

Scotland Excel

To: Chief Executive Officers Management Group

On: 6 November 2017

Directors Update Report

1. Introduction

The purpose of this report is to provide the group with an update on key developments within Scotland Excel since the last meeting of the Chief Executive Officers Management Group on 12th June 2017.

2. Summary

Since the group last met there have been a number of new developments

2.1. LGDT update

Scotland Excel continues to work closely with the Chief Digital Officer to ensure alignment with the LGDT Board, and to provide procurement support as appropriate. In conjunction with the CDO, a procurement lead has been recruited on a fixed term basis from July, funded by the Digital Office, and will support the relevant Scottish Digital foundations and service projects assisted and supported by Scotland Excel.

The initial focus of the digital office initiative is an exploration of the social work management information functional capability from the supplier market. Several local authorities have expressed an interest in pursuing a collaborative solution for this project, and engagement has already begun.

An aligned exercise with the NHS to discover opportunities for the provision of more integrated case management solutions is also underway.

Additionally, a consultation exercise has been launched to establish the existing Scottish local authority landscape regarding current systems to identify collaborative opportunities. Acquiring an understanding of the existing position is a key element of future planning.

2.2. Scottish Government funded projects – Affordable Housing/Social Care

Affordable Housing

This government funded project was launched in April 2017 and aims to provide procurement support to the housing sector. The project includes assessment of the organisations' procurement capability using the same tool as used in councils (PCIP). The project has started well with over a one third of the 160 housing associations volunteering for assessment, representing over half of the £3bn (50,000) homes to be developed. Additional benefits to the local government sector include the addition of a new gas boiler maintenance framework at no extra cost to council members, increased contract spend and an opportunity for wider collaboration.

Social Care – Adult Supported Living/ Care at Home

Adult supported living and care at home services are estimated to cost local government £850m per annum. Scotland Excel recognises that social care reform is now urgent, particularly with the demographic challenges the nation faces from its aging population. Scotland Excel approached the Scottish Government for financial investment to expand its social care procurement shared services in order to develop solutions in these areas. The resultant two year funding has allowed Scotland Excel to commence an ambitious work programme that will ensure procurement plays its part in supporting the Scottish Government's flagship reform of health and social care. This project has a number of potential benefits including improved governance, operational efficiencies and supporting local economies.

2.3 Operational Supplies & Services

This project for small value procurement was approved by the Joint Committee in December 2016. The project proposed utilisation of funds from a new supplier rebate to provide a number of new frameworks for members. The forecast rebate of £135K was invested in a new team within Scotland Excel to deliver 11 new frameworks within the 1st year. The first two frameworks were approved at the October Executive Subcommittee, with combined forecast savings in excess of £230K. The next two frameworks will be presented at the November Executive Sub Committee Meeting, with the remaining 7 projects scheduled for delivery by the end of the financial year.

2.4 The Scotland Excel Academy

Scotland Excel has redeveloped its Learning & Development offering in response to the feedback from the sector. This has led to a more flexible, work-based accredited learning service. The new offering from Scotland Excel is branded as 'The Academy', and covers a number of areas including procurement, leadership, management, project management and commercial skills. Utilising a new platform to support wider geographic participation, the

Academy provides a more inclusive and participative model for learning. Provision of these learning services offers a significant financial saving on existing private sector provision. Scotland Excel can now provide courses accredited to SCQF Level 8 (HND level), through association with the Chartered Management Institute (CMI), and is the only public body in Scotland able to offer Chartered Manager accreditation.

2.5 Contracts approved since June 2017

A total of 5 contracts have been approved at Executive Sub Committee since June 17. These were two new contracts, for Bottled Gas and Laundry Equipment, and 3 renewal contracts for Recycle & Refuse Containers, Vehicle & Plant Hire and Tyres for Vehicles & Plant. The combined overall annual value of these contracts is c.£37m and the estimated overall saving is £620k.

2.6 General update

New Associate Members

There have been ten new associate members since the last CEOMG.

- Abbeyfield Scotland Limited
- Bield Housing and Care
- Cadder Housing Association Limited
- Clydebank Housing Association Limited
- Dumfries and Galloway Housing Partnership Limited
- Ferguslie Park Housing Association Limited
- North Glasgow Housing Association Limited
- South East of Scotland Transport Partnership
- Viewpoint Housing Association Limited
- Weslo Housing Management

PCIP Status

- In 2016 we completed 16 PCIPs.
- In 2017 we completed 15 PCIPs.
- The 32nd PCIP is scheduled to take place on 29 November 2017.
- The average score for the sector is currently 64%.
- For all 31 PCIPs undertaken to date the lowest score is 44% and the highest score is 85%.