

Scotland Excel

To: Joint Committee

On: 18 June 2021

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

Operating Plan Update 2021-22

1. Summary

- 1.1 In June 2018, Scotland Excel's Joint Committee approved a new five-year corporate strategy supported by annual operating plans. Due to the impact of the Covid-19, the annual planning process was suspended and an interim operating plan created to guide activities until the end of 2020.
- 1.2 In December 2020, the Joint Committee approved a new operating plan which covers the fifteen-month period from January 2021 to March 2022. To simplify reporting, the number of commitments in the plan was reduced from 68 detailed commitments to 30 broader commitments. These align to more than 120 specific actions that have been cascaded to staff as part of Scotland Excel's Performance Review and Development (PRD) programme.
- 1.3 Reports are issued quarterly to track progress made towards the delivery of the commitments contained within the operating plan. This paper presents the most recent report which was issued in April 2021 and covers the first three months of Operating Plan 2021-22.

2. Progress since April

- 2.1 At the time of issue in April, twenty-five operating plan commitments were progressing in line with plans and are indicated as green within the report, including a number of chargeable projects and programmes that contribute towards Scotland Excel's income targets.
- 2.2 Three commitment impacted by external factors are indicated as amber within the report, two of which – the National Care Home negotiations and income pipeline targets – are now progressing in line with expectations. The contract and supplier management programme was suspended due to the impact of Covid-19 on suppliers but will be reinstated later this year.

- 2.3 One commitment, the reopening of the flexible framework for care and support services, was completed during the first quarter and is indicated as black within the report. However, this framework may reopen for a second time during the current operating plan period.
- 2.4 The commitment to reinstate the Coaction learning and development approach is indicated as white within the report, and an event to progress this is currently scheduled for delivery towards the end of 2021.
- 2.5 The next quarterly report, covering the period from 01 April to 30 June 2021, will be published in July. Some key activities that have taken place during this period are noted below by way of an interim update for the Joint Committee.
- 2.6 The National Care Home contract fee was agreed in April 2021, and includes a commitment to revisit the rate once the 2021-22 pay increase for nurses has been concluded. The contract, cost model and fee setting process will be reviewed this year, and engagement in relation to fee setting is already underway with key stakeholders, including union representatives.
- 2.7 Scotland Excel is continuing to make good progress in the development of frameworks which support the Scottish Government and local authority net zero ambitions. A framework for waste composition analysis, which will provide consistent reporting to inform national policy, was awarded in May. Frameworks for energy efficiency contractors and electric vehicle charging infrastructure are expected to be awarded later in the year.
- 2.8 Scotland Excel's Annual Conference took place online during the week of 07 June 2021. The event was themed around priority areas for sustainable recovery – the climate emergency, community wealth building, social care, our future procurement workforce, and procurement leadership in a post-Covid-19 world. Speakers included senior figures from across local government and the wider public sector, and over 700 conference tickets were requested by delegates.
- 2.9 Scotland Excel continues to expand its income-generating customer base and services. The University of Strathclyde, one of our associate members, has contracted for a short term procurement resource using an agency model. A new programme of work with Dumfries and Galloway Council has been initiated to support their procurement transformation programme.
- 2.10 Scotland Excel's community wealth-building project is progressing well. The project is being delivered in partnership with the Scottish Government and encompasses four councils – Stirling, Clackmannanshire, Dumfries and Galloway and Renfrewshire. Workshops and other activities to explore good practice that can be shared with the wider sector are underway.

- 2.11 In May 2021, Scotland Excel partnered with BASE Scotland to deliver an online event for supported business to explore ways in which Scotland Excel can create opportunities and provide assistance for the supported business sector. The event was well attended and the feedback from delegates is being used to inform a supported business strategy.
- 2.12 Scotland Excel continues within the implementation phase of the workforce planning strategy. A new Strategic Programme Manager was recently recruited covering Construction, Transport and Environment categories. The planned structure will allow Scotland Excel to provide more focus in critical customer business areas and support future sustainability.

3. Recommendations

- 3.1 The members of the Joint Committee are invited to note Scotland Excel’s progress in delivering the commitments contained within the Operating Plan 2021-22 during the period 01 January and 31 March 2021, and the updates included within this report.

4. Background

- 4.1 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. The most recent quarterly report is also submitted to Joint Committee meetings with recent updates noted.
- 4.2 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. This guide has been revised to include symbols to indicate projects or activities which have not yet started, and projects or activities which have been completed:

	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

- 4.3 Due to continuing uncertainty in relation to Covid-19 and Brexit, reporting against key performance indicators (KPIs) is currently on hold pending a review of appropriate measures.



Operating Plan

2021 – 2022

Q4 Progress Report (2021)

Goa1 1: Shaping the delivery of innovative public services

Strategic Objective	Commitment	RAG status	Progress summary
<p>1.1 Deliver a programme of collaborative procurement to support early intervention and the delivery of public services</p>	<ul style="list-style-type: none"> Continue to engage directly with local authority services on the collaborative procurement opportunities pipeline and identify opportunities to lead and/or participate in national cross-sector opportunities and initiatives with partners in health, further and higher education, and central government. 		<ul style="list-style-type: none"> Scotland Excel held a Commercial User Intelligence Group (UIG) steering group meeting in February to inform the direction of the procurement pipeline. Regular engagement is taking place with other centres of expertise to share best practice for Personal Protective Equipment (PPE) and explore other opportunities.
	<ul style="list-style-type: none"> Continue to develop and deliver a contract and supplier management (CSM) programme which monitors and enhances the performance of Scotland Excel contracts, incorporating new environmental performance measurements 		<ul style="list-style-type: none"> Regular engagement continues to take place with key strategic suppliers, particularly in relation to frameworks and commodities affected by the Covid-19 pandemic and Brexit. Scotland Excel's formal Contract and Supplier Management (CSM) programme will be reinstated later in the year.
	<ul style="list-style-type: none"> Open the adult care and support flexible framework to allow new providers to join, ensuring a diverse range of services and providers are available to meet the varying needs of people across the country, and promote choice for people who need support. 		<ul style="list-style-type: none"> Following the re-opening of Scotland Excel's adult care and support flexible framework, 40 new providers offering over 100 new services have been accepted on to the framework. From April, a total of 110 providers will offer more than 400 different services through the framework.
<p>1.2 Deliver programmes which lead and develop professional, organisational and commercial capability</p>	<ul style="list-style-type: none"> Develop a portfolio of accredited and non-accredited Academy programmes based on member and wider public sector requirements whilst progressing other strategic areas such as apprenticeships and becoming a credit rating body. 		<ul style="list-style-type: none"> The Scotland Excel Academy is currently delivering 8 cohorts of accredited programmes across a range of disciplines. A further 7 programmes are scheduled for 2021 and, following the success of Stay Connected, a new phase of online courses and workshops is being planned in partnership with local authority stakeholders.
	<ul style="list-style-type: none"> Deliver sector and local initiatives which support Scottish Government national policy objectives, such as flexible and affordable solutions. 		<ul style="list-style-type: none"> A team has been established to develop and deliver Scotland Excel's Annual Conference 2021. This will take place as online event in June, with a programme that aims to challenge sector norms/practice in key policy areas, share learning, generate new ideas, and facilitate engagement with key procurement stakeholders.

	<ul style="list-style-type: none"> Continue to deliver chargeable consultancy and transformation programmes, responding to any requests for these types of services and building the Scotland Excel knowledge bank to retain the intellectual property of improvement methodologies and resources within the local government sector 		<ul style="list-style-type: none"> Scotland Excel is currently delivering a number of chargeable projects and programmes including hosted procurement services for Dumfries and Galloway Council, Glasgow Life and City Property. All projects and programmes are progressing well, and a positive pipeline for new projects is in place. The transformation programme for East Renfrewshire Council has been extended for another year. Recommendations have been presented for the Tayside transformation programme which draws to a close in June 2021.
	<ul style="list-style-type: none"> Engage with members, suppliers and providers to understand the impact of Covid-19 and BREXIT to support the delivery of frameworks, services and knowledge to meet Local Authority and national objectives. 		<ul style="list-style-type: none"> A communication strategy has been developed to ensure that key stakeholders are kept informed with issues arising from Covid-19 and Brexit. An updated report on the impact on frameworks was published in February, and a presentation was delivered to the Chief Executive Officers Management Group (CEOMG) in March. Scotland Excel's Project and Account Managers are actively supporting members with Covid-19 and Brexit related recovery programmes.
	<ul style="list-style-type: none"> Drive the next generation development of the National Care Home Contract (NCHC) and continue negotiations with providers on rates of return to enable implementation of the NCHC Cost Model © which supports the delivery of affordable and sustainable social care services. 		<ul style="list-style-type: none"> The National Care Home Contract (NCHC) fee offer for 2021-22 has not yet been concluded as Scottish Care is seeking clarification from the Scottish Government on the impact of the NHS pay increase for the care sector. Scotland Excel is recruiting a dedicated manager for the NCHC contract to review and implement the recommendations of the Adult Care Review.
1.3 Harness the potential of digital technology and data insight to support the delivery of public services	<ul style="list-style-type: none"> Continue to develop The Academy's online learning platform, to support engagement and learning, and to deliver national coaction events, video content and programmes. 		<ul style="list-style-type: none"> A video library of Stay Connected courses has been created in the Academy online platform to facilitate self-directed learning. Plans are underway to evolve the Stay Connected sessions into chargeable online workshops that will be delivered over 2-4 hours.

	<ul style="list-style-type: none"> • Continue to provide ICT procurement services for the Digital Office for Scottish Local Government, engaging proactively with stakeholders to accelerate a collaborative approach to the adoption of digital technologies. 		<ul style="list-style-type: none"> • The framework for social care case management solutions, developed in partnership with the Digital Office and local authority stakeholders, was awarded in February. This framework will allow councils to streamline their internal systems and share appropriate information in the best interests of service users. The latest updates to the Scottish Government Digital Strategy have been embedded within Scotland Excel's ICT strategy to inform future digital procurement projects.
<p>1.4 Use our insight and experience to shape policy and meet the challenges of future public service delivery</p>	<ul style="list-style-type: none"> • Continue to work with the Scottish Government and other partners to support the development and/or delivery of national policy objectives across the SXL portfolio including guidance, tools and reporting. 		<ul style="list-style-type: none"> • Scotland Excel is continuing to work with the Scottish Government and other partners across a range of policy areas including social care, climate change and community wealth-building. A new public affairs strategy and plan has been developed to support future engagement with the Scottish Government and/or other partner around these key themes.

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	<ul style="list-style-type: none"> Work with partners and secure care providers to support the implementation of the new National Standards and Pathways for Secure Care Centres. 		<ul style="list-style-type: none"> The new national standards have been built into secure care contracts. Discussions are ongoing with partners and providers in relation to the funding and implementation of the standards, and Scotland Excel is continuing to participate in the COSLA/Scottish Government Secure Care Group.
	<ul style="list-style-type: none"> Continue to monitor the proportion of Scotland Excel suppliers paying their staff the Real Living Wage and identify any opportunities to increase this 		<ul style="list-style-type: none"> More than 80% of suppliers have confirmed payment of the Living Wage, and commitments are monitored as part of ongoing contract management. Scotland Excel is working with the Scottish Government to review Fair Work practices in social care, and fee variations are now aligned to the national approach to increasing the Real Living Wage.
	<ul style="list-style-type: none"> Continue to embed community benefit models which enable councils to achieve direct benefits for their areas and the participation of supported businesses and the third sector within our supply chain 		<ul style="list-style-type: none"> Collection of community benefits data has resumed following a temporary suspension during the early part of the pandemic. Data is now available to the end of September 2020. Scotland Excel is refreshing its supported business strategy and, in May, will host a workshop with British Association of Supported Business (BASE) members to discuss future strategy and plans.
2.2 Deliver positive and measurable local economic impact through SME and third sector participation in our contracts	<ul style="list-style-type: none"> Support the continued application of community wealth building including living wage Scotland Excel suppliers and work with partners including Scottish Government and the Supplier Development Programme (SDP) 		<ul style="list-style-type: none"> The Scottish Government has funded a community wealth-building procurement project which is being delivered by Scotland Excel with four councils. The project explores a range of tools and approaches to identify opportunities for local suppliers as part of Scotland's 'Recovery and Restart' economic programme. Scotland Excel took part in two Supplier Development Programme (SDP) webinars for Scottish SMEs during Q4.

<p>2.3 Deliver positive and measurable environmental benefits through our contracts</p>	<ul style="list-style-type: none"> • Continue to deliver and promote environmental sustainability goals including Scotland Excel and supplier carbon footprint and consider "best value" and 'whole life' costing within tender evaluations 		<ul style="list-style-type: none"> • Tender documentation continues to include environmental considerations including, where appropriate, the weighting and scoring of emissions. Scotland Excel is engaging with Scottish Government on the second generation of the energy efficiency contractors (EEC) framework as an enabler of net zero 2045, and supported the development of a national Climate Change e-learning module which now forms part of the Scottish Government's Procurement Journey.
<p>2.4 Lead and develop sustainable procurement knowledge and practice</p>	<ul style="list-style-type: none"> • Explore the development of progressive, sustainable learning pathways to support career development within the sector, co-chairing the Scottish Government professional practice and development framework, and work with educational partners and/or suppliers to establish workforce needs and promote the benefits of procurement as a career. 		<ul style="list-style-type: none"> • The Scotland Excel Academy is working with the Scottish Government's procurement directorate to signpost programmes within the national procurement development framework that are available through the Academy. While there has been limited opportunity to engage with schools and further education establishments during the pandemic, Scotland Excel continues to respond to requests for procurement career advice.

Goa1 3: Placing people at the heart of our business

Strategic Objective	Commitment	RAG status	Progress summary
<p>3.1 Ensure our customers continue to receive maximum value from our services</p>	<ul style="list-style-type: none"> Continue to deliver Scotland Excel's account management services to ensure and demonstrate value to members and support a positive customer experience 		<ul style="list-style-type: none"> Scotland Excel's Project and Account Managers continue to provide a wide range of support to council procurement teams including quarterly business reviews, change projects, and workshops. An internal project is underway to enhance the recording and management of information which demonstrates Scotland Excel's value to customers in a timely and robust manner.
	<ul style="list-style-type: none"> Continue and refresh Scotland Excel's stakeholder engagement activity including understanding priorities and assessing satisfaction 		<ul style="list-style-type: none"> An updated stakeholder map for housing has been produced to support the work of the new build group. Plans to embed the use of stakeholder engagement and mapping tools across the organisation will be implemented during 2021-22.
<p>3.2 Engage stakeholders in the delivery of effective local solutions</p>	<ul style="list-style-type: none"> Continue to engage directly with service users and the wider community, where appropriate, to ensure their needs are met and incorporated into the development of procurement strategies 		<ul style="list-style-type: none"> Scotland Excel's community wealth-building services are generating significant interest among council members, and the outputs of these projects will be used to inform future contract strategies. Scotland Excel is also helping a number of councils to engage with their local early learning and childcare (ELC) providers as part of the national policy to expand childcare provision.
	<ul style="list-style-type: none"> Continue to engage directly with partners to ensure that national social care contracts meet the needs of all care groups and align with national strategy 		<ul style="list-style-type: none"> Scotland Excel is working with partners to consider the recommendations of the Independent Review of Adult Social Care, including the implications for individual contract areas as well as Scotland Excel's overall role in supporting local government.
<p>3.3 Represent the collective views of stakeholders at a national level</p>	<ul style="list-style-type: none"> Continue to collect, review and represent the views of members, customers and communities at appropriate fora 		<ul style="list-style-type: none"> Scotland Excel is continuing to represent the local government sector within Scottish Government national initiatives including the Construction National Portfolio Forum, the Professional Practice and Development Forum, and a short-life working group reviewing impact of the Sustainable Procurement Duty.

<p>3.4 Implement policies which develop, empower, value and engage our workforce</p>	<ul style="list-style-type: none"> • Continue to implement the Scotland Excel organisational development strategy, developing initiatives to inspire and develop staff, increase Scotland Excel's capability, and support succession planning 		<ul style="list-style-type: none"> • Scotland Excel has completed a workforce planning review to ensure it has the right structure in place to deliver future plans. This will be implemented in conjunction with staff over the coming months. Work is continuing to enhance all organisational development activity including ongoing engagement with Investors in People (IIP).
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Goa1 4: Delivering sustainable and scalable growth

Strategic Objective	Commitment	RAG status	Progress summary
<p>4.1 Implement a new governance model which supports scalable business growth</p>	<ul style="list-style-type: none"> Promote the concept of Coaction to senior stakeholders and explore opportunities where creation, delivery and production of high-quality national cost effective learning is jointly undertaken 		<ul style="list-style-type: none"> Following cancellation of regional workshops in 2020 due to the pandemic, Coaction 2021 is now being scheduled as an online event for later in the year. Coaction brings together key stakeholders from across the public sector to share expertise and collaborate on the development of targeted learning opportunities.
	<ul style="list-style-type: none"> Continue to implement appropriate funding routes through the delivery of new and existing services, monitoring income and providing regular reports to the joint committee whilst recognising the impact of the pandemic 		<ul style="list-style-type: none"> Although income streams for the financial year 2020-21 were impacted by the pandemic, demand for chargeable projects and programmes has increased significantly during Q4. This has included a project for the Scottish Government to administer and validate applications from over 1000 providers in the independent and voluntary sector to enable £500 payments to be made to c.130,000 social care workers. Uptake of the new build framework is also gathering momentum, with income levels slightly higher than revised targets.
<p>4.2 Continue to maintain a robust business infrastructure to support our growth ambitions</p>	<ul style="list-style-type: none"> Continue to develop and support a robust working environment and infrastructure that includes the use of digital technology, agile working and emerging technology to benefit staff and customers 		<ul style="list-style-type: none"> Scotland Excel's new cloud-based, Spend Data Repository (SDR) will be launched in July 2021. The system will streamline the capture and analysis of spend returns for Scotland Excel frameworks, and generate reports for staff and external customers. New agile working practices are being explored based on lessons learned during the pandemic, including voluntary blended home and office working for staff, and virtual stakeholder meetings. Scotland Excel's telephony service has been transferred to the MS Teams platform to support these initiatives, and cyber security and disaster recovery provision is being reviewed across the ICT infrastructure.

4.3 Use our knowledge and insight to identify new services and/or sectors which provide growth opportunities	<ul style="list-style-type: none"> • Research collaborative procurement and leading change solutions available in other public sector markets to identify potential business opportunities, reporting on the findings to inform future growth plans 		<ul style="list-style-type: none"> • A cross-organisational workshop to review and discuss a proposed competitor analysis model took place in March. Follow up meetings have been arranged to agree a way forward for implementing competitor analysis tools across the organisation.
	<ul style="list-style-type: none"> • Continue to grow and develop Scotland Excel's associate membership programme to maximise its commercial potential for the organisation including framework spend whilst providing demonstrable benefits for members 		<ul style="list-style-type: none"> • Seven new associate members were approved in Q4 with a total annual income of £2.9k. Scotland Excel is engaging with the 36 organisations that became temporary associate members during the pandemic, and four have since become full fee-paying associate members. In February and March, Scotland Excel hosted a webinar to promote the new build framework and associate membership to over 60 delegates from the housing sector, and attended five virtual events delivered by the Scottish Federation of Housing Associations (SFHA) and the Chartered Institute of Housing (CIH).
4.4 Explore opportunities to work with partners on the development and delivery of new business opportunities	<ul style="list-style-type: none"> • Continue to market Scotland Excel through traditional and social media, targeted communications activity and political engagement to support new business opportunities and promote our knowledge and experience in support of policy and public affairs goals 		<ul style="list-style-type: none"> • Development work has been completed on a new corporate website, and work is now underway to finalise and upload initial content. Other marketing and communications activity during Q4 included the development of a new public affairs strategy and plan, a multi-channel campaign for the new build framework, support for hosted and external events, press releases for new contracts, and a busy social media programme.
	<ul style="list-style-type: none"> • Explore new Scotland Excel partnership opportunities and continue to develop partnerships e.g. Crown Commercial Services (CCS) to ensure most effective delivery of Scotland Excel and customer objectives 		<ul style="list-style-type: none"> • The partnership with Crown Commercial Services (CCS) continues to operate well, and a collaborative opportunity for electric vehicle charging points is being explored. Following associate membership approval in Q3, the Construction Scotland Innovation Centre (CSIC) participated in Scotland Excel's new build framework webinar as a part of new partnership for housing and construction.

Report Key

W	Project 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 completed

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