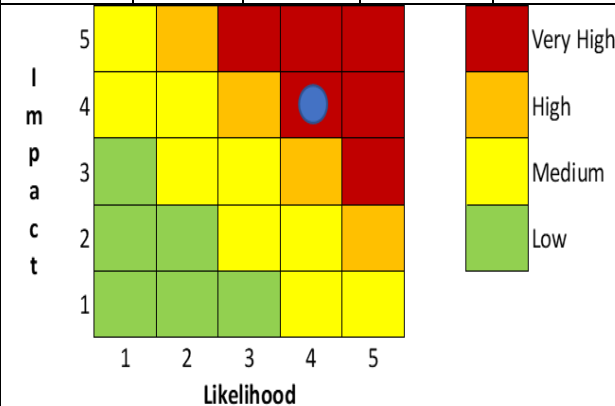
Review of Scotland excel Public Affairs strategy promoting closer engagement with partners	ET	31/05/21	Complete	
Review Scotland Excel Business Continuity planning in light of lessons learned during pandemic to ensure the plan remains fit for purpose	SMT	31/12/21	On-going	Continued monitoring of impact of pandemic on operations
Develop a plan and proposal in relation to how Scotland Excel gathers, records, processes and reports operational and wider data both internally and externally to our partners.	ET	31/03/22	On-going	Follow up from workshop and subsequent meetings with SMT and partners
Monitor potential impact of post pandemic and BREXIT challenges to Scotland Excel frameworks. Challenges include logistics, supply of raw materials, rising energy costs and a shortage of trained labour all of which may impact framework performance.	SMT	31/03/22	On-going	While all frameworks potentially affected particular attention to Building Supplies and Construction

Reference: SXL002-21/22		Managing Growth and Diversity							
Context		Risk Statement	Risk Owner	Current Risk Controls	Risk Score				
					Likelihood	Impact	Residual	Trend	Evaluation
Failure to identify and manage emerging opportunities and threats to Scotland Excel. Inability to evolve service offering in a diverse and changing landscape. Inability to attract and retain high caliber new staff to Scotland Excel		There is a risk to the long-term future of the organisation if it fails to grow the portfolio of services offered to members.	SB	Horizon Scanning meetings help to identify market development opportunities and give the organisation time to plan for capability and capacity. Organisational Development strategy and workforce planning tools used to ensure that Scotland Excel has the right caliber of staff to deliver and grow a quality service offering. New project opportunities have been won across a number of councils and other public/third sector bodies.	3	4	12		12
									
Risk Register Review Updates									
Date	05/11/20	Linked action added; Linked actions updated, and risk discussed; Residual Risk Score retained at current level (16)							
	27/04/21	Linked actions reviewed – Residual Risk Score (Likelihood) reviewed following positive Project’s pipeline development and mitigating actions put in place. Residual Risk Score revised to 12 (3 Likelihood, 4 Impact)							
	16/06/21	Linked actions reviewed –Residual Risk Score unchanged at 12 (3 Likelihood, 4 Impact).							
	26/10/21	Linked actions reviewed –Residual Risk Score unchanged at 12 (3 Likelihood, 4 Impact).							
Linked Actions									
Description				Assigned To:	Due Date	Status	Notes		
Review of Market Competitors to be refreshed post pandemic.				SMT	31/03/22	On-going	Reviewing market competitors, assessing risk and threat levels post pandemic		
Review of Business Development Strategy for Scotland Excel post pandemic				SB	31/12/21	On-going			
Detailed review of Project and Contract opportunities.				SB	30/09/21	Complete	Review of opportunities post COVID-19		
Organise Information Strategy Workshop to review organisational Data and Information management and use.				ET	17/06/21	Complete	Workshop took place on 17/06/21		
Complete implementation of Workforce Development Plan				ET	31/12/21	On-going			


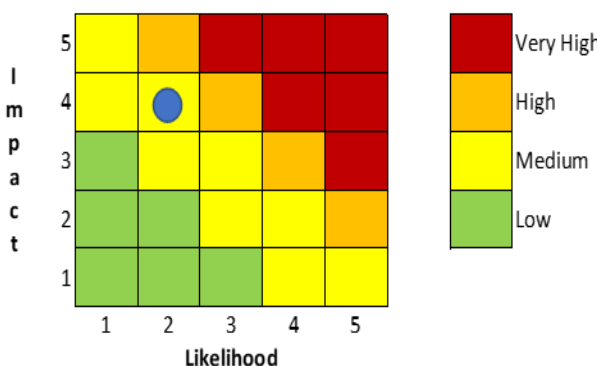
Carry out comprehensive review of existing Retention, Recruitment and Selection practice of Scotland Excel to ensure fit for purpose post pandemic and BREXIT	SB	31/12/21	On-going	In light of emerging recruitment challenges post pandemic and post Brexit.
Develop a proposal in relation to how Scotland Excel gathers, records, processes and reports operational and wider data both internally and externally to our partners.	ET	31/03/22	On-going	Follow up from workshop and subsequent meetings with SMT and partners
Monitor potential impact of post pandemic and BREXIT challenges to Scotland Excel frameworks. Challenges include logistics, supply of raw materials, rising energy costs and a shortage of trained labour all of which may impact framework performance.	SMT	31/03/22	On-going	While all frameworks potentially affected particular attention to Building Supplies and Construction

Reference: SXL004-21/22		Reputational Risk						
Context	Risk Statement	Risk Owner	Current Risk Controls	Risk Score				
				Likelihood	Impact	Residual	Trend	Evaluation
Negative publicity or media coverage affects the organisation and impacts stakeholders. Negative media reports relating to a framework or service provider. An increased need to generate positive marketing outlining Scotland Excel’s role during the pandemic and post Brexit.	Scotland Excel is faced with negative publicity or a media crisis through a service issue or failure that compromises the organisation’s stakeholders and adversely affects the organisational reputation across the sector.	JW	Colleagues advise communications team of any potential issues to enable effective planning for “negative” media interest. Pro-active monitoring of press coverage carried out by marketing team and wider organisation. Pro-active and robust engagement with press organisations to ensure positive relationships and coverage. Development of easier to use/access, new corporate website. Organisational promotion of corporate values to ensure individuals, teams and the organisation as a whole operates in line with its Values.	3	4	12		8
								
Risk Register Review Updates								
Date	05/11/20	Linked action added; Linked actions updated, and risk discussed; Residual Risk Score retained at current level (12)						
	27/04/21	Linked actions reviewed – No change to Residual Risk score due to potential impact of Supplier failure SXL005-21/22 on reputation.						
	16/06/21	Linked actions reviewed – No change to Residual Risk score						
	26/10/21	Linked actions reviewed – No change to Residual Risk score						
Linked Actions								
Description			Assigned To:	Due Date	Status	Notes		
Continuing Customer Engagement exercise with key Scottish Local Authority partners			ET	31/12/21	On-going	Engagement plan to start in November 2021		
Review of Scotland excel Public Affairs strategy promoting closer engagement with partners			ET	31/05/21	Complete	Review of Scotland Excel Public Affairs strategy		
Scotland Excel “Employee Exit Procedure” to be reviewed to ensure identification of retention issues for the organisation.			SMT	31/12/21	On-going	Collection of feedback and reporting process to be reviewed.		


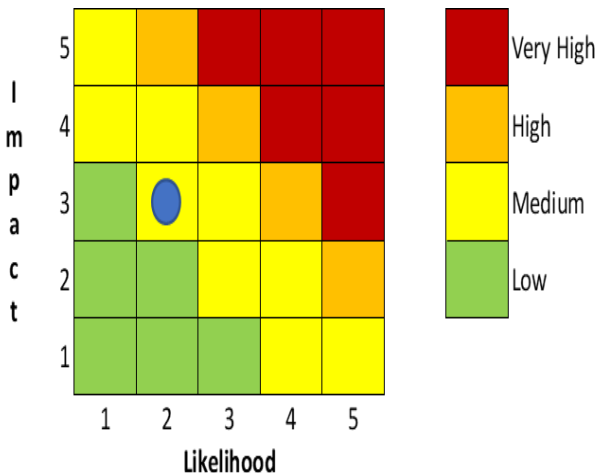
Carry out comprehensive review of existing Retention, Recruitment and Selection practice of Scotland Excel to ensure fit for purpose post pandemic and BREXIT	SB	31/12/21	On-going	In light of emerging recruitment challenges post pandemic and post Brexit.
Build Scotland Excel reputation beyond procurement professionals promoting other areas including the Academy	IMN	31/03/22	On-going	Being led by SXL Academy
Monitor potential impact of post pandemic and BREXIT challenges to Scotland Excel frameworks. Challenges include logistics, supply of raw materials, rising energy costs and a shortage of trained labour all of which may impact framework performance.	SMT	31/03/22	On-going	While all frameworks potentially affected particular attention to Building Supplies and Construction

Reference: SXL006-21/22		Staff Recruitment and Retention								
Context		Risk Statement	Risk Owner	Current Risk Controls	Risk Score					
					Likelihood	Impact	Residual	Trend	Evaluation	
Demand in the market for staff makes recruiting and retaining staff problematic. Home and hybrid working practices have altered the recruitment environment for all public sector organisations.		Scotland Excel encounters problems in recruiting and retaining staff of suitable skill, quality, and experience to deliver the operating plan	SB	Recruitment processes reviewed and updated. PRD process reviewed and updated in consultation with Scotland Excel staff. Successful recruitment campaigns including events to be replicated. Retention measures improved including secondment opportunities and projects to enrich roles. Enhanced organisational reputation through events, partnerships and marketing. Retain Investors in People accreditation. Staff turnover figures collated and presented to SMT annually	4	4	16		9	
										
Risk Register Review Updates										
Date	05/11/20	Linked actions updated, and risk discussed; Residual Risk Score reviewed down to 9 (Likelihood 3 x Impact 3) due to public sector being better regarded as employer of choice following pandemic.								
	27/04/21	Linked actions reviewed – No change to Residual Risk score due to potential impact of COVID-19 pandemic and BREXIT on recruitment.								
	16/06/21	Linked actions reviewed – No change to Residual Risk score due to potential impact of COVID-19 pandemic and BREXIT on recruitment.								
	26/10/21	Linked actions updated, and risk discussed; Residual Risk Score reviewed upwards to 16 (Likelihood 4 x Impact 4) in light of recruitment challenges post pandemic/Brexit and a growing “War on Talent” within the procurement sector								
Linked Actions										
Description				Assigned To:	Due Date	Status	Notes			
Scotland Excel “Employee Exit Procedure” to be reviewed to ensure identification of retention issues for the organisation.				SMT	31/12/21	On-going	Collection of feedback and reporting process to be reviewed.			
Carry out comprehensive review of existing Retention, Recruitment and Selection practice of Scotland Excel to ensure fit for purpose post pandemic and BREXIT				SB	31/12/21	On-going	In light of emerging recruitment challenges post pandemic and post Brexit.			


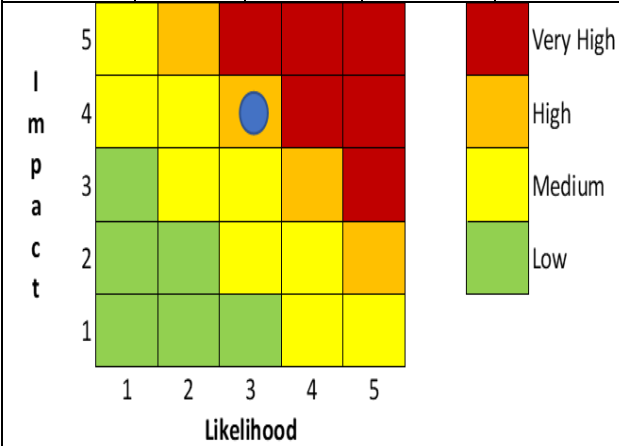
Carry out review of current PRD 2021 procedure and update process as appropriate. (IIP Action Plan)	SMT	31/03/22	On-going	Recommendation from IIP
Review recruitment policy during COVID-19 pandemic	SMT	30/06/21	Complete	Recruitment being continuously reviewed – fixed term appointments only being considered
Draft “Total Reward” document for inclusion on website, as part of recruitment packs and make available to all staff	LC	31/12/21	On-going	
Make “Mental Health at Work Commitment”, including development and delivery an associated action across the organisation	SMT	31/12/21	On-going	Action plan will include training for managers and all staff.

Reference: SXL008-21/22		Risk of Not Performing/Delivering						
Context	Risk Statement	Risk Owner	Current Risk Controls	Risk Score				
				Likelihood	Impact	Residual	Trend	Evaluation
Failure to deliver in line with member council expectation. System failures impact on the ability of the organisation to deliver services. Increasing member expectations as financial challenges increase. Recruitment and Retention challenges affecting delivery plans and performance due to extended vacancies and/or staff leaving.	Scotland Excel fails to perform in line with customer expectations. Scotland Excel fails to meet delivery targets agreed with stakeholders.	SB	Approved 5 years strategy and one-year operating plan in place. A range of KPIs currently exist at contract and organisational level. These are regularly reviewed. Regular operating plan updates to Executive Sub Committee to ensure robust governance. Regular financial period review and reporting across core and projects. Business continuity approach ensures that the organisation and its systems can operate effectively remotely Scotland Excel are providing new and improved services to member councils on an ongoing basis.	2	4	8		8
								
Risk Register Review Updates								
Date	05/11/20	Linked action added; Linked actions updated, and risk discussed; Residual Risk Score retained at current level (12)						
	27/04/21	Linked actions reviewed – Residual Risk Score (Likelihood) reviewed following positive financial performance and projects pipeline development and mitigating actions put in place. Residual Risk Score revised to 8 (2 Likelihood, 4 Impact)						
	16/06/21	Linked actions reviewed – No change to Residual Risk Score						
	26/10/21	Linked actions reviewed – No change to Residual Risk Score						
Linked Actions								
Description			Assigned To:	Due Date	Status	Notes		
Continuing Customer Engagement exercise with key Scottish Local Authority partners			ET	31/12/21	On-going	Engagement plan to start in November 2021		
Review of Scotland excel Public Affairs strategy promoting closer engagement with partners			ET	31/05/21	Complete	Review of Scotland Excel Public Affairs strategy		

Carry out comprehensive review of existing Retention, Recruitment and Selection practice of Scotland Excel to ensure fit for purpose post pandemic and BREXIT	SB	31/12/21	On-going	In light of emerging recruitment challenges post pandemic and post Brexit.
Develop a plan and proposal in relation to how Scotland Excel gather, record, process and report operational and wider data both internally and externally to our partners.	ET	31/03/22	On-going	Follow up from workshop and subsequent meetings with SMT and partners
Monitor potential impact of post pandemic and BREXIT challenges to Scotland Excel frameworks. Challenges include logistics, supply of raw materials, rising energy costs and a shortage of trained labour all of which may impact framework performance.	SMT	31/03/22	On-going	While all frameworks potentially affected particular attention to Building Supplies and Construction

Reference: SXL007-21/22		Corporate Social Responsibility								
Context		Risk Statement	Risk Owner	Current Risk Controls	Risk Score					
					Likelihood	Impact	Residual	Trend	Evaluation	
<p>Ensure that, where possible, community benefits are delivered as part of the contract portfolio.</p> <p>Ethical sourcing of products and supplies in the whole supply chain.</p> <p>Ensure that Scotland Excel as an organisation delivers Community Benefit in its day-to-day operations</p>		<p>Scotland Excel may not be seen as an industry leader in terms of how it addresses key aspects of corporate social responsibility with an associated negative impact upon our reputation and stakeholder perceptions.</p>	HC	<p>Management and Reporting of Community Benefits developed and embedded.</p> <p>Community benefit requirements issued to suppliers at tender stage.</p> <p>Active promotion of community benefits is delivered through our contracts.</p> <p>Living Wage Employer accreditation secured, used to raise awareness with stakeholders.</p> <p>Workforce matters and living wage considerations are built in at strategy stage.</p> <p>Ethical sourcing strategies provided by suppliers as part of the tender process.</p> <p>Co-ordination of Community Benefits Forum for partner local authorities.</p> <p>Staff have become mentors for children in schools under MCR Pathways.</p> <p>Partnership with Founders 4 Schools supporting CV writing, mock interviews etc.</p> <p>Incorporation of “Fair Work First” into SXL frameworks</p>	2	3	6		6	
										
Risk Register Review Updates										
Date	05/11/20	New linked action added, linked actions updated, and risk discussed; Residual Risk Score unchanged								
	27/04/21	Linked actions reviewed – No change to Residual Risk score due to potential impact of COVID-19 pandemic and BREXIT on Community Benefits performance by suppliers despite notable acts of kindness by certain suppliers.								
	16/06/21	Linked actions reviewed – No change to Residual Risk score								
	26/10/21	Linked actions reviewed – No change to Residual Risk score								

Linked Actions				
Description	Assigned To:	Due Date	Status	Notes
Develop an Intern/Graduate training programme which can be made available to partner organisations	SB	31/03/22	On-going	
Develop a rolling programme of Intern recruitment for SXL	SB	31/03/22	On-going	Initial recruitment to take place via Kick Start programme
Develop a Scotland Excel Young People's strategy (IIP Action Plan)	SMT	31/03/22	On-going	
Continue and develop corporate support for the MCR Pathways programme	SMT	31/12/21	On-going	
Make "Mental Health at Work Commitment", including development and delivery an associated action across the organisation	SMT	31/12/21	On-going	Action plan will include training for managers and all staff.
Develop a plan and proposal in relation to how Scotland Excel gather, record, process and report operational and wider data both internally and externally to our partners.	ET	31/03/22	On-going	Follow up from workshop and subsequent meetings with SMT and partners

Reference:		SXL009-21/22	Environmental Impact and Climate Change								
Context		Risk Statement	Risk Owner	Current Risk Controls	Risk Score						
					Likelihood	Impact	Residual	Trend	Evaluation		
In light of the growing awareness of environmental issues and the potential impact of certain working practices on the environment Scotland Excel must - <ul style="list-style-type: none">Reduce the adverse impact of organisational activity on the EnvironmentReduce the adverse impact of Scotland Excel frameworks on the EnvironmentMaximise the influence of Scotland Excel on environmentally friendly public service delivery		Scotland Excel’s daily operations and frameworks have an adverse impact on the Environment and Climate Change and contribute to environmental challenges being faced.	JW	Adoption of environmentally aware office practices within Scotland Excel i.e., recycling, agile working, double sided printing etc. Requirement for Environmental Policy, ISO certificate or equivalent for access to certain frameworks. Actions in relation to reducing carbon footprint scored in assessment for certain frameworks Information in relation to environmental practices and plans requested across all frameworks Sustainability testing carried out on all framework suppliers	3	4	12		6		
											
Risk Register Review Updates											
Date	05/11/20	New linked action added, linked actions updated, and risk discussed; Residual Risk Score unchanged									
	27/04/21	Linked actions reviewed – No change to Residual Risk score.									
	16/06/21	Linked actions reviewed – No change to Residual Risk score.									
	26/10/21	Linked actions reviewed – Residual Risk Score, Likelihood and Impact reviewed following discussion in relation to current climate emergency. Residual Risk Score revised to 12 (Likelihood-3, Impact-4)									
Linked Actions											
Description				Assigned To:		Due Date		Status		Notes	
Review of what further actions can be taken by Scotland Excel to impact organisational, supplier and partner carbon footprint reduction activity				HC		31/03/22		On-going		Capture and report environmental outcomes on Procurement agenda.	

Identify and participate in appropriate and relevant Environmental Groups where SXL can have influence	SMT	30/06/21	Complete	A number of SXL staff already attend environmental strategy groups
SMT – Strategic Meeting on Environmental Sustainability to be arranged for the SMT	SMT	07/07/21	Complete	
“Climate Emergency and Sustainability” key Scotland Excel Conference Theme held week beginning 7 th June 2021	SMT	11/06/21	Complete	Conference was a great success with excellent feedback
Develop Marketing campaign to evidence how Scotland Excel is “Supporting Scotland’s Green Recovery”	SMT	31/12/21	On-going	An on-going programme will continue to the end of the year.
Re-write SXL Sustainable Procurement Strategy with input from Zero Waste Scotland	SMT	31/03/22	On-going	
Develop a plan and proposal in relation to how Scotland Excel gather, record, process and report operational and wider data both internally and externally to our partners.	ET	31/03/22	On-going	Follow up from workshop and subsequent meetings with SMT and partners

Scotland Excel

To: Joint Committee

On: 10 December 2021

**Report by:
Chief Executive of Scotland Excel**

Community Benefits and Fair Work Practices Update

1. Introduction

In line with legislative requirements and Scotland Excel's sustainable procurement duty this report will highlight the Community Benefits delivered, in the period of 1 April 2021 to 30 September 2021, as a result of the Scotland Excel framework portfolio. Additionally, an update will be provided regarding Fair Work Practices which will give an analysis of suppliers and providers' Living Wage status.

Scotland Excel continually strives to be innovative in its approach to Community Benefits. We recognise that Community Benefits have a considerable social, environmental and economic impact within local communities and we continue to encourage and grow awareness in this regard. Our approach to Community Benefit commitments has been developed to further advance the undertakings made by suppliers and to facilitate a robust process for the collection of responses. Scotland Excel utilises the Community Benefit menu that has been favoured by procurement specialists when embarking on new procurement exercises and offers a focused approach across the Scotland Excel procurement portfolio. Furthermore, it aims to encourage suppliers and providers to deliver Community Benefits within the awarding local authority area.

2. Summary

Twice yearly, suppliers and providers are requested to complete a comprehensive Community Benefits template. This information is collated to illustrate the variety and extent of Community Benefits delivered as a result of Scotland Excel frameworks. This method of collection together with ongoing contract management aims to support the delivery of the commitments made by suppliers and providers at point of tender. For the return through to 30 September 2021, Community Benefits have been sought from suppliers and providers who have received in excess of £50,000 spend over the preceding two quarters via Scotland Excel frameworks.

Table 1 shows a summary of the social value added across the Scotland Excel procurement portfolio since 2013. The figures are complete for the year ending on March 2021.

	2013/ 2014	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	2019/ 2020	2020/ 2021	Apr – Sep 21	Total
No of Apprentices	9	92	49	18	52	34	37	26	25	342
No of New Jobs	78	43	29	53	146	280	249	340	213	1,431
No of Work Placements	0	5	6	17	30	107	43	47	29	284
Hours of Volunteering & Mentoring	95	377	1279	1570	1637	803	853	608	427	7,649
Hours of Work Experience	5305	28214	16734	7852	2541	667	10,360	19	668	72,360
Value of Other Community Benefits	£2,474	£16,550	£46,140	£87,814	£311,549	£437,443	£901,410	£858,590	£240,486	£2,902,456

Table 1: Summary of social value added across the collaborative portfolio

The number of new jobs for the current return period have seen further growth, with South Lanarkshire being of particular note. These are a result of the business associated with various providers across multiple frameworks, which has resulted in 16 new full-time / part-time employees from The Furnishing Service taking on additional staff to cope with demand of the framework. In relation to 'hours of volunteering and mentoring', Edinburgh, Glasgow City, North Lanarkshire and South Lanarkshire received 56 hours each of volunteering predominately through the Bell Group to assist vulnerable members of the respective communities.

As shown in Appendix 1, supplier returns illustrate that South Ayrshire received a substantial amount of 'Other Community Benefits'. This is largely made up of provision of premises for use by local organisations, sponsorships, donation of equipment and Christmas gifts.

With regard to Fair Work Practices (including the Living Wage) Scotland Excel commenced formal consideration within tenders in early 2015. Since this time the respective position on bidders' work practices has been outlined within Executive Sub Committee Contracts for Approval Reports. From a review of the data available since 2015 the overall position across Scotland Excel's portfolio is:

Of the 1138 suppliers appointed since formal consideration, 981 (86.2%) notified that they pay the Living Wage. This is broken down within the first four columns below:

Scotland Excel continues to ensure transparency within the tender process and focus on aspects of fair work practices deemed relevant for each framework.

Accredited	Progress towards accreditation	Committed to gaining accreditation over the first 2 years of the framework	Not accredited but paying the Living Wage	Not accredited or paying the Living Wage but committed to doing so within 2 years	Neither accredited nor paying Living Wage
225 (19.8%)	55 (4.8%)	96 (8.4%)	605 (53.2%)	31 (2.7%)	126 (11.1%)

Scotland Excel continues to monitor and encourage the implementation of fair working practices and to work closely with suppliers to review their progress in this area.

On 15th October 2021 we received a general communication from Nick Ford, Director, Procurement & Property, The Scottish Government informing us that Scottish Government believe it is possible to mandate the real Living Wage in public contracts where:

- Fair Work First practices, including payment of the real Living Wage is relevant to how the contract will be delivered;
- it does not discriminate amongst potential bidders;
- it is proportionate to do so, and
- the contract will be delivered by workers based in the UK

In light of this communication Scotland Excel are reviewing its approach to Fair Work and will report on this in early 2022.

3. Next Steps

The next Community Benefits data collection, analysis and review cycle will be completed in line with the Management Information process to cover the period through to the end of 31 March 2022. The results will be reviewed with the supply base and where appropriate will be incorporated into supplier performance objectives.

4. Conclusion

Committee members are requested to note the content of this report, and support the on-going practice to monitor delivery of Community Benefits for the 2021/22 financial year.

Appendix 1 Community Benefits by Council Apr to Sep 21

	Number of new apprentices	Number of new employees	Number of work placements	Hours of volunteering	Hours of work experience	Monetary value of Other Community Benefits
Aberdeen City	0	6	0.4	5	64	£6,009
Aberdeenshire	0	11	0	0	24	£12,054
Angus	0	0	0	0	0	£2,508
Argyll & Bute	0	0	0	0	0	£2,856
Clackmannanshire	0	3.9	0	0	0	£2,075
Dumfries & Galloway	0	6	0	0	0	£1,964
Dundee	0	4	0	24	0	£2,587
East Ayrshire	0	0.5	0	0	0	£6,126
East Dunbartonshire	0	1.2	0	20	0	£7,306
East Lothian	1.3	4.2	0	0	60	£5,534
East Renfrewshire	0	0	0	0	0	£3,947
Edinburgh	2	9.7	1	110	126	£18,032
Falkirk	2	17.4	0	4	0	£5,472
Fife	1	11.3	2	0	360	£15,158
Glasgow City	4.4	89	9	117.5	34	£16,482
Highland	1.4	2.5	0	0	0	£9,753
Inverclyde	0	0	0	0	0	£7,795
Midlothian	1	1.1	0	0	0	£5,856
Moray	0	0	0	0	0	£1,891
North Ayrshire	2.5	1	15.6	0	0	£16,227
North Lanarkshire	1	2	1	56	0	£7,120

Orkney Islands	0	0	0	0	0	£418
Perth & Kinross	0	1	0	10	0	£9,078
Renfrewshire	2	2.5	0	8	0	£6,892
Scottish Borders	0	0.2	0	0	0	£2,272
Shetland Islands	0	0	0	0	0	£1,624
South Ayrshire	0.1	0.7	0	0	0	£26,221
South Lanarkshire	5.3	25.4	0	72	0	£11,111
Stirling	0.2	2.8	0	0	0	£2,650
West Dunbartonshire	0	0.3	0	0	0	£2,940
West Lothian	1	9.5	0	0	0	£14,445
Western Isles	0	0	0	0	0	£1,011
Blank	0	0	0	0	0	£5,072
Total	25	213	29	426.50	668	£240,486

Scotland Excel

To: Joint Committee

On: 10 December 2021

**Report by:
The Clerk**

Membership of Scotland Excel Chief Executive Officers Management Group

1. Summary

1.1 The purpose of this report is to seek approval for the membership of Scotland Excel's Chief Executive Officers Management Group (CEOMG), a key governance body for the organisation and which has been part of Scotland Excel's governance since its inception in 2008.

1.2 The CEOMG comprises six Chief Executives from the member authorities of Scotland Excel. The Chief Executive of Renfrewshire Council is a standing member of the group due to Renfrewshire Council being the lead authority for Scotland Excel. The other five members of the Group are appointed annually by the Scotland Excel Joint Committee although membership can be renewed.

1.3 At the meeting of the Joint Committee held on 11 December 2020 it was agreed that the membership of Scotland Excel Chief Officers Management Group (CEOMG) remain as detailed below until December 2021:

Angela Scott	Aberdeen City Council
Margo Williamson	Angus Council
Cleland Sneddon	South Lanarkshire Council
Steve Grimmond	Fife Council
Annemarie O'Donnell	Glasgow City Council
Sandra Black	Renfrewshire Council

1.4 At the meeting of the Joint Committee held on 18 June 2021, it was noted that both Steve Grimmond and Margo Williamson, had intimated that they wished to stand down from the CEOMG and it was agreed that both Eddie Fraser, East Ayrshire Council and Greg Colgan, Dundee City Council become members of the CEOMG.

1.5 Sandra Black continued to chair meetings of the CEOMG in line with the CEOMG procedures. Sandra Black retires from Renfrewshire Council in December 2021 and Alan Russell has been appointed as Chief Executive Designate and will now be Chair of the CEOMG.

- 1.6 It is proposed that the CEOMG membership remain as detailed below above until December 2022 to allow for continuity in the strategic direction for Scotland Excel:

Angela Scott
Eddie Fraser
Cleland Sneddon
Greg Colgan
Annemarie O'Donnell
Alan Russell

Aberdeen City Council
East Ayrshire Council
South Lanarkshire Council
Dundee City Council
Glasgow City Council
Renfrewshire Council

2. Recommendations

- 2.1 That the membership of the CEOMG remain as detailed in paragraph 1.6 until December 2022; and
- 2.2 That it be noted that Alan Russell will chair meetings of the CEOMG.

Scotland Excel

To: Joint Committee

On: 10 December 2021

Report by:
The Clerk

Consideration of Remuneration of the Roles of Convener and Vice Convener of the Scotland Excel Joint Committee

1. Summary

- 1.1 At the meeting of the Scotland Excel Joint Committee on 11 December 2020 a request was made to examine the question of whether the roles of Convener and Vice Convener of the Scotland Excel Joint Committee could be remunerated. It was agreed that a report would be brought to a future meeting of the Joint Committee.
- 1.2 The matter has been considered in consultation with relevant finance officers. The Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2007 ("The Regulations") established the rules in respect of the remuneration of councillors. These include matters such as the roles of council leaders, civic heads and senior councillors.
- 1.3 The Regulations also set out that certain payments can be made to councillors in respect of convener and vice convener roles within certain joint boards. No provisions are made within the Regulations that permit such payments in respect of joint committees. Scotland Excel is a joint committee and is not a joint board within the terms of the Local Government (Scotland) Act 1973.
- 1.4 The Regulations were further amended by The Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2011. That amendment inserted a provision that "No local authority shall allow a body controlled by it to make any payments to its councillors by way of remuneration other than the reimbursement of authorised and receipted expenses." As a joint committee, Scotland Excel is a body controlled by the member authorities. As such, the amended Regulations prohibit any remuneration being paid by Scotland Excel to any councillor. Accordingly, it would not be possible for the roles of Convener and Vice Convener to be remunerated.

2. Recommendations

- 2.1 Members of the Joint Committee are requested to note the content of this report.

Scotland Excel

To: Joint Committee

On: 10 December 2021

**Report by:
The Clerk**

Meetings of Scotland Excel Joint Committee in 2022

1. Summary

- 1.1 The purpose of this report is to seek approval for the proposed dates for meetings of Scotland Excel Joint Committee in 2022.
- 1.2 In terms of Scotland Excel's Procedural Standing Orders:-
 5. The Joint Committee shall meet not less than two times in each calendar year. The dates, times and places for ordinary meetings of the Joint Committee shall be decided by the Joint Committee.
 6. A special meeting of the Joint Committee may be called at any time:
 - (a) by the Convener or Vice-Convener; or
 - (b) if at least one quarter of the total number of members require a meeting in writing specifying the business to be transacted.

Any special meeting shall be held within 14 days from the date when the Clerk receives a written request and at the time and place specified by the Clerk in consultation with the Convener.
- 1.3 The Joint Committee normally meets in June of each year to approve the draft accounts for Scotland Excel and also in November or December of each year to approve the budget. It is considered at this time that all of the business that requires to be transacted by the Joint Committee in 2022 can be dealt with at the two meetings.
- 1.4 The Executive Sub-committee, at its meeting held on 19 November 2021, decided meeting dates for 2022 and agreed that it would meet on 17 June and 9 December 2022, prior to meetings of the Joint Committee.

- 1.5 Currently, all Scotland Excel meetings are being held remotely using the Microsoft Teams platform and it is not known how long this will continue. In light of this it is proposed that the Joint Committee continue to meet remotely. This will continue to be reviewed to take into account public health advice and guidance.

2. Recommendations

- 2.1 That meetings of Scotland Excel Joint Committee be held at 10.45 am on 17 June and 9 December 2022; and
- 2.2 That it be agreed that the Joint Committee continue to meet remotely and that this continue to be reviewed to take into account public health advice and guidance.