

Scotland Excel

To: Executive Sub-Committee

On: 27 November 2020

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

Draft Proposed Operating Plan for 1st January 2021 to 31st March 2022






1. Purpose of the report

In June 2018, Scotland Excel's Joint Committee approved a new five-year corporate strategy which is supported by annual operating plans. This report presents the organisation's draft proposed Operating Plan for the period 1st January 2021 to 31st March 2022.

2. 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 will summarise the progress made against operating plan commitments and will use a 'traffic light' symbol to provide a guide to the status of each activity. This guide was revised in 2018-19 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

3. Approach

After previous feedback from the Executive Sub Committee, Scotland Excel sought to simplify the operating plan model. Further consultation and analysis ascertained that retaining the same number of strategic objectives but reduction in the number of detailed commitments would be a suitable way forward.

The proposed operating plan retains the sixteen strategic objectives set out in the original five-year plan and reduces the previous sixty eight detailed commitments to thirty broader commitments. These broader commitments will form the main part of future reporting to committee.

Members should be assured that this approach does not represent a decrease in Scotland Excel activity. These broader commitments align to over one hundred and twenty internal team commitments that will be used to direct organisational activity.

Quarterly reporting against commitments will continue as before.

4. Content

The plan proposed is the fourth and penultimate operating plan of the five-year Scotland Excel strategy. It provides a number of steps supporting our overall goals to achieve the agreed outcomes. Recognition of key environmental factors such as Covid-19 and BREXIT and the challenges facing members is at the heart of this approach. Sustainability and the ethos of community wealth building is also an important factor that influences many commitments.

5. Key Performance Indicators

Members will note that the proposed plan does not contain quantified key performance indicators (KPI). Initial work sought to improve the indicators previously utilised, but the current environment of uncertainty has made it difficult to provide indicators that offered a degree of confidence of future stability. It may be prudent for shorter term e.g. quarterly indicators, to be agreed during the period.

6. Recommendation

The members of the Joint Committee are invited to note the progress in the draft operating plan and provide feedback on overall approach and KPIs prior to submission to the December 2020 Joint Committee for approval.



Operating Plan

01 January 2021 – 31st March 2022

Introduction

Scotland Excel is the Centre of Procurement Expertise for the local government sector. Established in 2008, we deliver procurement and commercial solutions through a portfolio of high risk, high value collaborative contracts, professional development opportunities and organisational change initiatives which enhance the influence and impact of procurement across the sector.

Our contracts are designed to increase efficiency and ensure money is saved to protect front line public services. Our strategic approach to procurement supports innovation in service delivery, helps to deliver national and local policies, and brings social, economic and environmental benefits to communities.

Accredited professional development programmes and practitioner workshops, delivered through the Scotland Excel Academy, are designed to increase the skills and knowledge of those working in public procurement. Our change initiatives take a 'whole organisation' approach to best procurement practice, ensuring that it is considered in the development of policies and plans across all service areas.

In 2018, we published a new five year corporate strategy which builds on the achievements of our 2015-18 strategy and sets out our ambitions for supporting local authorities and public sector partners. Developed in consultation with key local government stakeholders, the strategy seeks to increase the value delivered by Scotland Excel and ensure the long-term sustainability and growth of our organisation.

Our vision is to be recognised as a leading provider of innovative, transformative procurement solutions for local and national public services across Scotland. We aim to achieve this by building on our strategic procurement expertise and experience of developing collaborative solutions which support better outcomes for Scotland's people and communities.

The strategy map on page 3 provides an overview of the business goals and strategic objectives which support our aim. The full strategy document is available to download from our website.

To support the strategy, we develop annual operating plans which record the commitments we will undertake to achieve our business goals. Each year, the plan is used to set priorities and develop detailed action plans for the organisation, which are cascaded as annual performance objectives for employees.

This document records the commitments we will deliver from January 2021- March 2022 to help us achieve each of our four goals and strategic objectives. Reports are issued quarterly to record our progress against these commitments, and a set of key performance indicators (KPIs) monitor ongoing delivery against our strategy outcomes.

Strategy Map

Vision

To provide innovative, transformative solutions for local and national public services across Scotland

Mission

To make the most of our strategic **procurement expertise** and our experience of developing **collaborative solutions** which support **better outcomes** for Scotland's people and communities through **early intervention** and the delivery of **sustainable public services**

Values

Professional • Courageous • Respectful • Integrity

Outcomes

Our services shape the effective and efficient delivery of public services	Our services facilitate the delivery of national and local policy priorities	Our insight and knowledge underpin innovative solutions for our customers	Our customers receive a measurable return on investment through savings
Our expertise leads continuous improvement in commercial performance	Our services enable positive and sustainable outcomes for people and communities	Our activities are recognised as leading the way in public procurement	Our customers are satisfied with our services and how we deliver them

Goals

<p>1: Shaping solutions for innovative public services</p> <p>Strategic objectives:</p> <p>1.1 Deliver a programme of collaborative procurement to support early intervention and the delivery of public services</p> <p>1.2 Deliver programmes which lead and develop professional, organisational and commercial capability</p> <p>1.3 Harness the potential of digital technology and data insight to support the delivery of public services</p> <p>1.4 Use our insight and experience to shape policy and meet the challenges of future public service delivery</p>	<p>2: Being sustainable in everything we do</p> <p>Strategic objectives:</p> <p>2.1 Deliver positive and measurable social value through our contracts</p> <p>2.2 Deliver positive and measurable local impact through SME and third sector participation in our contracts</p> <p>2.3 Deliver positive and measurable environmental benefits through our contracts</p> <p>2.4 Lead and develop sustainable procurement knowledge and practice</p>	<p>3: Placing people at the heart of our business</p> <p>Strategic objectives:</p> <p>3.1 Ensure our customers continue to receive maximum value from our services</p> <p>3.2 Engage stakeholders in the delivery of effective local solutions</p> <p>3.3 Represent the collective views of stakeholders at a national level</p> <p>3.4 Implement policies which develop, empower, value and engage our workforce</p>	<p>4: Driving sustainable and scalable growth</p> <p>Strategic objectives:</p> <p>4.1 Implement a new governance model which supports scalable business growth</p> <p>4.2 Continue to maintain a robust business infrastructure to support our growth ambitions</p> <p>4.3 Use our knowledge and insight to identify new services and/or sectors which provide growth opportunities</p> <p>4.4 Explore opportunities to work with partners on the development and delivery of new business opportunities</p>
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Key priorities for Jan 2021 - April 2022

Overview of the key commitments we will undertake this year:

<p>Goal 1: Shaping solutions for innovative public services</p> <ul style="list-style-type: none"> • Drive the next generation development of the National Care Home Contact (NCHC) • Re-open the Adult Care and Support flexible framework to allow participation of new providers • Actively support members during Covid-19 recovery planning and BREXIT transition • Develop and deliver key supplier management as part of SXL's contract and supplier management (CSM) programme • Accelerate a collaborative approach to the adoption of digital technologies • Inform and support development of national policy objectives in line with the National Performance Framework e.g. e-commerce and environmental sustainability 	<p>Goal 2: Being sustainable in everything we do</p> <ul style="list-style-type: none"> • Increase direct and supply chain opportunities for Scottish SMEs and contractors through SXL frameworks • Continue to embed community benefit models which enable councils to achieve direct benefits for their areas • Continue to monitor the proportion of Scotland Excel suppliers paying their staff the Real Living Wage and identify any opportunities to increase this • Develop plans for assessing and mitigating the environmental impact of Scotland Excel's activities • Continue to play a role in deterring serious organised crime from winning public sector contracts • Continue to work with the Supplier Development Programme (SDP) and other key partners to raise awareness of public procurement
<p>Goal 3: Placing people at the heart of our business</p> <ul style="list-style-type: none"> • Continue to work with educational partners to promote the benefits of procurement to pupils • Work with partners and providers to support implementation of the Promise Strategy and National Standards and Pathways for Secure Care Centres • Deliver Scotland Excel's account management services to ensure value and positive customer experience • Embed plans for agile working to create a productive environment that benefits staff, Scotland Excel, and customers • Engage customers to assess satisfaction and understand current priorities to be addressed • Develop initiatives to inspire and develop staff, increase SXL's capability, and support succession planning 	<p>Goal 4: Driving sustainable and scalable growth</p> <ul style="list-style-type: none"> • Continue to implement appropriate funding models to support the delivery of new and existing services • Continue to develop Scotland Excel's partnerships and forge new relationships to ensure the most effective delivery of SXL and Customer objectives • Maximise awareness of SXL services to support the wider public sector • Deliver the next national Coaction event online • Continue to grow and develop Scotland Excel's Associate membership programme • Continue to offer councils flexible and affordable solutions to support Scottish Government national policy objectives

Key Performance Indicators

This is where we typically identify key activities that we will monitor to assess our ongoing performance against outcomes in the operating plan. Due to the heightened levels of uncertainty as a result of the Covid-19 pandemic, Scotland Excel has been unable to finalise a list of KPIs for the period. It is proposed that work continues in developing this and, as a minimum, create shorter term quarterly KPIs.

Outcomes	Key Performance Indicators	2021-22 Target ¹
Our services shape the effective and efficient delivery of public services	<ul style="list-style-type: none"> • Number of contracts delivered v plan² • Value of contract portfolio v target 	<ul style="list-style-type: none"> • XX contracts • £XXbn portfolio value
Our expertise leads continuous improvement in commercial performance	<ul style="list-style-type: none"> • Number of Scotland Excel Academy courses v plan³ 	<ul style="list-style-type: none"> • XX courses
Our services facilitate the delivery of national and local policy priorities	<ul style="list-style-type: none"> • Number of Scottish suppliers & percentage SMEs 	<ul style="list-style-type: none"> • No target
Our services enable positive and sustainable outcomes for people and communities	<ul style="list-style-type: none"> • Number of community benefits realised to date 	<ul style="list-style-type: none"> • No target
Our insight and knowledge underpins innovative solutions for our customers	<ul style="list-style-type: none"> • Number of business change initiatives in progress v plan 	<ul style="list-style-type: none"> • X initiatives
Our activities are recognised as leading the way in public procurement	<ul style="list-style-type: none"> • Media coverage v target • Number of speaking engagement opportunities secured v target 	<ul style="list-style-type: none"> • 40 published media items • 20 speaking engagements
Our customers receive a measurable return on investment through savings	<ul style="list-style-type: none"> • Percentage savings achieved across the portfolio v target⁴ • Savings achieved in the last quarter 	<ul style="list-style-type: none"> • 2.5% rolling target (2018-23) • No target

¹ KPIs are monitored without targets where Scotland Excel cannot directly influence performance

² Contracts developed, renewed or extended

³ Programme modules and practice workshops

⁴ Excluding social care contracts

Goal 1: Shaping solutions for innovative public services

Strategic Objective	Commitment
<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 • 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 • 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
<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 • Deliver sector and local initiatives which support Scottish Government national policy objectives, such as flexible and affordable solutions • 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 intellectual property of improvement methodologies and resources within the local government sector • 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 • 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

<p>1.3 Harness the potential of digital technology and data insight to support the delivery of public services</p>	<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 • 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
<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 Scotland Excel portfolio including guidance, tools and reporting

Goal 2: Being sustainable in everything we do

Strategic Objective	Commitment
2.1 Deliver positive and measurable social value through our contracts	<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 • Continue to monitor the proportion of Scotland Excel suppliers paying their staff the Real Living Wage and develop a plan to ensure suppliers meet their contractual commitments in relation to this. Also identify any opportunities to increase uptake of the real living wage in areas not currently covered • 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
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 principles including payment of the real living wage and work with partners including Scottish Government and SDP
2.3 Deliver positive and measurable environmental benefits through our contracts	<ul style="list-style-type: none"> • Continue to deliver and promote environmental sustainability goals including Scotland Excel and supplier carbon footprint reduction and consider "best value" and 'whole life' costing within tender evaluations
2.4 Lead and develop sustainable procurement knowledge and practice	<ul style="list-style-type: none"> • Explore the development of progressive, sustainable learning pathways to support career development within the sector. Co-chair 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

Goal 3: Placing people at the heart of our business

Strategic Objective	Commitment
<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 • Continue and refresh Scotland Excel's stakeholder engagement activity including understanding priorities and assessing satisfaction
<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 • 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
<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
<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, progressing existing and developing new initiatives to inspire and develop staff, increase Scotland Excel's capability, and support succession planning

Goa1 4: Driving sustainable and scalable growth

Strategic Objective	Commitment
4.1 Implement a new governance model which supports scalable business growth	<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 Continue to implement appropriate funding routes through the delivery of new and existing services, monitoring income and providing regular reports to the governance committees whilst recognising the impact of the pandemic
4.2 Continue to maintain a robust business infrastructure to support our growth ambitions	<ul style="list-style-type: none"> Continue to develop and support a robust working environment and infrastructure that includes the use of digital technology, harnessing data assets, agile working and emerging technology to benefit staff and customers
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 Continue to grow and develop Scotland Excel's Associate membership programme to maximise commercial potential for the organisation including framework spend and promote other chargeable services whilst providing demonstrable benefits for members
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 Explore new Scotland Excel partnership opportunities and continue to develop partnerships e.g. Crown Commercial Services (CCS), to ensure the most effective delivery of Scotland Excel and Customer objectives