

Scotland Excel Executive Sub-Committee

To: Executive Sub-Committee

On: 15 May 2015

Report by Director

Update on the 2015-18 Corporate Strategy and Operational Plan

1. Introduction

Scotland Excel is developing a new three year corporate strategy to underpin the next phase of growth for the organisation, and ensure its long term sustainability as a successful local government shared service. This report provides a summary of the proposed strategic direction for the organisation, and includes an overview of the key operational activities that will be undertaken to deliver the strategy.

2. Strategy Map

The strategy has been designed to meet current and future requirements of local authorities identified through extensive stakeholder engagement, consultation and research. New vision and mission statements have guided the development of strategy, and staff have agreed core values to strengthen our organisational culture and support the delivery of our plans.

The strategy is based around 12 objectives aligned to four business goals:

- Supporting the delivery of better and more effective public services
- Being sustainable in everything we do
- Placing customers at the heart of our business
- Becoming the partner of choice for delivering shared services

The strategic objectives have been designed to deliver eight key outcomes which will be used to review and benchmark performance. A copy of the strategy map is included in this report, and a first draft of the full strategy document is close to completion.

3. Operating Plan

A rolling annual operating plan has been developed to record the high level activities and commitments that will be delivered to achieve each of our four goals. This plan will be used to set detailed annual performance objectives and targets for the organisation and employees. Progress will be reported to governance bodies on a quarterly basis.

The operating plan will be reviewed and updated each year to ensure that activities remain closely aligned with the goals of the three year strategy, and to respond to changes in the external environment. A draft of the high level activities and commitments in the first year operating plan is included in this report.

4. Summary

The Executive Sub-Committee is asked to note the progress being made towards the development of a new corporate strategy and operational plan. A full version of each of these documents will be presented to the Joint Committee for approval on 12 June 2015.

Strategy Map

Vision

To be the shared service partner of choice for the Local Government sector

Mission

To deliver **effective** and **customer-orientated** shared services which support **collaborative, innovative** and **sustainable** public services, add **measurable value** for our customers, and bring **tangible benefits** for local communities and service users.

Values

Professional • Courageous • Respectful • Integrity

Outcomes

Our services support the effective and efficient delivery of public services	Our services support the implementation of national and local policy priorities	Our customers receive relevant communication and support	Our people, policies, processes and technology optimise our value
Our expertise supports continuous improvement in our sector's procurement performance	Our services help to deliver positive and sustainable outcomes for communities and service users	Our reputation demonstrates the value of collaboration	Our customers are satisfied with our services and achieve a measurable return on their investment

Goals

<p>1: Supporting the delivery of better and more effective public services</p> <p>Strategic objectives:</p> <p>1.1 Deliver a range of collaborative procurement and supplier development services which support customers at a strategic and operational level</p> <p>1.2 Deliver a range of shared services which support customers in the development of their professional, organisational and commercial capability</p> <p>1.3 Deliver a range of new shared services which support the effectiveness and efficiency of customer</p>	<p>2: Being sustainable in everything we do</p> <p>Strategic objectives:</p> <p>2.1 Work with stakeholders to develop procurement strategies which support the delivery of national and local policy priorities</p> <p>2.2 Deliver positive and measurable social, economic and environmental impact to local communities</p> <p>2.3 Lead and support customers in the development and implementation of best practice in sustainable procurement</p>	<p>3: Placing customers at the heart of our business</p> <p>Strategic objectives:</p> <p>3.1 Work with customers to develop and implement bespoke plans for maximising the value of our services</p> <p>3.2 Develop robust communications strategies which support customer engagement and position Scotland Excel and its customers as leaders in public procurement /shared services</p> <p>3.3 Represent the views and needs of customers in the wider stakeholder</p>	<p>4: Becoming the partner of choice for delivering shared services</p> <p>Strategic objectives:</p> <p>4.1 Implement organisational development policies which support a highly skilled, motivated and engaged workforce</p> <p>4.2 Implement best practice processes and technology which support the efficient and effectively delivery of services to customers</p> <p>4.3 Implement robust strategies, governance, risk management and funding models which demonstrate a measurable return on investment to customers and secure</p>
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operations		environment	Scotland Excel's future
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Goa1 1: Supporting the delivery of better and more effective public services

Strategic objectives	
1.1	Deliver a range of collaborative procurement and supplier development services which support customers at a strategic and operational level
1.2	Deliver a range of shared services which support customers in the development of their professional, organisational and commercial capability
1.3	Deliver a range of new shared services which support the effectiveness and efficiency of customer operations
Activity	Commitment
(a) Develop and implement a contract plan aligned to the strategic priorities of member authorities	<ul style="list-style-type: none"> Deliver a rolling schedule of new contract opportunities identified and agreed with local authority stakeholders Ensure renewed contracts continue to focus on current strategic priorities Develop and implement a flexible workforce model that allows the pursuit of emerging opportunities to expand the contract portfolio
(b) Develop and implement a strategy and plan for the delivery of contract and supplier management	<ul style="list-style-type: none"> Review and enhance Scotland Excel's contract and supplier management (CSM) methodology to provide more detailed intelligence on contract and supplier performance Develop and deliver enhancements to the technology which supports CSM to enhance reporting capabilities and improve efficiency Deliver a rolling CSM survey and reporting schedule, aligned to the spend patterns and priority level of each contract, to measure contract and supplier performance
(c) Develop and implement a strategy and plan for improving supplier performance	<ul style="list-style-type: none"> Deliver an integrated programme of supplier development activity as part of Scotland Excel's CSM model Deliver the 2016 Scotland Excel Supplier Excellence Awards and development event Identify and work with key suppliers within each category to explore the potential for developing long term partnerships which add value to the solutions they provide to councils
(d) Manage the rollout of a new national procurement capability assessment to the local government sector	<ul style="list-style-type: none"> Develop and deliver an engagement programme to ensure that all local authorities are aware of, understand and are prepared for the new assessments Identify and train a pool of Scotland Excel assessors to undertake the new assessments Complete assessments for all 32 local authorities by May 2016

<p>(e) Develop and implement a programme to lead and support the development of procurement and commercial capability</p>	<ul style="list-style-type: none"> • Develop and implement a sustainable funding and resourcing model to support the ongoing delivery of procurement capability and change services to the sector, considering the use of external partners where appropriate • Develop and deliver a programme of procurement capability and change services, providing customers with a clear menu of inclusive and chargeable services • Deliver an annual conference which supports change and capability within the sector
<p>(f) Develop and implement a 'procurement academy' to support professional capability and encourage new entrants to public procurement</p>	<ul style="list-style-type: none"> • Develop and implement a strategy and model for the delivery of sector training needs, partnering with educational and professional institutes to deliver national/professional qualifications • Develop and implement a strategy to encourage and support new entrants to public procurement, including graduate trainees and modern apprentices • Develop and implement eLearning capability for the delivery of training, considering the use of external partners where appropriate
<p>(g) Develop and implement a shared service offering for councils which meets their requirements in a changing public sector landscape</p>	<ul style="list-style-type: none"> • Develop and implement a strategy for delivering additional shared services, aligned to customer needs, ensuring that each new service has a clear value proposition and can be delivered effectively and sustainably by Scotland Excel • Develop plans for reinvesting new streams of funding arising from the development of additional services to support the continuous growth of the organisation and infrastructure

Goa1 2: Being sustainable in everything we do

Strategic objectives	
2.1	Work with stakeholders to develop procurement strategies which support the delivery of national and local policy priorities
2.2	Deliver positive and measurable social, economic and environmental impact to local communities
2.3	Lead and support customers in the development and implementation of best practice in sustainable procurement
Activity	Commitment
(a) Develop and implement strategies for responding to procurement and/or public sector legislation	<ul style="list-style-type: none"> Develop and implement plans and policies to support Scotland Excel and our customers in meeting duties arising from the introduction of new procurement legislation, and supports customers in their Develop and implement plans to mitigate risks and/or secure opportunities arising from the local planning aspects of the Community Empowerment Bill Develop and implement plans to mitigate risks and/or secure opportunities arising from the Public Bodies (Joint Working Act (health and social care integration) Continue to support councils with meeting their duties arising from the Waste (Scotland) Regulations through the development and delivery of waste services frameworks
(b) Ensure Scotland Excel's collaborative frameworks support local and national government policy priorities	<ul style="list-style-type: none"> Develop and implement guidance for including employment and workforce matters in collaborative tenders, (e.g. Living Wage, zero hours contracts) Shape markets to increase payment of the Living Wage across the Scotland Excel contract portfolio Identify and create guidance for other policy areas that can be supported through collaborative tenders, (e.g. Fair Trade, organic produce) Continue to develop social care frameworks around national outcomes, (e.g. GIRFEC, Keys of Life) Develop and implement plans to mitigate risks and/or secure opportunities arising from the Construction Review
(c) Ensure Scotland Excel's collaborative frameworks support positive local economic outcomes	<ul style="list-style-type: none"> Develop and implement a plan to support participation by local companies in collaborative tenders, providing regular reports to councils on the economic impact delivered for their area Continue to incorporate community benefits in collaborative tenders to support employment, training and social inclusion at a local level Continue to develop Scotland Excel's community benefits tracking system and provide regular reports to local authorities on the impact in their local area

<p>(d) Ensure Scotland Excel's collaborative frameworks support local government environmental duties and policies</p>	<ul style="list-style-type: none"> • Continue to implement Scotland Excel's waste procurement strategy to support local authority compliance with climate change targets and efforts to recover value from waste. • Develop and implement guidance for assessing and mitigating the environmental impact of collaborative contracts
<p>(e) Champion the development and dissemination of best practice in sustainable procurement</p>	<ul style="list-style-type: none"> • Develop and implement plans to support local authorities with meeting their sustainability duties arising from the introduction of new procurement legislation • Continue to work with partners to develop, deliver and promote tools and guidance which support sustainable procurement practices, (e.g. Flexible Framework) • Develop and implement a process for monitoring, reviewing and reporting on macro-environmental factors affecting public procurement, sharing intelligence and guidance with local authorities

Goa1 3: Placing customers at the heart of our business

Strategic objectives	
3.1	Work with customers to develop and implement bespoke plans for maximising the value of our services
3.2	Develop robust communications strategies which support customer engagement and position Scotland Excel and its customers as leaders in public procurement / shared services
3.3	Represent the views and needs of customers in the wider stakeholder environment

Activity	Commitment
(a) Develop and implement a portfolio of account management services that meet the collective and individual needs of local authority customers	<ul style="list-style-type: none"> • Deliver a rolling programme of account management meetings, information and services in line with plans agreed and reviewed annually with each local authority • Identify, initiate and support engagement opportunities within local authorities to facilitate awareness, understanding and uptake of Scotland Excel services across council departments • Gather, analyse and report on customer intelligence to support Scotland Excel's business decisions and ensure services remain in line with customer requirements
(b) Develop and implement plans, processes and systems that support the delivery of a first class customer experience across all of our services	<ul style="list-style-type: none"> • Develop and implement customer service principles for all aspects of our services, ensuring that they are embodied by all Scotland Excel staff • Specify and deliver a system/process for managing customer information/preferences, ensuring that all stakeholders receive relevant and timely communication/contact appropriate to their needs • Specify and deliver an online platform for managing collaboration with customers, increasing their visibility of all contract activities, facilitating interaction and enabling self-service • Specify and deliver a system/process for managing customer complaints, including regular analysis of data to identify common issues and eliminate root causes of dissatisfaction • Monitor customer feedback and satisfaction levels, identifying and responding to opportunities for improvement
(c) Develop and implement a corporate communications strategy that enhances and protects Scotland Excel's corporate reputation	<ul style="list-style-type: none"> • Deliver a rolling programme of campaigns, events and activities which market Scotland Excel's services and promote the impact of our work to a wide range of stakeholders • Maintain and enhance Scotland Excel's website as the primary source of accurate and up-to-date corporate news and information • Identify, monitor and manage all communications risks arising from Scotland Excel's collaborative contracts and/or other business activities

<p>(d) Develop and implement a model for associate members which delivers clear business and financial benefits to Scotland Excel and the membership base</p>	<ul style="list-style-type: none"> • Review the existing associate member model to segment the customer base and identify cost/value streams • Develop and market a segmented membership offering for existing associate members, with clear costs, benefits and transparency around contract usage • Develop and implement a strategy to identify and secure new associate members to increase contract spend, achieve better pricing/benefits for all members, and generate funding for reinvestment in Scotland Excel
<p>(e) Develop and implement a programme for engaging with the wider public sector to ensure Scotland Excel has the right partnerships in place to support the needs of its customers</p>	<ul style="list-style-type: none"> • Establish appropriate local authority forums to share information, reach consensus on sector views and secure a mandate to lead/influence on behalf of the sector where appropriate • Represent and champion the views and requirements of the sector within the Public Procurement Reform Programme, and strengthen positive working partnerships with other Centres of Procurement Expertise • Develop and maintain relationships with key national/local bodies or groups that can influence public policy, (e.g. COSLA, Improvement Service, CCPS, FSB, Chambers of Commerce) • Develop relationships and build influence with key partners and representative bodies for public service areas supported by collaborative procurement, (e.g. SFT, SCOTS, ADSW, Zero Waste Scotland)

Goa1 4: Becoming the partner of choice for delivering shared services

Strategic objectives	
4.1	Implement organisational development policies which support a highly skilled, motivated and engaged workforce
4.2	Implement best practice processes and technology which support the efficient and effectively delivery of services to customers
4.3	Implement robust strategies, governance, risk management and funding models which demonstrate a measurable return on investment and secure Scotland Excel's future

Activity	Commitment
(a) Develop and implement a strategy to support staff recruitment, retention, development, performance and engagement	<ul style="list-style-type: none"> Develop and implement rolling workforce forecasts and plans to ensure that Scotland Excel always has the right mix of people and skills to deliver its corporate strategy and operational plans Develop and implement a recruitment management strategy, including the implementation of a new careers microsite and effective candidate management processes Develop and implement an employee performance management policy and process which ensures that all job descriptions, competencies and behaviours are clearly aligned with Scotland Excel's vision, mission, values and plans Develop and implement employee development plans which are clearly aligned to identified corporate and personal training needs, offer a route to career progression, support staff retention and ensure effective succession planning Develop and implement an employee engagement and reward strategy to support staff motivation, retention, communication and wellbeing
(b) Develop and implement programmes to support the continuous improvement of business performance, systems and processes	<ul style="list-style-type: none"> Manage Scotland Excel's transformation programme to support the delivery of the 2015-18 corporate strategy and operational plans Develop and implement a programme of ICT and systems development to support the delivery of business activities identified in the 2015-18 corporate strategy, operational plans and the transformation programme Establish an information and communications infrastructure to support organisational flexibility and growth, and provide efficient and effective support for all technologies utilised Create a quality assurance forum and develop a rolling plan for reviewing and evaluating key business processes Continue to build relationships with academic, business and professional partners which support the development and sharing of innovation and best practice Retain Investors in People (IIP) and Chartered Institute of Purchase and Supply (CIPS) accreditation, and seek accreditation for other areas of the business as appropriate

<p>(c) Ensure that Scotland Excel delivers its plans through effective governance, risk management and policies</p>	<ul style="list-style-type: none"> • Review and update Scotland Excel's governance model to ensure that it provides the optimum level of oversight of the organisation's performance and business activities • Review and report on identified corporate and contract risks in line with Scotland Excel's risk management methodology and plan • Develop and implement a rolling plan for reviewing Scotland Excel's corporate policies to ensure they provide an appropriate and supportive framework for business activities and performance • Review Scotland Excel's performance monitoring and reporting procedures to facilitate the provision of regular reports on all aspects of business performance
<p>(d) Develop and implement a strategy for gathering, analysing and distributing business intelligence within Scotland Excel and across the sector</p>	<ul style="list-style-type: none"> • Complete a review of all internal and external data, information and intelligence sources used to make business decisions and/or support services to customers • Develop a plan for managing data, information and intelligence across the organisation, ensuring that all staff have access to the knowledge they require to deliver their goals • Develop a proposal for offering a business intelligence service to local authority customers, ensuring it has a clear value proposition and can be delivered effectively and sustainably by Scotland Excel
<p>(e) Develop and implement a clear, transparent and sustainable funding and delivery model for Scotland Excel</p>	<ul style="list-style-type: none"> • Develop and implement a transparent funding model, based around core and chargeable services, to finance the organisation between 2015 and 2018 • Review Scotland Excel's business delivery model, ensuring that all fixed and operational costs return optimal efficiency and value for money • Develop and implement a model for securing and managing rebates from collaborative contracts on behalf of councils to support reinvestment in Scotland Excel's future growth • Complete ongoing reviews of the funding and business delivery models, incorporating costs and revenues from the launch of new shared services as appropriate

Measuring performance

To ensure that we are meeting our goals and objectives, and delivering the desired outcomes from our corporate strategy, we will use a range of indicators and measures to monitor our performance and report our progress. Specific KPIs and/or targets to ensure the delivery of our activities and commitments will be set within project, team and individual performance plans.

Outcome	Indicators of success
Our services support the effective and efficient delivery of public services	<ul style="list-style-type: none"> • Spend and savings statistics • Contract and supplier management scorecards • Contract development timeframes • Council contract participation rates • Innovation case studies
Our expertise supports continuous improvement in procurement performance	<ul style="list-style-type: none"> • Procurement capability scores • Learning and development participation statistics
Our services support the implementation of national and local policy priorities	<ul style="list-style-type: none"> • Contract performance statistics • Community benefits case studies • Stakeholder feedback
Our services help to deliver positive and sustainable outcomes for communities and service users	<ul style="list-style-type: none"> • Community benefits case studies • Local economic impact statistics • SME participation in collaborative frameworks
Our customers receive relevant communication and support	<ul style="list-style-type: none"> • Account management coverage • Customer satisfaction survey results • Web usage statistics
Our reputation demonstrates the value of collaboration	<ul style="list-style-type: none"> • Media articles published • Invitations to speak at events and conferences • Web usage statistics
Our people, policies, processes and technology optimise our value	<ul style="list-style-type: none"> • Skills and qualifications of staff • Staff engagement survey results • ICT/process efficiencies • Customer satisfaction survey results • Professional accreditations
Our customers are satisfied with our services and achieve a measurable return on their investment	<ul style="list-style-type: none"> • Customer satisfaction survey results • Spend and savings statistics • Local economic impact statistics