

Scotland Excel Progress Report 2014-15

Performance report to end of Q3 (October 2014 – December 2014)

Best value - summary

Strategic aims and objectives	Year 3 target	RAG status	Progress summary
a. Deliver the contract delivery programme on time and secure savings in line with agreed predictions.	16 new contracts 7 extensions 11 renewals		- The number of new contracts delivered as of 31 December remains at 5. A further 3 new contracts will be delivered by 31 March. - A further contract was renewed in Q3* bringing the total number to 6. All 11 renewals will be delivered by 31 March. - All contract extensions have been exercised. 8 new contracts originally forecast for award by 31 March will now be delivered in the next financial year, with 1 of these expected to be delivered by 30 June 2015.
b. Increase the total advertised annual value of contracts on the portfolio from the 2013-14 total of £410M per annum.	£750M p.a		The annual value of the portfolio is currently £617m and is expected to reach £650m by the end of the financial year.
c. Achieve range of savings between 2% and 7% against the delivery programme	Average 5% over the contact portfolio for the year		The average savings from contracts awarded this financial year is 7.9%. Average savings from all contracts awarded since the start of the 3 year business plan is 5.7%.
d. Increase the average % of actual council spend v estimated council spend from the 2013-14 level of 81% to enable a move towards commitment styled contracts to be considered	85%		The average percentage of actual council spend is currently 81% based on the latest available spend figures (Q3).
e. Increase the number of contracts managed as "category 1" contracts from the 2013-14 total of 24 to ensure that maximum value and quality is delivered through the life of the contract	25 actively managed contracts - Annual review and improvement of CSM methodology, systems and outputs		- The number of contracts managed through the contract and supplier management (CSM) programme will remain at 24 this year, as spend on new contracts has not yet reached the required level for the programme. - It has been agreed with local authority procurement leads that process and system improvements will be implemented from Q1 of 2015-16 to allow consistent measurement of trends within current financial year.

* In addition to the contracts approved at the Executive Sub-Committee on 03 October which were reported as Q2

Procurement capability - summary

Strategic aims and objectives	Year 3 target	RAG status	Progress summary
a. Complete the annual round of Procurement Capability Assessments (PCAs) with all relevant councils, develop and deliver a reform programme to meet their needs and help them meet the targets set out in the PPRB Delivery Plan	2014 PCAs completed average sector score improved in line with PPRB targets - Procurement Improvement Programme agreed and delivered - National PCA regime review (AR15 project) supported		25 PCA meetings completed with participating local authorities. The average sector score has risen from 56% to 62%. The sector now has 4 organisations at Superior, 25 at Improved and 3 at the Conformance level of performance. - Resource challenges within the reform team have limited the number of Procurement Improvement Programme projects being delivered this year. - Scotland Excel is continuing to work with national partners to develop a new PCA regime to be rolled out in 2015. A final draft of questions will be issued for consultation in February.
b. Deliver the external Learning and Development strategy set out in Appendix 3 of the 3 year business plan	Implement the Learning and Development Strategy – Phase3		External learning and development programmes are being delivered in line with plans. During Q3, 136 delegates attended 15 courses, bringing the total to 534 delegates and 48 courses since the start of the financial year.
c. Report on future of reform activities completed including funding	Report, resourcing and funding model completed		Scotland Excel has embarked on a transformation programme which will reshape the organisation to meet local authority requirements over the next three years. The programme includes two projects looking at reform services and funding models, and findings will be incorporated into the 2015-18 corporate strategy.
d. Retain Chartered Institute of Purchasing and Supply (CIPS) accreditation award for excellence in policies and procedures.	CIPs accreditation retained		Scotland Excel was awarded CIPS Corporate Certification Standard in their purchasing policies, processes and procedure in October 2014, and remains the only public sector organisation in Scotland with this accreditation.
e. Further to the Scottish Government's pilot PCA for Centres of Procurement Expertise (CoEs) undertaken in 2012, prepare for the next assessment in 2015	Benchmarking with other CoEs completed		A benchmarking exercise planned for Q4 has been cancelled to free up resources to focus on Scotland Excel's transformation project.

Stakeholder engagement - summary

Strategic aims and objectives		Year 3 target	RAG status	Progress summary
a.	Develop an appropriate and targeted corporate communications strategy to reflect the 3 year strategic goals	- Annual schedule of communications activity planned - Communications strategy developed to support 2015-18 business plan		- Scotland Excel has been unable to implement a full calendar of planned marketing and communications activity this year due to resource constraints. The team was strengthened with the appointment of two new specialists in Q3 and implementation of a communications plan is now underway. - A communications strategy to support the new 3 year corporate strategy will be developed as part of the transformation programme.
b.	Provide appropriate support to customers to help them optimise the benefits they receive as members of Scotland Excel	Stakeholder engagement embedded to manage and improve customer experience		- Scotland Excel's new Director has undertaken extensive consultation with local authority stakeholders and other key partners to inform the development of a new three year corporate strategy. Feedback is being used to inform a number of strands of the organisation's transformation programme including a project for stakeholder engagement. - A new approach to customer account management is being developed in response to local authority feedback as part of the stakeholder engagement transformation project. Quarterly business review meetings with local authorities are continuing to take place while the project is in progress.
c.	Complete a customer survey to measure satisfaction with services delivered.	Carry out follow up survey		In-depth focus group research has been completed to provide further insight into the findings of the 2013 customer satisfaction survey. The results will be reviewed alongside other research and consultation findings as part of the stakeholder engagement transformation project. Annual surveys for all key customers will be reintroduced following the completion of this project.
d.	Annual report on activities produced and distributed to key stakeholders	Annual report produced by June.		The 2013-14 annual report has been completed and is available for download from the Scotland Excel website.

Corporate social responsibility - summary

Strategic aims and objectives	Year 3 target	RAG status	Progress summary
a. Further to attaining level 4 of the Flexible Framework (FF) continue to follow best practice and consider achieving level 5	Pilot Level 5 of the revised Flexible Framework		Scotland Excel is currently testing assessment tools which will support the revised Flexible Framework. As it is unlikely that the Scottish Government will be implementing pilot activity for the new framework this financial year, Scotland Excel is continuing to maintain Level 4 standards in sustainable procurement.
b. Continue to engage with supplier organisations, including third sector and SMEs, to encourage and monitor participation in Scotland Excel tender opportunities	- Supplier development strategy established - Host or attend up to 6 supplier development events, including at least 1 regional - Produce six month reports on supplier demographics		- Plans for a supplier recognition awards programme are in development. The awards are expected to be launched in March, with an award ceremony taking place at a supplier development event in the summer of 2015. - During Q3, Scotland Excel attended 3 Meet the Buyer events in Edinburgh, Alloa and Dunfermline, and met with suppliers at the Procurex exhibition in Glasgow. Pre-tender supplier events were held for the playground equipment, building and timber and grounds maintenance frameworks. This brings the total number of supplier events this financial year to 15. - As of the end of Q2, SMEs accounted for 69.2% of framework suppliers and 44.6% of spend.
c. Embed Community Benefits clauses in contract development process and publish successes	Measure percentage of contracts with Community Benefit clauses		Community benefits clauses continue to be incorporated into new or renewed Scotland Excel frameworks, and their impact is being monitored through a new sustainability tracker. Scotland Excel is leading a working group of local authorities looking at a joint approach to measuring community benefits. Quarterly reports will be submitted to elected members from June 2015.

Organisational development - summary

Strategic aims and objectives	Year 3 target	RAG status	Progress summary
a. Further to retaining “Investors in People” status continue with business Improvement plans	Continuous improvement plans delivered in line with IIP recommendations		Scotland Excel's transformation programme includes a project looking at organisational development, and a workshop facilitated by IIP will take place in Q4 to agree revised organisational vision and values.
b. Reduce and maintain sickness absence at below 4%	3.9%		The rolling annual absence rate was 2.1% at the end of Q3. Monthly absence rates remained c. 1% throughout this quarter.
c. Improve organisational development (OD) and improving employee engagement	- Review Scotland Excel's vision, values and culture - Organisational development plans completed - Employee engagement plans delivered		- Scotland Excel's vision, values and culture are being reviewed as part of the organisational development transformation project. - An organisational development strategy will be produced as part of the transformation programme and will be incorporated into the overall corporate strategy for 2015-18. The new strategy will be used to develop annual operational plans, including clear individual objectives for staff, which will be rolled out from June 2015 - Scotland Excel is continuing to support initiatives developed by the Staff Engagement Group. The results of the biannual staff survey in November showed average scores of around 7 out of 10 across all five engagement measures.
d. Improve employee development through more effective use of cross functional working, enhanced leadership and development of people skills	Employee development plans implemented		Staff development is progressing in line with an agreed training plan. This plan encompasses a mix of formal and informal training including professional qualifications, skills development, secondments, cross-functional projects and guest speaker presentations.

Report Key	
R	Project or activity is currently stalled and/or at significant risk of failing to meet target by year end
A	Project or activity is behind schedule and/or target may not fully be met by year end
G	Project or activity has been completed and/or is on schedule to meet target by year end