SCOTLAND EXCEL

Operating Plan

2018 – 2019

Q1 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	• Develop plans which support direct engagement with local authority services to identify new collaborative procurement opportunities	G	• Scotland Excel is engaging directly with local authority housing stakeholders on the development of the national house building framework and, in partnership with the Digital Office, is exploring collaborative opportunities with ICT stakeholders. Council catering managers have agreed to use the contract rebate from the forthcoming meats framework to develop new contract arrangements for fruit and vegetables and bread and rolls.
	• Complete the sourcing strategy and initiate the tender process for a new build housing framework on behalf of participating local authorities	G	• Extensive stakeholder engagement and market research is underway to inform strategy development. A Prior Information Notice (PIN) has been published and has attracted significant interest from the market. The project is on track to deliver the new framework in summer 2019.
	• Implement a procurement strategy for older people care home services for that provides choice, continuity of care and innovation in service delivery	G	• A survey has been issued to participating local authorities to seek input on proposed elements of the sourcing strategy for older people's care homes.
	• Implement the procurement strategy for adult care and support services and secure sustainable funding for ongoing delivery as part of the social care portfolio	G	• Stakeholder engagements sessions have been held with purchasers and providers, with the output used to help draft the procurement strategy. A draft strategy has been produced.
	• Continue to pursue funding to deliver proposals which support the expansion of early learning and childcare provision	B	• Funding has been secured for Scotland Excel to play key role in supporting the expansion of early learning and childcare through the production of guidance, cost modelling and standard terms and conditions.

	• Develop and implement contract and supplier management (CSM) and key supplier management (KSM) programmes which monitor and enhance the performance of Scotland Excel contracts	G	• Work is underway to roll out the new CSM programme to all Category 1 contracts by December 2018. Plans to extend the programme to Category 2 and 3 contracts will be implemented from Q4. A KSM programme will be considered once CSM is in place across the portfolio.
	• Identify opportunities to lead and/or participate in national cross-sector procurement opportunities and initiatives with partners in health, further and higher education, and central government	G	• Scotland Excel is continuing to participate in the Scottish Government's Collaborative Leads Group and met with NSS National Procurement to discuss the forthcoming technology enabled care framework which is available to health boards.
	• Continue to inform and support national procurement policy in consultation with the local government procurement community	G	• Scotland Excel is advising and supporting councils to comply with their duty to produce an Annual Procurement Report which was introduced as part of the Procurement Reform (Scotland) Act 2014.
1.2 Deliver programmes which lead and develop professional, organisational and commercial capability	• Develop and deliver a targeted programme of change projects based on development needs identified by Procurement & Commercial Improvement Programme (PCIP) assessments	G	• Four change projects have been initiated to support PCIP outcomes. A further two change projects addressing specific council needs are bring scoped.
	• Deliver a second cycle of local government PCIP assessments for all local authorities	G	• Preparations are on schedule for the 2018-19 PCIP programme which will commence late September 2018 and is scheduled to be completed by the end of April 2019. All 32 councils have committed to undertaking a PCIP assessment.
	• Deliver the chargeable consultancy projects and transformation programmes agreed for Aberdeen City and Fife Councils, and respond to any further requests for these types of services from other councils	G	• The project for Fife Council was approved in April. All project team members have been recruited and will be onsite from July. Work is progressing on the consultancy project for Aberdeen City Council in line with plans.
	• Continue to develop and deliver accredited work-based learning programmes through the Scotland Excel Academy	G	• There are currently 42 learners engaged in four learning cohorts – three Chartered Management Institute (CMI) leadership & management programmes and one Chartered Institute of Procurement & Supply (CIPS) procurement practitioner programme.

	• Develop and deliver a programme of practitioner workshops, masterclasses and events to lead best practice through the Scotland Excel Academy	W	• A programme of workshops, masterclasses and events will be developed for the second half of 2018-19. This will include five practitioner workshops, two masterclasses and one webinar to support professional practice and thought leadership. Topics are being informed by sector development needs identified during the 2017-18 PCIP assessments.
	• Continue to develop Scotland Excel Academy online resources to support learning programmes and create a community platform for sharing best practice	G	• Academy online resources are continually evolving as new programmes and cohorts are introduced. Content and expertise is shared with the procurement community where possible.
1.3 Harness the potential of digital technology and data insight to support the delivery of public services	• Continue to provide ICT procurement services for the Digital Office for Scottish Local Government, engaging proactively with stakeholders to promote a collaborative approach to the adoption of digital technologies	A	• Despite extensive stakeholder consultation, it is proving difficult to agree collaborative opportunities with the sector and progress has been slower than anticipated. To date, only one project, for a replacement social work care case management system, has been identified. Plans are being developed for stakeholder workshops to promote a better understanding of how procurement can support digital innovation.
	• Continue to develop data analytic tools and resources to support the expansion of the contract portfolio and provide management information to the sector	G	• Stakeholders now have online access to social care information through Power BI data analytics. This tool has also been used to enhance internal reporting capabilities, and further developments are planned over the coming months.
	• Continue to develop and share access to the Cost of Care calculator to support the delivery of affordable and sustainable social care services	G	• Scotland Excel, COSLA and Scottish Care have agreed the overall approach to the cost model and the majority of individual elements within. Remaining elements are expecting to be agreed by the end of the calendar year.
	• Continue to develop and share access to Indexation Modelling to track market influences on costs	G	• Scotland Excel is continuing to use Indexation Modelling as part of contract management. Plans to share this knowledge with the sector will be developed and implemented from Q3.

	• Deliver market analysis reports in support of new collaborative procurement or service opportunities	W	• Implementation of new market intelligence resources to support market analysis will commence in Q2.
	• Develop plans to roll out data analytic tools to staff across the organisation	W	• Power BI data analytics tools will be rolled out staff during 2019-20 once the first development phase has been completed.
1.4 Use our insight and experience to shape policy and meet the challenges of future public service delivery	• Continue to work with the Scottish Government, COSLA and other partners to support the development and/or delivery of national policy in social care	G	• Scotland Excel is continuing to engage with the Scottish Government, COSLA, Health & Social Care Partnerships and care providers on the development of a cost of care calculator and new framework opportunities for care and support services and older people's care homes services.
	• Continue to work with the Scottish Government and other partners to support the development and/or delivery of education policies such as early learning provision, pupil attainment funding, and food procurement for school meals	G	• Work is continuing with the Scottish Government to support education policies. Scotland Excel has provided input for the Scottish Government's National Obesity Strategy which links nutritional policy for schools, and is working to support the 'Period Poverty' initiative by tendering for the provision of sanitary products for use in schools.
	• Continue to work with the Scottish Government, Association of Local Authority Chief Housing Officers (ALACHO) and other partners to support the development and/or delivery of national policy in affordable housing	W	• Scotland Excel will focus on the development of the new build housing framework in 2018-19 and will explore further opportunities to influence or support affordable housing policy in 2019-20.
	• Continue to work with the Scottish Government, Zero Waste Scotland and other partners to support the development and/or delivery of national environmental policy	G	• Scotland Excel is continuing to hold regular meetings with Zero Waste Scotland to discuss opportunities to support the Circular Economy through procurement.
	• Develop and deliver a calendar of communications activities which promotes our knowledge and experience in support of our policy and public affairs goals	G	• A rolling calendar of communications activities is now in place and is reviewed and updated regularly. During Q1, the main focus has been on the development of media articles on key policy themes to capitalise on Scotland Excel's 10 Year Anniversary.

	• Continue play a lead role in the development and delivery of national Graduate Apprenticeships as a cost-effective talent management opportunity for the local government sector	G	• Having chaired the technical expert group for the Graduate Apprenticeship in Business Management, Scotland Excel is now actively promoting Graduate Apprenticeships across the local authority community and is continuing to engage with universities delivering these apprenticeships.

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	• Develop plans to increase the proportion of Scotland Excel suppliers paying their staff the Scottish Living Wage	W	• Scotland Excel's process will be reviewed from Q3 to align CSM activity with the objective of increasing the overall percentage of suppliers paying the Scottish Living Wage.
	• Continue to develop community benefit models which enable councils to achieve direct benefits for their areas	G	• The model used to evaluate community benefits in tenders has been revised and updated to recognise the proportionate value of specific benefits to councils.
	• Continue to support opportunities for disabled/ disadvantaged workers through community benefits and/or the participation of supported businesses and the third sector within our supply chain	G	• Scotland Excel is continuing to consider opportunities for supported businesses and third sector organisations within procurement strategies. Following a successful event in February 2018, further initiatives to support engagement with supported businesses will be considered in 2019.
2.2 Deliver positive and measurable local economic impact through SME and third sector participation in our contracts	• Continue to work with the Supplier Development Programme (SDP) to raise awareness of public procurement opportunities and encourage participation among Scottish SMEs	G	• In Q1, Scotland Excel delivered two SDP training sessions for SMEs in Alloa and Perth, attended a local Meet the Buyer event in Ayrshire, and presented and exhibited at SDP's National Meet the Buyer event in Edinburgh.
	• Increase direct and supply chain opportunities for Scottish SMEs and contractors within Scotland Excel contracts, particularly within the construction portfolio	G	• The User Intelligence Group (UIG) developing the strategy for the new build housing framework are considering ways to encourage SMEs to participate as main contractors and sub-contractors.
	• Encourage housing associations to consider the local economic impact they can deliver through the use of Scotland Excel contracts	G	• Consideration of local economic impact forms a key part of the PCIP assessment undertaken by Scotland Excel with housing associations. Ongoing engagement with the sector is taking place to demonstrate how Scotland Excel contracts can support local impact.

2.3 Deliver positive and measurable environmental benefits through our contracts	• Continue to encourage suppliers to Scotland Excel contracts to consider opportunities to increase recycling of their products and packaging and/or reduce their carbon footprint	G	• Scotland Excel's Invitation to Tender (ITT) documentation continues to include appropriate environmental considerations including the weighting and scoring of emissions.
	• Develop and implement a model for considering 'whole life' costing within tender evaluations, including plans for monitoring costs over the lifecycle of products and services	G	• Scotland Excel's ITT documentation continues to include appropriate cost evaluation to ensure that lifetime value is assessed.
	• Continue to support the collection, handling, treatment and recovery of value from waste by implementing new recyclable and residual waste arrangements which offer increased options for recycling and/or disposal and cover additional types of waste	A	• The renewal of Scotland Excel's recyclable and renewable waste framework has taken longer than anticipated to allow exploration of a Dynamic Purchasing System as a route to market. This approach will offer greater flexibility to councils and suppliers, and it is anticipated that the framework will be available in early 2019.
	• Develop plans for assessing and mitigating the environmental impact of Scotland Excel's activities	W	• Plans for assessing and mitigating Scotland Excel's environmental impact will be considered in 2019-20 following the appointment of new Corporate Services Manager in Q4.
2.4 Lead and develop sustainable procurement knowledge and practice	• Produce an annual report on procurement activity in line with the requirements of the Procurement Reform (Scotland) Act 2014, providing support and guidance on reporting commitments to the local authorities	G	• An Annual Procurement Report is being developed in line with the requirements of the Procurement Reform (Scotland) Act 2014. The report is on track for publication during Q2.
	• Continue to work with national partners on the development of sustainable procurement guidance and tools	G	• Scotland Excel is continuing to engage with national partners through the Scottish Government's Best Practice Working Group. In Q1, the group updated the Sustainability Test used by procurement practitioners to embed sustainability requirements in frameworks and contracts.
	• Develop plans to increase the local government sector's sustainable procurement knowledge and capability through the Scotland Excel Academy	W	• Sustainable procurement is embedded in the CIPS accredited course delivered through the Scotland Excel Academy, and will form part of a non-accredited 'introduction to procurement' course available from October.

	• Develop and implement plans to promote sustainable procurement to elected members and senior officers to support a 'whole organisation' approach	W	• Plans to promote sustainable procurement to elected members and senior officers will form part of senior stakeholder engagement plans which will be developed from Q4.

Goal 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	• Continue to develop Scotland Excel's account management services to ensure they deliver value to local authority procurement teams and support a positive customer experience for councils	G	• Scotland Excel's account managers are now involved in delivering change projects and facilitating workshops. Quarterly business reviews continue to take place with councils to demonstrate the value of membership and gather feedback from council procurement teams.
	• Explore further opportunities to use digital technologies to engage with customers and/or expand online 'self-service' facilities, incorporating the findings into Scotland Excel's ICT strategy and roadmap	G	• Data analytics tools now allow self service of a range of social care information. Further opportunities will be explored once the first phase of development of data tools has been completed.
	• Explore the feasibility of providing additional services requested by customers, incorporating the findings into future operational plans	W	• In 2018-19, Scotland Excel will focus on expanding the range of courses available through the Academy, extending the range of small value contracts, developing a new build housing framework and delivering consultancy services to councils. Further opportunities to provide new services will be explored in 2019-20.
	• Embed the outputs of Scotland Excel's stakeholder engagement project into customer and stakeholder engagement plans and activities, ensuring that these reflect the organisation's expanding customer base	W	• Work to embed the outputs of Scotland Excel's stakeholder engagement project will begin in Q4. Tools created as part of this project will be used to analyse, plan and prioritise engagement activities with different stakeholder groups.
3.2 Engage stakeholders in the delivery of effective local solutions	• Develop a model for incorporating community engagement, where appropriate, into the development of procurement strategies	W	• Scotland Excel's approach to developing procurement strategies will be reviewed later this year to ensure that opportunities to engage with communities are considered as part of strategy development.
	• Continue to engage directly with service users, where appropriate, to ensure their needs are considered within service design	G	• Scotland Excel remains committed to involving people who use services in the design of frameworks. However, there were no relevant engagement opportunities in Q1.

	• Explore the feasibility of working with educational partners and/or suppliers to promote the benefits of procurement to pupils, incorporating the findings into future operational plans	G	• Scotland Excel has committed to Founders 4 Schools, a business to business model which encourages coaching and mentoring for pupils. Specific initiatives with the organisation will begin from Q2. Scotland Excel is also continuing to encourage its supply base to engage with schools and, in June 2018, children across Scotland had an opportunity to work with a celebrity chef through a Junior Masterchef initiative.
3.3 Represent the collective views of stakeholders at a national level	• Review Scotland Excel's representation activities to ensure that these are targeted where they can have the greatest impact	W	• Scotland Excel will initiate a review of all national engagement activity by the end of December 2018 to ensure that resources are targeted effectively for the benefit of stakeholders.
	• Establish a model for undertaking representation activities, including a clear feedback loop for customers and/or communities	W	• A model will be developed on completion of the review of national engagement activity. Outputs will be discussed with key stakeholders including the Scottish Local Government Procurement Forum (SLGPF) to ensure that national engagement activities incorporate local views.
	• Build on relationships with the Convention of Scottish Local Authorities (COSLA) and/or elected members to represent customers and communities in appropriate policy and political matters	G	• Quarterly meetings continue to take place with the CEO and policy leads at COSLA, with a particular focus on social care and waste management.
3.4 Implement policies which develop, empower, value and engage our workforce	• Continue to deliver Scotland Excel's organisational development strategy and rolling improvement plans, involving staff in the development of plans, policies and initiatives where appropriate	G	• Scotland Excel is continuing to implement the Organisational Development (OD) strategy developed in 2017-18. A staff workshop in June identified opportunities to improve the organisation's approach to performance management and recruitment. Projects will be initiated to review these areas in Q2.
	• Develop and implement a talent management programme to inspire and develop staff, increase Scotland Excel's capability, and support succession planning	W	• Following feedback at a staff meeting in Q1, plans for developing a talent management programme have been put on hold pending the development of a new Performance Management and Review (PRD) approach.

	• Develop plans for agile working to create a productive working environment that benefits staff, Scotland Excel, and customers	G	• Technology solutions which support agile working are now in place as part of ICT strategy. Plans are underway to move staff's personal files to the cloud server to enable them to be accessed remotely.

Goal 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	• Complete the review of Scotland Excel's governance and funding models, presenting recommendations to the Joint Committee for approval	B	• Governance and funding proposals to support the delivery of the 2018-23 strategy were approved by the Joint Committee in June 2018.
	• Develop plans to implement the governance recommendations approved by the Joint Committee	B	• Scotland Excel will continue to operate its existing governance model in support of the 2018-23 strategy. Governance arrangements will continue to be reviewed periodically to ensure they align with the organisation's ambitions.
	• Implement appropriate funding models to support the delivery of new and existing services	G	• The five funding streams approved by the Joint Committee – Academy revenue, consultancy revenue, rebates, new build housing and associate membership fees – are being monitored to ensure that they are in line with income estimates.
4.2 Continue to maintain a robust business infrastructure to support our growth ambitions	• Review Scotland Excel's business infrastructure to ensure it can support the organisation's growth ambitions, developing plans for continuous improvement initiatives and to address any gaps in capacity and/or capability	G	• Scotland Excel has strategies and plans in place for the continuous development of key business areas including ICT and OD. Plans are also being put in place to increase office space at Renfrewshire House to accommodate growing staff numbers.
	• Develop a risk model for evaluating new business opportunities to assess their impact on internal resources and/or existing customers	W	• Learnings from business opportunities secured this financial year will be used to develop a new business evaluation model during 2019-2020.
	• Continue to implement technology solutions which increase efficiency, support agile working and offer scalability for business growth	G	• Delivery of the ICT strategy is progressing well. During 2018, the focus will be on consolidating the technology phase, which introduced new servers and software, before moving into the application development phase in Q4.

	• Review collaborative procurement and leading change solutions available in other public sector markets to identify potential business opportunities, reporting on the findings to inform future operational plans	W	• Scotland Excel will initiate plans to assess the competitive landscape and identify business opportunities for its services during the second half of 2018-19.
4.3 Use our knowledge and insight to identify new services and/or sectors which provide growth opportunities	• Continue to deliver procurement support to housing associations on behalf of the Scottish Government and develop plans to market additional Scotland Excel services which secure the long term sustainability of this service	G	• Scotland Excel completed 9 PCIP assessments with housing associations during Q1. The total number of assessments completed to date is 22 and a further 44 are expected to be completed by the end of March 2019
	• Continue to develop and market Scotland Excel's associate membership programme to maximise its commercial potential for the organisation and the benefits it provides to members	G	• Hawthorn Housing Cooperative joined as an associate member in Q1, bringing the total number of members to 73 including 22 housing associations. Work to develop and market membership will begin in Q2.
	• Continue to market Scotland Excel through traditional and social media, targeted communications activity and political engagement to support new business opportunities	G	• A range of activities to promote the work of the organisation continue to take place each quarter. During Q1, a campaign to promote the work of Scotland Excel's housing team including marketing materials, advertising and social media content was implemented to support attendance at the Scottish Federation of Housing Associations (SFHA) annual conference.
	• Identify opportunities arising for staff development through new business opportunities, fostering an understanding of commercial and entrepreneurial approaches across the organisation	G	• Scotland Excel staff have been deployed on a number of consultancy projects alongside new recruits. Plans to extend participation to support staff development will be put in place as part of ongoing performance management activity.
4.4 Explore opportunities to work with partners on the development and delivery of new business opportunities	• Explore opportunities to work in partnership with other public sector bodies to increase internal efficiency and/or improve service delivery for customers, reporting on the findings to inform future operational plans	G	• Scotland Excel has identified an opportunity to work with the Improvement Service on the delivery of professional qualifications for the local government sector. A Professional Development Award (PDA) in project management will be offered from August 2018.

	• Continue to manage Scotland Excel's partnership with Crown Commercial Services (CCS) to ensure it is delivering against customer expectations, and explore opportunities to extend this partnership	G	• Work is underway with CCS to renew the light vehicles framework used by Scottish councils. In April 2018, Scotland Excel participated in a CCS supplier day in Liverpool.
	• Design a model for providing procurement support to SEEMiS in line with the partnership agreement	G	• SEEMiS are funding a full time procurement resource until the end of March 2019 to develop a workplan which includes a system to support early learning and childcare services, ongoing work for the Next Gen2 management information system for schools, and a text messaging service for parent information. Scotland Excel will also support SEEMiS with using collaborative frameworks for a range of other procurement requirements.

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

Key Performance Indicators

Outcomes	Key Performance Indicators	Q1 Status
Our services shape the effective and efficient delivery of public services	• Number of contracts delivered v plan[1] • Value of contract portfolio v target	• 6 of 31 contracts delivered • £987m against £1.4bn target
Our expertise leads continuous improvement in commercial performance	• Number of PCIP assessments delivered v plan • Number of Scotland Excel Academy courses v plan[2]	• 0 of 22 assessments delivered • 9 of 40 courses delivered
Our services facilitate the delivery of national and local policy priorities	• Tonnes of waste diverted from landfill in last recorded quarter[3] • Number of Scottish suppliers & percentage of SMEs	• 56,436 tonnes (Jan-Mar 2018) • 479 Scottish suppliers of which 76.8% are SMEs
Our services enable positive and sustainable outcomes for people and communities	• Number of community benefits realised to date	• 349 jobs • 220 apprenticeships • 58 work placements • 60,646 hours work experience • 4,958 hours volunteering/mentoring • £465k value of other initiatives
Our insight and knowledge underpins innovative solutions for our customers	• Number of business change initiatives delivered v plan	• 0 of 6 initiatives delivered
Our activities are recognised as leading the way in public procurement	• Media coverage v target • Number of speaking engagements v target	• 25 of 60 media items published • 8 of 12 speaking engagements
Our customers receive a measurable return on investment through savings	• Percentage savings achieved across the portfolio v target[4] • Savings achieved in the last recorded quarter	• -2.2% against 2.5% savings target • £3.5m (Apr – Jun 2018)
Our customers are satisfied with our services and how we deliver them	• Customer satisfaction scores v target[5]	• 80% of respondents

Report issued: October 2018

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[1] Contracts developed, renewed or extended

[2] Programmes, workshops and masterclasses

[3] Through Scotland Excel's organic waste framework

[4] Average savings during the strategy period (2018-23) excluding social care contracts

[5] Percentage of respondents reporting 'good' or 'very good' overall satisfaction in the most recent customer satisfaction survey (currently 2017)