

Scotland Excel

To: Executive Sub Committee

On: 18th September 2020

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

Operating Plan – 2020 and beyond

1. Summary

- 1.1 The purpose of this report is to provide the Executive Sub Committee with a proposed Operating Plan covering the period 1st April 2020 until 31st December 2020 and to provide an update on the progress of future Operating Planning.

2. Background

- 2.1 In June 2018, Scotland Excel's Joint Committee approved a new five-year corporate strategy which is supported by annual operating plans.

To support the strategy, Scotland Excel develops annual operating plans which record the commitments it 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.

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.

This normal process was impacted by the global pandemic and subsequent resourcing issues. To rectify this, an interim document that records the commitments Scotland Excel will deliver between April 2020 and December 2020 was created and can be seen in Appendix 1. In parallel with this activity, an additional plan covering January 2021 to March 2022 is currently being constructed.

3. Interim Operating Plan (1st Apr 2020 – 31st Dec 2020)

- 3.1 The attached operating plan records commitments between April 2020 and December 2020. It is recognised that a proportion of this plan is retrospective, but it was felt that, to provide transparency, accountability and good

governance, the plan is required. Reporting against this operating plan will be presented at the December 2020 Joint Committee.

4. **Future Operating Plan (1st Jan 2021 – 31st Mar 2022)**

- 4.1 Scotland Excel is also currently developing the operating plan that covers the reporting period **1st Jan 2021 – 31st Mar 2022**. Due to the timing issues outlined above, this plan will cover a longer period to bring reporting back in line with the customary annual format. This operating plan will be brought to the December 2020 Joint Committee for approval.

5. **Future Performance Reporting**

- 5.1 Members previously indicated a desire to change the quarterly reporting methodology. It was the intention of Scotland Excel to explore this further at a dedicated event prior to the June 2020 Joint Committee. This event was cancelled and therefore no input was obtained. Members views will be sought on this matter.

6. **Recommendations**

- 6.1 Members are asked to:
- Approve the interim Operating Plan covering 1st April 2020 to 31st December 2020.
 - Note strategy and progress on future operating planning.
 - Provide any input to subsequent reporting methods.



Interim Operating Plan

01 April 2020 – 31st December 2020

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 is an interim document that records the commitments we will deliver between April and Dec 2020. It is a departure from our normal process which was impacted by the global pandemic. In parallel with this activity, an additional plan covering Jan 2021 to Mar 2022 is being constructed. 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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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 • Drive the next generation development of the National Care Home Contract (NCHC) • 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. • Continue to develop and deliver contract and supplier management (CSM) programme which monitor and enhance the performance of Scotland Excel contracts • Continue to identify opportunities to lead and/or participate in national cross-sector procurement opportunities and initiatives with partners in health, further and higher education, and central government • Continue to inform and support national procurement policy in consultation with the local government procurement community
<p>1.2 Deliver programmes which lead and develop professional, organisational and commercial capability</p>	<ul style="list-style-type: none"> • Consult members on the refresh of a targeted programme of sector-wide change projects • Continue to deliver the chargeable consultancy projects and transformation programmes for Fife Council, East Renfrewshire Council and the Tayside and other councils, and respond to any further requests for these types of services • Continue to develop and deliver accredited work-based learning programmes through the Scotland Excel Academy • Develop and deliver a programme of non-accredited development workshops through the Scotland Excel Academy • Continue to develop Scotland Excel Academy online resources to support learning programmes and create a community that supports the sharing of best practice • Respond to the pandemic by transitioning development programmes to online delivery and created a portfolio of Stay Connected online workshops

<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 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 • Continue to develop data analytic tools and resources to support the expansion of the contract portfolio and provide management information to the sector • 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 • Implement a mechanism to offer useful signposting and to give vital information about our on-going covid-19 response work to our members, suppliers and wider stakeholders.
<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, COSLA and other partners to support the development and/or delivery of national policy in social care • Continue to work with the Scottish Government and other partners to support the development and/or delivery of education policies such as early learning provision, pupil attainment funding, and procurement for school meals • Continue to work with the Scottish Government, Association of Local Authority Chief Housing Officers (ALACHO) and other partners to support the development and/or delivery of national policy in affordable housing • Continue to work with the Scottish Government, Zero Waste Scotland and other partners to support the development and/or delivery of national environmental policy • Develop and deliver a calendar of marketing and communications activities which promotes our knowledge and experience in support of our policy and public affairs goals • Continue the work towards becoming a Scottish Credit & Qualifications Framework (SCQF) Credit Rating Body to support the expansion of the Scotland Excel Academy and position it as a future provider of Graduate Apprenticeships

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"> • Continue to monitor the proportion of Scotland Excel suppliers paying their staff the Real Living Wage and identify any opportunities to increase this • Continue to embed community benefit models which enable councils to achieve direct benefits for their areas • Continue to support opportunities for disabled/disadvantaged workers through community benefits and/or 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"> • Continue to work with the Supplier Development Programme (SDP) to raise awareness of public procurement opportunities and encourage participation among Scottish SMEs • Continue to increase direct and supply chain opportunities for Scottish SMEs and contractors within Scotland Excel contracts, particularly within the construction portfolio
2.3 Deliver positive and measurable environmental benefits through our contracts	<ul style="list-style-type: none"> • Continue to encourage suppliers to Scotland Excel contracts to consider opportunities to increase recycling of their products and packaging and/or reduce their carbon footprint • Continue to consider 'whole life' costing within tender evaluations • Develop plans for assessing and mitigating the environmental impact of Scotland Excel's activities
2.4 Lead and develop sustainable procurement knowledge and practice	<ul style="list-style-type: none"> • Produce an annual report on 2019-20 procurement activity in line with the requirements of the Procurement Reform (Scotland) Act 2014 • Monitor the progress and publication of annual procurement reports within the local government sector, providing support and guidance to councils as required • Continue to work with national partners on the development of sustainable procurement guidance and tools • Continue to develop opportunities to increase the local government sector's sustainable procurement knowledge and capability through the Scotland Excel Academy • Develop plans to promote sustainable procurement to senior stakeholders including, elected members and senior officers to support a 'whole organisation' approach

Goa1 3: Placing people at the heart of our business

Strategic Objective	Commitment
3.1 Ensure our customers continue to receive maximum value from our services	<ul style="list-style-type: none"> • Continue to develop Scotland Excel's project and account management services to ensure they deliver value to local authority procurement teams and support a positive customer experience for members • Continue to explore further opportunities to use digital technologies to engage with and/or provide online 'self-service' to customers, incorporating the findings into Scotland Excel's ICT strategy and roadmap • Explore the feasibility of providing additional services, incorporating the findings into future operational plans • Implement engagement plans and activities based on the outputs of Scotland Excel's stakeholder engagement project.
3.2 Engage stakeholders in the delivery of effective local solutions	<ul style="list-style-type: none"> • Continue to incorporate community engagement, where appropriate, into the development of procurement strategies • Continue to engage directly with service users, where appropriate, to ensure their needs are considered within service design • Continue to work with educational partners and/or suppliers to promote the benefits of procurement to pupils
3.3 Represent the collective views of stakeholders at a national level	<ul style="list-style-type: none"> • Continue the ongoing review of Scotland Excel's representation activities to ensure that these are targeted where they can have the greatest impact • Continue to build on relationships with the Convention of Scottish Local Authorities (COSLA) and/or elected members to represent customers and communities in appropriate policy and political matters
3.4 Implement policies which develop, empower, value and engage our workforce	<ul style="list-style-type: none"> • Refresh Scotland Excel's organisational development strategy to incorporate feedback from Investors in People, involving staff in the development of plans, policies and initiatives where appropriate • Develop and implement leadership and management initiatives to inspire and develop staff, increase Scotland Excel's capability, and support succession planning • Review agile working strategy and policies, incorporating pandemic experiences, to create a productive working environment that benefits staff, Scotland Excel, and customers.

Goal 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"> • Continue to implement appropriate funding models to support the delivery of new and existing services, monitoring income and providing regular reports to the joint committee whilst recognising impact of the pandemic. • Review existing income generating services based on pandemic impact and implement appropriate changes.
4.2 Continue to maintain a robust business infrastructure to support our growth ambitions	<ul style="list-style-type: none"> • Continue to monitor Scotland Excel's business infrastructure to ensure it can support the organisation's growth ambitions, developing plans for continuous improvement and to address any gaps in capacity and/or capability • Develop a risk model for evaluating new business opportunities to assess their impact on internal resources and/or existing customers • Continue to implement technology solutions which increase efficiency, support agile working and offer scalability for business growth
4.3 Use our knowledge and insight to identify new services and/or sectors which provide growth opportunities	<ul style="list-style-type: none"> • Review collaborative procurement and leading change solutions available in other public sector markets to identify potential business opportunities, reporting on the findings to inform future operational plans • Continue to deliver procurement support to housing associations and implement plans to market additional services to this sector • Continue to develop and market Scotland Excel's associate membership programme to maximise its commercial potential for the organisation and the benefits it provides for members • Continue to market Scotland Excel through traditional and social media, targeted communications activity and political engagement to support new business opportunities • Continue to identify opportunities arising for staff development through new business opportunities, fostering an understanding of commercial and entrepreneurial approaches across the organisation
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 explore opportunities to work in partnership with other public sector bodies to increase internal efficiency and/or improve service delivery for customers, reporting on the findings to inform future operational plans • Continue to manage Scotland Excel's partnership with Crown Commercial Services (CCS) to ensure it is delivering against customer expectations, and explore opportunities to extend this partnership • Continue to provide procurement support to SEEMiS in line with the partnership agreement

Key performance indicators

Key activities we will monitor to assess our ongoing performance against outcomes in the operating plan:

Outcomes	Key Performance Indicators	Apr 2020-Dec 2020 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"> • 5 contracts • £2bn 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"> • 30 planned
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 • No target
Our insight and knowledge underpins innovative solutions for our customers	<ul style="list-style-type: none"> • Number of business change initiatives delivered v plan 	<ul style="list-style-type: none"> • 4 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 engagements v target 	<ul style="list-style-type: none"> • 7 published media items • 2 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