

Scotland Excel

To: Executive Sub-Committee

On: 15 March 2024

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

Operating Plan Update 2023-24






1. Summary

- 1.1 In December 2022, Scotland Excel's Joint Committee approved a new five-year corporate strategy outlining the organisation's business goals and priorities from 2023-2028.
- 1.2 The strategy was developed around five corporate goals, agreed with stakeholders, which influence all aspects of Scotland Excel's work:
 - Journey towards a net zero Scotland.
 - Drive for efficiency to support the financial sustainability of local public service.
 - Community wellbeing with equal access to services, economic development and fair work jobs.
 - Resilient supply chains that maximise opportunities for Scottish businesses and the third sector.
 - Advancement of skills to deliver Scotland's economic transformation.
- 1.3 The strategy is supported by annual operating plans. A plan covering the period from 01 April 2023 to 31 March 2024 was also approved at December's Joint Committee meeting. This paper presents an update on operating plan activity that has taken place between 01 October and 31 December 2023.
- 1.4 Since approval, further discussions with senior local authority stakeholders have indicated that one of the five corporate goals – the drive for efficiency to support the financial sustainability of local public service – should be prioritised during 2023-24 and for the foreseeable future. A dedicated team has been established to manage this work.
- 1.5 In December 2023, the Joint Committee agreed that a small number of actions from the 2023-24 operating plan would be rescheduled to form part of

future operating plans. These actions are noted within the relevant progress summary information in the attached report.

2. Background

- 2.1 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.
- 2.2 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.

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3. Recommendations

- 3.1 The members of the Executive Sub-Committee are invited to note Scotland Excel's progress in delivering the actions contained within the operating plan for 2023-24.













Operating Plan

2023 – 2024






Q3 Progress Report

Value delivery: procurement & commissioning






Action	RAG status	Progress summary
<ul style="list-style-type: none"> Implement refreshed category strategies to inform the development of contract delivery plans and market shaping activities. 		<ul style="list-style-type: none"> In December 2023, Scotland Excel began restructuring its Strategic Procurement and Commissioning function to provide greater alignment of category strategies in strategic procurement and enhance the commissioning focus for social care arrangements. This will continue through Q4.
<ul style="list-style-type: none"> Review and refresh Scotland Excel's approach to contract delivery planning, extending the visibility of the decision-making and delivery process over a longer timeframe to support contract utilisation. 		<ul style="list-style-type: none"> Improvements to Scotland Excel's contract delivery planning process are underway to increase the predictability of framework delivery timelines. Measures already in place include training, process automation, standardisation, and changes to the review process.
<ul style="list-style-type: none"> Review and refresh Scotland Excel's approach to key supplier management (KSM) and contract and supplier management (CSM) to identify further savings and efficiency opportunities for members. 		<ul style="list-style-type: none"> Scotland Excel continues to evolve a new approach to KSM/CSM as part of the drive to deliver further savings and efficiencies for members. Opportunities to improve logistic efficiencies are being piloted within food frameworks, and product swap trials are underway with a key educational materials supplier.
<ul style="list-style-type: none"> Continue to develop and deliver savings projects to maximise the commercial value returned to members through optimal use of our frameworks. 		<ul style="list-style-type: none"> Scotland Excel continues to focus on the drive for commercial value as members' priority goal during 2023-24. The savings team has identified a pipeline of opportunities with a combined value of over £4m, with £1.7m already delivered, and is on target to achieve its first-year target of £5m.
<ul style="list-style-type: none"> Develop and deliver a methodology for assessing and presenting the total value of membership including framework savings, rebates, community benefits, service delivery, skills development, and other benefits. 		<ul style="list-style-type: none"> Annual Value Reports for 2022-23 have been published for each council. Work is underway on the development of a new performance management framework which will articulate the value delivered by Scotland Excel across a range of social, economic and environmental measures.

<ul style="list-style-type: none"> Continue to support local economic development through identifying and promoting supply chain opportunities for Scottish businesses. 		<ul style="list-style-type: none"> During Q3, Scotland Excel exhibited at Procurex and Meet the Buyer South events, as well as at local Meet the Buyer events in Ayrshire, Renfrewshire and Fife. Scotland Excel is continuing to work with partners on a range of initiatives including the Scottish Government's Supply Chain Development Group and Local Food Steering Group.
<ul style="list-style-type: none"> Develop and deliver an action plan to monitor payment of the Real Living Wage by suppliers, providing reports to members which enable them to evaluate and select suppliers on this basis. 		<ul style="list-style-type: none"> Real Living Wage descriptors have been changed to improve the alignment of each Scotland Excel supplier to its Real Living Wage status.
<ul style="list-style-type: none"> Implement actions from Scotland Excel's net zero strategy, via a whole organisation approach, to support our members' net zero journey. 		<ul style="list-style-type: none"> A multi-disciplinary delivery group continues to oversee the implementation of Scotland Excel's net zero action plan, and a new sustainability policy is being drafted to support the plan. Scotland Excel attended the Circular Communities Scotland Conference to represent the organisation and its members.
<ul style="list-style-type: none"> Continue to work with cross-sector partners to develop positive carbon impact initiatives linked to procurement activities. 		<ul style="list-style-type: none"> Scotland Excel continues to work closely with partners on carbon reduction initiatives, including opportunities for district heat networks, electric vehicle charging concession models, and rural mobility. External stakeholders and member representatives are advising on these opportunities. In November, Scotland Excel delivered a 'Procuring a More Sustainable Future for People and Planet' webinar to 150 delegates in partnership with the Improvement Service and the Scottish Government.
<ul style="list-style-type: none"> Monitor, respond to, and report on national policy changes that affect Scotland Excel's procurement portfolio, including the National Care Service, contributing to policy discussions where appropriate. 		<ul style="list-style-type: none"> Following a response to a 'call for views' on the performance of the Procurement Reform Act, Scotland Excel will give oral evidence to the Scottish Parliament's Economy and Fair Work Committee in March 2024. Participation in National Care Service (NCS) forums and meetings continues, including a workstream to guide and support local and national decision making for the commissioning and procurement of community health and adult social care and support.








Value delivery: services








Action	RAG status	Progress summary
<ul style="list-style-type: none"> Explore alternative business models to support sustainable growth and reduce reliance on membership fees. 		<ul style="list-style-type: none"> This action has been removed from current operating plan as Scotland Excel's existing business model supports the delivery of current strategic priorities.
<ul style="list-style-type: none"> Continue to grow and develop procurement capability projects, initiative and services for members including support for the next tranche of Procurement & Commercial Capability Services (PCIPs). 		<ul style="list-style-type: none"> The Procurement Commercial Improvement Programme (PCIP) assessments commenced in October 2023 and will take place until the end of March 2024. Workshops for local authorities took place in October to review typical evidence and to discuss each of the mandatory questions within the assessment.
<ul style="list-style-type: none"> Implement Scotland Excel's business development strategy to increase demand for services and grow associate membership. 		<ul style="list-style-type: none"> Scotland Excel continues to grow its associate membership. In Q3, seven new member applications were approved, comprising four housing associations and three charities, which contributes a total of £10,600 in annual fee income.
<ul style="list-style-type: none"> Develop and implement plans to deliver Scotland Excel's new Academy strategy, based on a sector training needs analysis and recognising member requirements for affordable training options. 		<ul style="list-style-type: none"> The Scotland Excel Academy is continuing to deliver a range of accredited learning programmes, practitioner skills short courses, and professional development support. A new strategy for 2024-26 is in development and will be presented to the executive sub-committee for approval during Q1.
<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 		<ul style="list-style-type: none"> The Academy and the Scottish Procurement & Property Directorate have co-designed a new Graduate Apprenticeship in Business Management with Procurement and Supply Chain Management with Glasgow Caledonian University (GCU). The programme is awaiting approval from the university's governance board, and has a tentative launch date of September 2024.


Value delivery: partnerships






Action	RAG status	Progress summary
<ul style="list-style-type: none"> Develop and implement a Scotland Excel partnership strategy which sets out objectives and plans for key partner relationships, assigns ownership, and prioritises activities that support the delivery of our five-year strategy. 		<ul style="list-style-type: none"> Scotland Excel's partnership strategy has been rescheduled to form part of the 2024-25 operating plan. In the meantime, all strategically important partnership relationships continue to be managed effectively.
<ul style="list-style-type: none"> Continue to build and develop relationships with the Scottish Government and Centres of Expertise to support the delivery of cross-sector procurement projects and programmes. 		<ul style="list-style-type: none"> Scotland Excel is continuing to work closely with the Scottish Government and other Centres of Expertise on a range of initiatives including social care, net zero, supply chain opportunities, and training and development.
<ul style="list-style-type: none"> Continue to develop and deliver projects and activities with local government partners including COSLA, CIPFA Local Government Finance Directors, Solace, the Improvement Service, and the Digital Office for Scottish Local Government that benefit our mutual stakeholders. 		<ul style="list-style-type: none"> Scotland Excel continues to work closely with local government partners on a range of initiatives. The national framework for digital alarm receiving centre technology, developed with the Digital Office for Scottish Local Government, is now live, and a sustainability webinar was delivered in partnership with the Improvement Service in November.
<ul style="list-style-type: none"> Implement Scotland Excel's third sector engagement strategy in support of local community wealth-building, helping them to reduce costs through associate membership where appropriate. 		<ul style="list-style-type: none"> Scotland Excel held a successful event in November which brought together 77 delegates from supported businesses and the local government procurement community. The Minister for Community Wealth and Public Finance, Tom Arthur, gave the keynote speech at the event which took place in Glasgow.
<ul style="list-style-type: none"> Continue to build relationships with education and academic partners to support the delivery of Scotland Excel's new Academy strategy. 		<ul style="list-style-type: none"> The Scotland Excel Academy is continuing to work with education and academic partners on initiatives to enhance the skills and knowledge of local government procurement professionals. The Graduate Apprenticeship developed by the Academy, Procurement & Property Directorate and Glasgow Caledonian University represents a key output from this work.

Strategic enablers

Business Area	Commitment	RAG status	Progress summary
Corporate, Finance & ICT	<ul style="list-style-type: none"> Provide legal and financial support for exploring new business model options. 		<ul style="list-style-type: none"> This strategic enabler links to the value delivery objective on business models which has been removed from the current operating plan. Scotland Excel's existing business model supports the delivery of current strategic priorities.
	<ul style="list-style-type: none"> Develop a methodology and tool for monitoring and managing all rebates due from Scotland Excel frameworks. 		<ul style="list-style-type: none"> As part of ongoing work to update the modelling, mobilisation and management of rebates, a rebate modelling tool has been launched and is now being used by all category teams.
	<ul style="list-style-type: none"> Monitor the effectiveness of Scotland Excel's hybrid working policy, proposing improvements which will benefit customers and staff. 		<ul style="list-style-type: none"> Scotland Excel's hybrid and flexible working policies continue to work well. Scotland Excel received a positive response to a staff survey which measured the effectiveness of flexible working.
	<ul style="list-style-type: none"> Implement a new five-year ICT strategy to support staff efficiency and increase digital delivery for customers. 		<ul style="list-style-type: none"> Scotland Excel's ICT strategy has been rescheduled to form part of the 2024-25 operating plan. Resources such as SharePoint are being rolled out to support the delivery of a new strategy.
	<ul style="list-style-type: none"> Continue to strengthen Scotland Excel's data management and reporting capability across a range of value measurements. 		<ul style="list-style-type: none"> Scotland Excel is continuing to improve data management and reporting, with work being aligned with the new performance management framework currently in development.
	<ul style="list-style-type: none"> Consider options for a future business intelligence strategy. 		<ul style="list-style-type: none"> Scotland Excel's business intelligence strategy has been drafted and will be presented to the executive sub-committee for approval during Q1.
	<ul style="list-style-type: none"> Consider options for reducing Scotland Excel's carbon footprint. 		<ul style="list-style-type: none"> Options continue to be considered as part of the net zero action plan which involves staff from across the organisation.

Organisational Development	<ul style="list-style-type: none"> Implement Scotland Excel's people strategy and Investors in People plan by embedding personal development plans that supports organisational performance and individual career goals. 		<ul style="list-style-type: none"> Personal Development Plans (PDPs) are now in place for employees in line with Scotland Excel's people strategy. Plans are underway for Scotland Excel's Investors in People (IiP) midterm assessment which will take place in Q1.
	<ul style="list-style-type: none"> Develop an approach to succession planning which to support career development and create a steady pipeline of talent at all levels. 		<ul style="list-style-type: none"> An approach to succession planning will now be developed as part of the 2024-25 operating plan. Organisational restructuring currently taking place will provide foundations for this approach.
	<ul style="list-style-type: none"> Build on Scotland Excel's commitment to training, ensuring all staff have the opportunity to acquire the skills required for the delivery of the new five-year strategy such as commercial acumen and climate change literacy. 		<ul style="list-style-type: none"> Scotland Excel staff continue to have access to a wide range of online and in-person training opportunities promoted via the staff intranet.
	<ul style="list-style-type: none"> Continue to develop and improve resources which support recruitment, induction and retention through a seamless and supportive employee journey. 		<ul style="list-style-type: none"> Scotland Excel employee journey continues to be improved across the four key stages of pre-employment; recruitment, selection and induction; employee experience; and leavers experience. A manager journey is being created to support their development as leaders, and an in-person session to support this is being planned for Q1.
	<ul style="list-style-type: none"> Research and explore options for developing an employment and training strategy that supports new entrants to public procurement. 		<ul style="list-style-type: none"> Scotland Excel is continuing to deliver a Chartered Institute of Purchasing & Supply (CIPS) self-study support programme for staff and local government procurement practitioners. Scotland Excel's graduate programme is being relaunched in 2024, with recruitment beginning during Q1.
Engagement & Communication	<ul style="list-style-type: none"> Support the development and implementation of Scotland Excel's partnership strategy, including the use of stakeholder mapping and competitor modelling tools across the organisation. 		<ul style="list-style-type: none"> This strategic enabler links to the value delivery objective on the partnership strategy which now forms part of the 2024-25 operating plan.
	<ul style="list-style-type: none"> Implement the recommendations of Scotland Excel's value project to articulate and demonstrate the value of membership to customers 		<ul style="list-style-type: none"> Scotland Excel's value project is ongoing and will be supported by the new performance management framework currently in development. Annual Value Reports for 2022-23 have been published for each council.

	<ul style="list-style-type: none"> • Re-establish a customer satisfaction survey programme, and baseline satisfaction rates for future improvements. 		<ul style="list-style-type: none"> • The delivery of a customer satisfaction programme now forms part of the 2024-25 operating plan to allow current operational and delivery changes to take effect. In the meantime, Scotland Excel continues to solicit and respond to customer satisfaction feedback.
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Report Key	
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