

Scotland Excel

To: Joint Committee

On: 17th June 2016

Report
by
Director Scotland Excel

Procurement Commercial Improvement Programme (PCIP) Update

1. Introduction

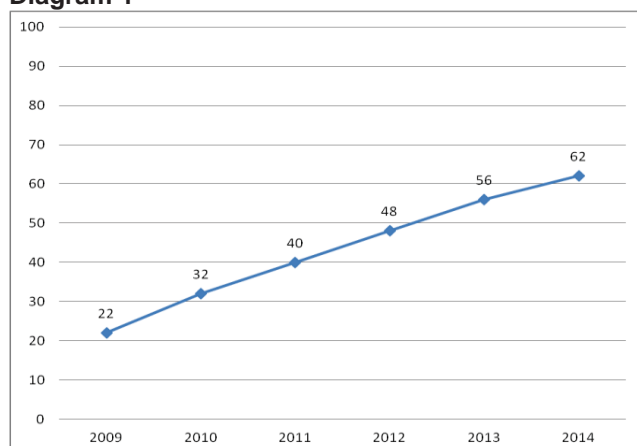
This report provides an update on the status of the procurement assessment programme within member councils and the work undertaken by Scotland Excel to support councils with the new Procurement Commercial Improvement Programme (PCIP) assessment methodology.

2. Background

As members will be aware, part of Scotland Excel's remit is to work with councils to support them in improving procurement capability and performance. Between 2009 and 2014 Scotland Excel carried out Procurement Capability Assessments (PCA) across the sector to measure performance. The PCA was a nationally developed maturity model designed to assess public sector procurement performance in Scotland in a common format. The results of the assessments provided a rich source of information to help individual, sectoral and national organisations develop plans to improve procurement performance.

By 2014 councils made significant improvements in its procurement performance since the PCA was first introduced in 2009. Diagram 1 provides a representation of the good progress made.

Diagram 1



After completion of the 2014 assessments, the sector average was 62% compared to an average of 22% in 2009.

Recognising the need to further improve procurement capability, a national working group involving Scotland Excel, other centers of expertise and Scottish Government developed a replacement for the PCA. The PCIP builds on the good work done to date with a continued focus on driving improvement and encouraging the sharing of good practices.

A number of changes have emerged from the new model of assessment:

- A new and reduced question set.
- Assessments will be undertaken every two years.
- A new assessment methodology including the provision of information in advance of the assessment day.
- Use of a lite, medium and full assessment.
- Introduction of a new level 4 representing High Performance within the Full assessment.

A significant change between the PCA and the PCIP is the scoring bands (shown in Table 1 and which are **not** comparable between the two assessment methods. This is an important differentiator and therefore comparison between the last PCA score in 2014 and the PCIP score in 2016 cannot be made.

Table 1

| Full Assessment Performance Bandings | |
|--------------------------------------|---------|
| Current Performance Band | % Score |
| F1 | >70% |
| F2 | 66<>69% |
| F3 | 61<>65% |
| F4 | 56<>60% |
| F5 | 51<>55% |
| F6 | 46<>50% |
| F7 | 41<>45% |
| F8 | 36<>40% |
| F9 | 31<>35% |
| F10 | 26<>30% |
| F11 | 20<>25% |
| F12/Non-Conformance | <19% |

<https://www.procurementjourney.scot/step-5-pcip-finalisation-bandings>

3. Supporting The Sector

Scotland Excel has undertaken a number of initiatives to support the sector in adopting the PCIP:

- Supported the development of the PCIP question set by leading a sector resourced working group.

- Provided 6 workshops throughout Scotland to help members prepare for the assessment.
- Undertook mock assessments with seven councils inviting other councils to attend as observers. Lessons learned from these sessions were shared with the sector.
- Trained a number of Scotland Excel assessors to provide additional support to members.
- Agreed a delay to the assessment period to allow further preparation to be undertaken and new assessors trained.

4. Assessment comparability

Extensive discussion has taken place throughout the development of the PCIP with regard to comparability with other sectors. Scotland Excel has taken a strong stance in the need for assessments that are undertaken and scored in a comparable way. In order to facilitate this, Scotland Excel has adjusted the way in which it undertakes assessments.

It is anticipated that these changes will support the move to improved comparability between sectors.

5. Assessment Plan

Assessment will take place between May 2016 and October 2016. At the point of publication of this report, the first PCIP had been completed and initial feedback from the procurement manager was very positive with “the assessment being conducted in a robust and positive way”.

A number of councils have selected not to participate in the PCIP in 2016. The primary reason given for this was resourcing the preparation for the assessment.

6. Recommendation

Members are invited to note the progress in introducing the new assessment regime and a full update on the results will be provided at the December Joint Committee.