

Scotland Excel

To: Executive Sub-Committee

On: 20 August 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 and Development Review (PDR) programme.
- 1.3 This report presents an update on the progress that the organisation has made in the three months between April and June 2021 towards delivering the commitments contained within the Operating Plan 2021-22.






2. Recommendations

- 2.1 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.
- 2.2 Twenty-seven commitments in the operating plan are progressing in line with plans and are indicated as green within the report. This includes the growing number of chargeable projects and programmes that contribute towards Scotland Excel's income targets, as well as new projects and initiatives undertaken to support national policy objectives.
- 2.3 One commitment is indicated as amber within the report. The contract and supplier management programme was suspended due to the impact of Covid-19 on suppliers and is now gradually being reinstated.

- 2.4 One commitment, the reopening of the flexible framework for care and support services, was completed during the first quarter of the plan and is indicated as black within the report. However, this framework may reopen for a second time during the current operating plan period.
- 2.5 The commitment to reinstate the Coaction learning and development approach is indicated as white within the report as this is scheduled for delivery towards the end of financial year 2021/22.

3. Background

- 3.1 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. Half yearly and annual reports are also submitted to Joint Committee meetings.
- 3.2 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

- 3.3 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

Q1 Progress Report






Goal 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	<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"> Four online Commercial User Intelligence Group (UIG) sessions were held with local authority procurement leads in June to discuss contract development plans. Scotland Excel is continuing to participate in the Scottish Government's cross-sectoral Collaborative Leads Group, and taking part in discussions on collaborative contract and supply chain opportunities for personal protective equipment (PPE) and food.
	<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"> Scotland Excel's contract and supplier activity (CSM) is gradually being reinstated following the disruption caused to suppliers by the Covid-19 pandemic. Regular engagement continues to take place with key strategic suppliers, and Scotland Excel's indexation tool has been used to track and, where possible, mitigate the impact of price increases that have resulted from Covid-19 and Brexit.
	<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 an expansion in the number of framework providers and services in April, mobilisation activity is now underway to support local authorities using or planning to use the framework. Plans and timescales are being considered for the next re-opening of the framework to allow further expansion.
1.2 Deliver programmes which lead and develop professional, organisational and commercial capability	<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 11 cohorts of accredited programmes across a range of disciplines. A further 10 programmes have been scheduled and, a programme of low-cost online workshops is being planned in response to training budget constraints across the sector.

	<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"> • 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 the event attracted 371 delegates from 83 organisations who attended one or more of the 33 sessions that took place throughout the week.
	<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 successfully delivering a range of chargeable services and programmes including hosted procurement services for Dumfries and Galloway Council, University of Strathclyde and City Property, and programmes for East Renfrewshire Council, East Lothian Council, Stirling Council, the Scottish Government, and the Scottish Local Government Pension Service. The Scotland Excel Academy is designing bespoke learning and development programmes for several councils, NHS Lothian, NHS Tayside and the Scottish Government.
	<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"> • Scotland Excel is continuing to closely monitor the impact of Covid-19 and Brexit on the pricing and availability of key framework commodities. A short-life working group of representatives from member organisations is meeting regularly to respond to shortages in construction materials, and Scotland Excel is also liaising with Scottish Enterprise and the Scottish Government on this matter. Ongoing discussions continue to take place for other key commodities such as food.





	<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 fees for 2021-22 were agreed in April and updated in June to reflect an agreed pay increase for nursing staff. A new category manager has been appointed to lead on the development of the next generation national care home contract and will take up their post in July. Scotland Excel held a training session for unions on the care cost model to support their future participation in NCHC negotiations.
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"> • Videos of the 33 sessions which took place at the Annual Event have been edited and uploaded to the Academy platform.
	<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"> • Scotland Excel is continuing to explore ICT procurement opportunities including scoping requirements for robotics/intelligent automation and the development of a dynamic purchasing system (DPS) for digital telecare goods. Training sessions on the web-based STAMP (Scotland's Technical Asset Management Platform) have been delivered for procurement and ICT leads to facilitate a pipeline analysis of further ICT procurement opportunities.
1.4 Use our insight and experience to shape policy and meet the challenges of future public service delivery	<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"> • Work is continuing with the Scottish Government and other partners across a range of policy areas. In Q1, Scotland Excel collaborated with key stakeholders to produce a discussion paper on the 'Good Food Case' for the provision of Universal Free School Meals (UFSM) in Scotland. Following a meeting with Scottish Enterprise, a short life working group was established to identify Scottish supply chain opportunities arising from the contract portfolio in support of the Scottish Manufacturing Recovery Plan. A report and recommendations has been produced and further discussion will take place with Scottish Enterprise in Q2.



Goal 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. Scotland Excel is continuing to participate in the COSLA/Scottish Government Secure Care Group, and discussions are ongoing with partners and providers in relation to the funding and implementation of the standards.
	<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 continue to be monitored as part of ongoing contract management activity. Scotland Excel is continuing to participate in the Fair Work in Social Care Implementation Group, and discussions are ongoing with partners on options for a national approach to annual fee uplifts.
	<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"> A review of the template, roles and responsibilities for community benefits reporting is underway as part of wider data project. In May 2021, Scotland Excel partnered with BASE Scotland to deliver an online event for supported businesses. This was well attended and the feedback from delegates is being used to inform a supported business strategy.
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 funded community wealth building project is progressing with four councils. In Q1, Scotland Excel took part in two Supplier Development Programme (SDP) regional webinars and events, and was a partner in the national SDP 'Meet the Buyer' virtual event in June.
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 and consider "best value" and 'whole life' costing within tender evaluations 		<ul style="list-style-type: none"> Scotland Excel procurement staff have taken part in bespoke training on circular procurement delivered by Zero Waste Scotland (ZWS). The Senior Management Team will meet with ZWS in Q2 to discuss environmental strategy.




<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 continuing to work with the Scottish Government and other partners through the professional practice and development forum. The Scottish Government is funding the Academy to develop a national training programme on mitigating the risks to public procurement from serious and organised crime organisations.
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Goal 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. Framework efficiency reviews are being planned for two councils to ensure they are getting best value from frameworks. An internal project is continuing to enhance the availability of management 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 to support the work of the new build group is being reviewed quarterly to inform communications and engagement plans. Plans to embed the use of stakeholder engagement and mapping tools across the organisation will be developed 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 continue to generate significant interest among council members, and the outputs of projects will be used to inform future contract strategies. Scotland Excel is continuing to help several 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 engaging with The Promise and other key stakeholders to ensure policy direction is reflected in contracts for children's services. Scotland Excel is working with COSLA and other partners to consider the implications of the Feeley review on adult social care and develop plans for engaging with the Scottish Government on implementation.






<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 the Supply Chain Development Forum.
<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 is continuing to implement its workforce planning strategy. A new strategic programme manager has been recruited for the construction, transport and environment category teams, and further appointments will be made over coming months to implement the new structure. Work is continuing on a new organisational development strategy and an action plan to support the recommendations of the recent Investors in People (IIP) review.

Goal 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"> Coaction 2021 is 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"> Demand for income generating services has been growing steadily in 202, and rebate forecasts, including for the new build framework, are now moving into line with previous expectations. In addition to the projects and programmes being delivered for councils, interest is growing from the wider public sector including national government, health, and education. The Scottish Government project to administer applications from care workers for the Covid-19 £500 payment has been extended to include applications from self-directed support care workers.
<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"> Development of Scotland Excel's new cloud based Spend Data Repository (SDR) has been completed. The system provides the capability for Scotland Excel staff to upload, track and maintain detailed spend and product information for 40% of Scotland Excel's existing frameworks, and supports data analysis of contract spend through the Power BI business intelligence platform. Further contracts will be added over time and a customer portal for accessing the system is in development. Plans to implement new agile working practices are continuing, including voluntary blended home and office working for staff and virtual stakeholder meetings. Cyber security and disaster recovery provision continues to be reviewed to support these new ways of working.

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"> Following an exploratory workshop, a project team has been established to develop a competitor analysis model that can be used by teams across the organisation. The model has been piloted with the housing and construction teams with good results. Project team members are researching competitors for specific frameworks to support the model which, if approved, is expected to be rolled out later in year.
	<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"> Four new associate members were approved in Q4 with a total annual income of £1k. Scotland Excel is undertaking a review of potential new and existing members to develop plans for promoting membership more widely and encouraging greater contract usage by existing 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 		<ul style="list-style-type: none"> Marketing and communications activity for Q1 has included the ongoing development of content for the new website which will be launched in July, public affairs support, a marketing campaign and event logistics for the Annual Event, the development of an extensive Green Recovery campaign which will run from July for six months to promote Scotland Excel's contribution to Scotland's net zero targets, 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. Scotland Excel has agreed to be involved in the specification development and evaluation of the new fuel cards framework.

Report Key

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