

Scotland Excel

To: Joint Committee

On: 9 December 2022

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

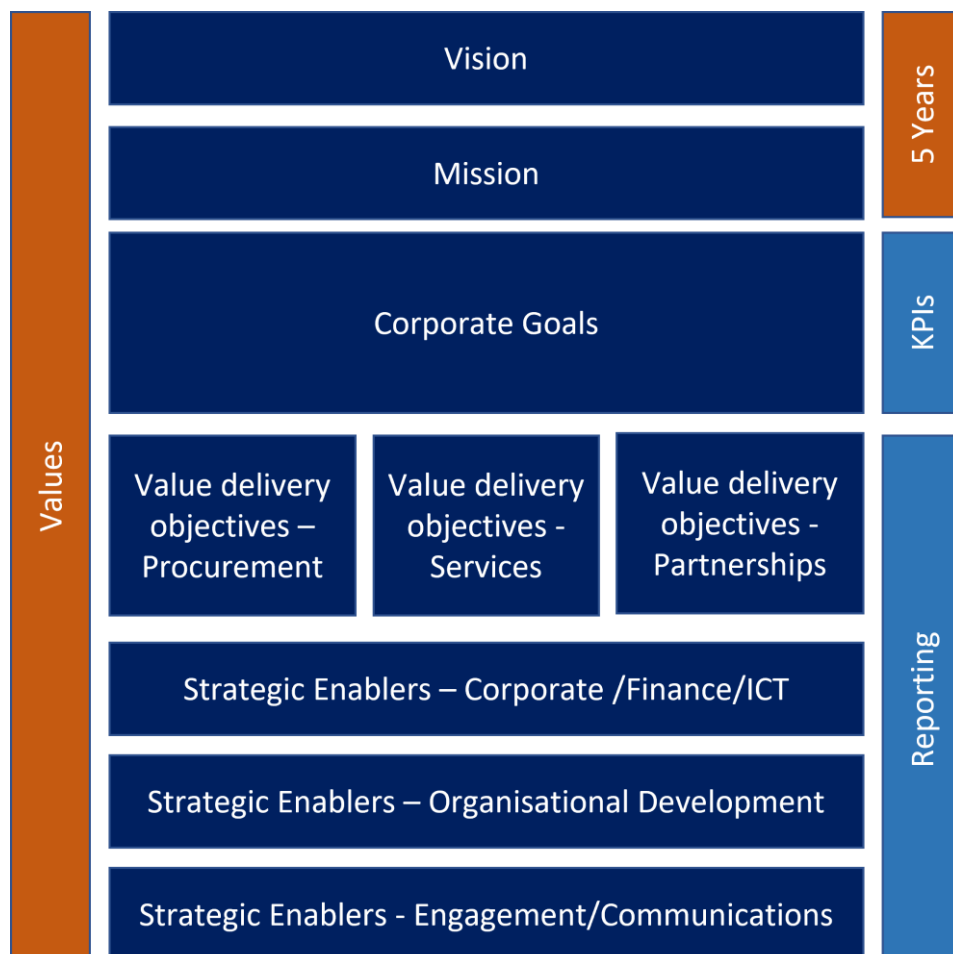
Draft Operating Plan for April 2023 – March 2024

1. Purpose of the report

Scotland Excel's five-year corporate strategy is supported by annual operating plans which provides more detailed information on the actions and activities that the organisation will undertake each year to deliver the strategy. This report presents the draft operating plan for 2023-24.

2. Strategic Planning Process

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








The annual operating plan contains the actions and activities that Scotland Excel will undertake each year. These are linked directly to the strategic commitments for procurement and commissioning, services and partnerships, as well as the strategic enablers which relate to key business activities that support the strategy. The actions and activities within the operating plan are cascaded to all staff through an annual Personal Development Plan (PDP).

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.

	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

A set of Key Performance Indicators (KPIs) which measure our performance against the five corporate goals within the strategy will be developed, and we will report against these indicators on annual basis.

4. Recommendation

Members of the Joint Committee are invited to review and approve the proposed operating plan which covers the period from 01 April 2023 to 31 March 2024.



Operating Plan

01 April 2023 – 31 March 2024

Introduction

Scotland Excel was established as the centre of procurement expertise for the local government sector in 2008. We are a leading non-profit organisation serving Scotland's 32 local authorities and almost 150 associate members from across the public and third sector.

Scotland Excel has an established portfolio of over 70 frameworks with an annual value of £2bn. Adopting a sustainable procurement approach, we consider the social, economic and environmental impact of all of our frameworks. In recent years, we strengthened our portfolio with complex, high spend frameworks within construction and care. Scotland's net zero ambitions have had a significant influence on our portfolio.

In addition, we provide a range of services to help members strengthen their procurement teams. Sector wide procurement improvement projects have enhanced key areas of practice, while learning and development programmes have enriched the skills and knowledge of practitioners. We also offer bespoke consultancy projects for members.

Partnerships are becoming more and more important to the delivery of value for our members. We work with a broad range of stakeholders across national and local government, enterprise and industry, and education to develop frameworks, services and solutions for our members.

In 2023, we published a new five-year corporate strategy which builds on our past achievements and sets out our future ambitions within the context of the current political and economic environment. Developed in consultation with key stakeholders, the strategy seeks to increase the value delivered by Scotland Excel and support our members with the challenges and opportunities they will face over the next five years.

The strategy map on page 3 provides an overview of the strategic commitments we have made for the delivery of procurement and commissioning activities, services and partnerships. Delivery is supported by strategic enablers – key business activities that ensure the successful implementation of the strategy.

To support the strategy, we develop annual operating plans which record the actions we will undertake to achieve our strategic commitments for procurement and commissioning, services, partnerships and strategic enablers to meet the requirements and expectations of our members. This approach allows the flexibility to evolve our plans to meet our corporate goals within a changing public sector landscape

We recommend that you read the operating plan in conjunction with the full strategy document which is available to download from our website.

This document records the actions we will take from April 2023 - March 2024 to deliver the first year of our strategy and lay solid foundations for its achievement. Reports are issued quarterly to record our progress against these actions.

Strategy Map

Vision

To provide collaborative, innovative and transformative solutions that support social, economic and environmental wellbeing.

Mission

We will make the most of our expertise and experience by leading and collaborating on solutions that support local and national aims for fairer, wealthier and greener communities.

Corporate Goals

Through our experience, expertise, innovation and collaboration, we will create and deliver solutions which provide value to our members across key strategic areas:

- 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.

Procurement & Commissioning

We will continue to develop and manage procurement solutions which provide an effective route to market for our members. Our frameworks will continue to deliver additional social, economic and environmental value for communities.

We will:

- Support our members with their drive for financial sustainability by helping them to maximise savings, efficiencies and benefits from our frameworks.
- Implement our new sustainable procurement and net zero strategies to support our members' net zero journey.
- Develop and deliver new and next generation contracts for key strategic areas including construction, digital and care.
- Respond to new policy and legislation that may impact the value delivered by our frameworks.

Services

We will continue to provide services for our members to help them strengthen their procurement capability, including through the Scotland Excel Academy.

We will:

- Develop proposals for growing our membership and expanding the market for our services.
- Identify and evaluate new service opportunities that provide value to our members.
- Explore alternative business models to support growth and reduce reliance on membership fees.
- Develop and implement new qualification and procurement training programmes based on member requirements.
- Champion public procurement talent through employment and training initiatives.

Partnerships

We will continue to work with the Scottish Government and other national public sector organisations to influence and support policies and programmes that deliver benefits for our members.

We will:

- Develop a partnership strategy to plan and prioritise engagement activity which maximises the value of our relationships.
- We will strengthen our relationships with other local government bodies to provide a unified connection between policy, finance and procurement.
- Develop mutually beneficial relationships with care and other third sector organisations.
- Explore opportunities to provide additional value for members through working in partnership with UK organisations.

Strategic Enablers: Corporate, Finance & ICT

We will continue to develop robust and cost-effective corporate, finance and ICT services which support all business operations and underpin the delivery of our five-year strategy.

We will:

- Explore the opportunities, benefits and risks of alternative business models.
- Enhance our income forecasting and rebate monitoring tools.
- Explore office and facilities solutions appropriate for hybrid and remote working.
- Develop and implement a new business intelligence strategy and plan.
- Develop and deliver a new five-year ICT strategy and plan to enhance business efficiency.
- Explore methods to reduce the carbon footprint of our business operations.

Strategic Enablers: Organisational Development

We will continue to implement our People Strategy and the recommendations of our Gold Standard Investors in People report to ensure that our staff fulfill their potential. A culture of performance management will support career development and underpin the delivery of effective and efficient services.

We will:

- Implement an employee journey that supports the recruitment and retention of talented staff.
- Undertake succession planning to support career development and create a steady pipeline of talent at all levels.
- Equip staff with the skills required to provide value to our customers, now and in the future.
- Support the wellbeing of our staff through flexible working, physical and mental health resources, and staff engagement platforms.

Strategic Enablers: Engagement & Communication

We will continue to develop and deliver engagement and communications plans which increase Scotland Excel's influence and ensure our members obtain maximum value from our services.

We will:

- Increase engagement with elected members and other senior stakeholders.
- Improve customer experience and increase satisfaction.
- Engage with partners and stakeholders on net zero strategies and other key policy areas.
- Provide advocacy and representation for our members within key national policy groups and programmes.

Value delivery: procurement & commissioning

Scotland Excel will continue to develop, deliver and manage procurement solutions which provide an effective and efficient route for our members to procure goods and services to support public services. We will help members with their drive towards financial efficiency through a range of commercially focused initiatives to increase their framework savings.

We will continue to support our members with their net zero journey and identify opportunities to reduce the carbon footprint of our existing contract portfolio. Our frameworks will deliver additional value for communities through local supplier opportunities, community benefits, and skills development, and we will continue to monitor and respond to national policy and legislation.

Actions

- Implement refreshed category strategies to inform the development of contract delivery plans and market shaping activities.
- 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.
- 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.
- Continue to develop and deliver savings projects to maximise the commercial value returned to members through optimal use of our frameworks.
- 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.
- Continue to support local economic development through identifying and promoting supply chain opportunities for Scottish businesses.
- 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.
- Implement actions from Scotland Excel's net zero strategy, via a whole organisation approach, to support our members' net zero journey.
- Continue to work with cross-sector partners to develop positive carbon impact initiatives linked to procurement activities.
- 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.

Value delivery: services

Over the next five years, we will continue to provide core range of procurement capability services for our members, as well as additional cost-effective service options including transformation programmes, consultancy and flexible procurement. We will remain open to developing any new services, or approaching new markets, where there is demand for our expertise.

The Scotland Excel Academy will continue to evolve based on the training needs of our sector. We will consider all options to support the development of public sector procurement talent, from new entrants to seasoned professionals, including accredited learning, short courses, graduate programmes, and apprenticeships.

Action
<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">• 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">• Implement Scotland Excel's business development strategy to increase demand for services and grow associate membership.
<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">• 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

Value delivery: partnerships

The role of partnerships is becoming ever more integrated with the delivery of frameworks and services, which in turn delivers additional value for our members. The actions we will take in the first-year operating plan will create the foundations for many of the commitments we have made within our strategy.

Action
<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">• 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">• 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">• 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">• Continue to build relationships with education and academic partners to support the delivery of Scotland Excel's new Academy strategy.

Strategic enablers

As part of this strategy, we have considered what we need to develop, implement or improve within our business over the next five years to ensure that we can deliver the commitments we have made across procurement and commissioning, services and partnerships for our members.

Business Area	Action
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">• Develop a methodology and tool for monitoring and managing all rebates due from Scotland Excel frameworks.
	<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">• Implement a new five-year ICT strategy to support staff efficiency and increase digital delivery for customers.
	<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">• Consider options for a future business intelligence strategy.
	<ul style="list-style-type: none">• Consider options for reducing Scotland Excel's carbon footprint
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">• 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">• 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">• 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"> • Research and explore options for developing an employment and training strategy that supports new entrants to public procurement.
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"> • 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"> • Re-establish a customer satisfaction survey programme, and baseline satisfaction rates for future improvements.