SCOTLAND EXCEL

Operating Plan

2017 – 2018

Q1 Progress Report

Goal 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	Year 3 Priorities	RAG status	Progress summary
(a) Develop and implement a contract plan aligned to the strategic priorities of member authorities	• Resource and implement contract delivery plans including 11 'small value' contracts • Develop and implement a procurement strategy for older people's care services • Deliver an opportunity analysis for adult supported living and care at home commissioning • Provide ICT procurement services for the local government Digital Office • Support SEEMis with the procurement of a national education MI system • Monitor CCS partnership and develop proposals for future procurement partnerships • Review and update procurement strategies for all key category areas	**G**	• The new team delivering 'small value' contracts is now well established, and development is underway for the first tranche of contracts which will be delivered in Q3. The Commercial UIG steering group is playing a key role in informing the activities of this team. • A draft strategy for older people's care services was published for consultation in June 2017. • Staff have been recruited to analyse opportunities for adult supported living and care at home commissioning. A User Intelligence Group will be established in Q2 to inform developments. • A member of staff has been recruited to provide procurement support for the local government Digital Office and will take up their post in Q2. • The contract notice for the SEEMis MI system was published in April, and supplier PQQs have been evaluated to select five bidders to proceed to the next stage. • The Crown Commercial Services (CCS) partnership for light vehicles went live on 01 June 2017. Scotland Excel is continuing to liaise with CCS and local authority customers to ensure that the contract meets requirements. • Review of category procurement strategies will commence in Q2 and updates are expected to be published at the end of Q3.

Objective	Status	Progress
(b) Develop and implement a strategy and plan for the delivery of contract and supplier management • Complete the roll out of the new CSM programme across the contract portfolio	G	• A schedule has been agreed for rolling out the new Contract & Supplier Management programme across the contract portfolio. CSM surveys for the first tranche of contracts and will be issued in Q2.
(c) Develop and implement a strategy and plan for improving supplier performance • Deliver the 2018 Supplier Excellence Awards • Incorporate supplier development into the 2018 Scotland Excel Conference • Pilot a KSM programme and extend to other key suppliers based on results	G	• Initial plans for the Supplier Excellence Awards have been developed and a project team assembled. The awards programme is expected to be launched to suppliers in September 2017, and the awards ceremony has been scheduled for 20 February 2018. • Plans for a Key Supplier Management (KSM) Programme will be developed in Q3. Benchmarks for selected suppliers will be recorded in Q4 based on CSM results, and the pilot will be rolled out from April 2018.
(d) Manage the rollout of a new national procurement capability assessment to the local government sector • Complete the first cycle of PCIP assessments with participating councils • Consult on plans for a second cycle of PCIP assessments	G	• A second phase of 15 Procurement & Commercial Improvement Programme (PCIP assessments was completed in Q1. 31 Scottish local authorities have now participated in an assessment, and Scotland Excel is working with the remaining council to support their participation at a future date. • Scotland Excel is continuing to hold proactive discussions with central government, the PCIP project board and stakeholders on future PCIP plans.
(e) Develop and implement a programme to lead and support the development of procurement and commercial capability • Develop and deliver a rolling programme of procurement capability and change services for local authorities • Deliver an Annual Conference to support development in Feb 2018 • Deliver Scottish Government funded procurement improvement programme for housing associations	G	• A programme is being developed which encompasses Leading Change, Learning & Development, and Organisational Development opportunities. This is being informed by PCIP outcomes and wider stakeholder consultation. • Initial plans for the Scotland Excel Annual Conference have been developed. The conference will co-locate with the Supplier Excellence Awards on 20-21 February 2018, and offer development sessions for both local authority and supplier delegates. • Following significant engagement with the sector in Q1, 51 housing associations have expressed an interest in participating in PCIP assessments.

Objective	Actions	RAG	Progress
(f) Develop and implement a 'procurement academy' to support professional capability and encourage new entrants to public procurement	• Roll out L & D programmes in line with the strategy • Develop plans for delivering a L & D programme for social care commissioning • Develop a proposal to support the Scottish Government's PPOT initiative	G	• A workshops and masterclasses programme has been developed and will be launched in Q2. A leadership & management programme accredited by the Chartered Management Institute (CMI) will be rolled out more widely in Q3. Discussions are continuing with the Chartered Institute of Procurement & Supply (CIPS) on options for Scotland Excel to deliver a work-based learning route to their qualifications. • Scotland Excel's social care team are scoping the development needs of the social care commissioning community to inform L & D plans. • Scotland Excel continues to co-chair the Scottish Government's Professional Practice Strategic Forum which encompasses the Procurement People of Tomorrow (PPOT) initiative. During Q1, the organisation was involved in the development of a new Graduate Level Apprenticeship in Business Management, which includes a module for procurement.
(g) Develop and implement a shared service offering for councils which meets their requirements in a changing public sector landscape	• Develop a shared services strategy to inform future service development proposals	G	• A number of new shared services opportunities have been explored during Q1 including development of a model for supporting City Deal procurement, and additional chargeable services for housing associations.

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Goal 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	Year 3 Priorities	RAG status	Progress summary
(a) Develop and implement strategies for responding to procurement and/or public sector legislation	• Develop and implement plans to comply with GDPR regulations • Monitor risks/opportunities arising from the Community Empowerment Act • Engage with IJB Chief Officers to identify HSCI procurement opportunities • Develop proposals to support councils with early learning and childcare procurement • Update waste category strategy to align with legislative landscape	G	• A review of requirements for the new General Data Protection Regulation (GDPR) will take place in Q2. A meeting will be arranged with the Information Commissioner's Office (ICO) to clarify the implications for Scotland Excel. • Participation requests from community groups under the Community Empowerment Act have been limited to date, and therefore there are currently no major risks or opportunities arising for the sector. • A social care procurement network has been established to support engagement with Integration Joint Board (IJB) Chief Officers. Further engagement opportunities are being incorporated into Scotland Excel's wider communication plan which will be completed in Q2. • An opportunity assessment for early learning and childcare procurement completed and socialised with the Improvement Service and CEOMG. Further activity will depend on feedback from these stakeholders. • The waste category strategy will be updated in December 2017.
(b) Ensure Scotland Excel's collaborative frameworks support local and national government policy priorities	• Continue to support national policy outcomes in social care frameworks • Continue to support the roll out of CRDG recommendations	G	• Development activity is underway for the renewal of the children's residential care framework. A Prior Information Notice (PIN) was published in May and a stakeholder consultation exercise is planned for early Q2. • Scotland Excel continues to participate in the Construction Review Delivery Group (CRDG) and attended a meeting in April. A roadmap of national construction contract opportunities has been developed in partnership with the cross-sector Collaborative Leads Group.

Objective	Actions	Status	Progress
(c) Ensure Scotland Excel's collaborative frameworks support positive local economic outcomes	• Support SDP public procurement training for Scottish SMEs • Review options for including community benefits measures as part of the new CSM programme • Develop a strategy for supported businesses, including delivery of a business development event	G	• Scotland Excel has agreed to sponsor the Supplier Development Programme (SDP) national 'Meet the Buyer' event, which was postponed from June until September due to the general election. Opportunities to provide further support to SDP will be considered in Q3. • Options for including community benefit measures as part of the new CSM programme are being considered, with implementation expected by the end of Q3. • Scotland Excel continues to participate in the Supported Business Advisory Group chaired by Paul Wheelhouse MSP, and has been providing ad hoc advice and support to individual supported businesses. Planning for an event will begin in Q2.
(d) Ensure Scotland Excel's collaborative frameworks support local government environmental duties and policies	• Continue work with partners to align the waste category strategy with national programmes • Include measure for environmental impact within the new CSM programme	G	• Scotland Excel has been in discussion with Zero Waste Scotland (ZWS) to explore how waste frameworks could be aligned to complement ZWS aims. • Options for including environmental measures as part of the new CSM programme will be considered in Q3.
(e) Champion the development and dissemination of best practice in sustainable procurement	• Monitor the impact of Scotland Excel's sustainable procurement strategy • Work with national partners to develop enhancements to the national sustainable toolkit • Continue to evolve Scotland Excel's horizon scanning programme	G	• Scotland Excel is continuing to monitor the impact of its sustainable procurement strategy. Specific sustainability considerations and benefits are detailed within each contract award report. • In Q3, Scotland Excel will consider the implications of the Equality Duty and the potential for incorporating this within the national sustainable toolkit. • Horizon scanning meetings are continuing to take place quarterly to review the external environment and identify any new risks and opportunities.

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	Year 3 Priorities	RAG status	Progress summary
(a) Develop and implement a portfolio of account management services that meet the collective and individual needs of local authority customers	• Continue to develop and implement improvements to account management services	G	• Account managers are continuing to deliver Quarterly Business Reviews, and act as a key liaison between the organisation and customers. Further opportunities to improve account management services will be identified as the year progresses.
(b) Develop and implement a stakeholder engagement strategy that support the delivery of first class customer experience across all of our services	• Complete the stakeholder engagement strategy • Develop and implement a senior stakeholder engagement plan • Initiate a customer care forum to support ongoing improvements to customer service • Publish a report on the results of the 2017 customer satisfaction survey • Develop a 'future digital' strategy to support online delivery of customer information and services	G	• The stakeholder engagement strategy will be completed in Q3, and will close off this project. Tools developed as part of this project will be used to develop new senior stakeholder engagement plans. • A high-level engagement plan for elected members was presented to the joint committee in June. Detailed plans will be developed for each senior stakeholder group in Q3. • The customer care forum will be established in Q3 to oversee the implementation of the stakeholder engagement strategy, and respond to the findings of the customer satisfaction survey. • Reports on the findings of the customer satisfaction survey were produced for senior stakeholders and staff during Q1. A full report on findings for procurement/technical stakeholders will be published in October 2017. • Business requirements will be gathered in Q2 to support production of the future digital strategy.

Objective	Status	Progress
(c) Develop and implement a corporate communications strategy that enhances and protects Scotland Excel's corporate reputation • Complete the marketing and communication strategy • Develop and implement a plan to enhance Scotland Excel's profile and reputation • Continue to deliver marketing/communications initiatives to promote Scotland Excel services	**G**	• A marketing and communications strategy will be completed in Q2. This will explain the strategic approach used to develop the rolling schedule of marketing activities and the communications calendar. • A communications plan and calendar are in development and will be completed in Q2. This will bring together requirements for corporate communications, public affairs and stakeholder engagement activity identified through workshops with senior managers. • The marketing and communications team delivered a range of activities in Q1 including press releases and social media, materials for new joint committee members, and sponsorship of the Scottish Federation of Housing Associations (SFHA) Annual Conference.
(d) Develop and implement a model for associate members which delivers clear business and financial benefits to Scotland Excel and the membership base • Continue to recruit housing associations in line with the associate member strategy • Develop an associate member offering for third sector organisations	**G**	• Five new associate members were recruited in Q1 including four housing associations. • Plans to develop an associate membership offering for the third sector will be developed in Q3.
(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 • Continue to host and/or attend forums to gather sector views and share information • Continue to represent the sector on matters relating to public procurement • Continue to engage with relevant stakeholders in the wider public sector environment	**G**	• Scotland Excel has continued to hold and/or attend forums for sector stakeholders during Q1. These have included steering groups for contract development, procurement capability and social care, as well as attendance at the Scottish Local Government Procurement Forum. • Scotland Excel has continued to represent sector interests at meetings during Q1. These have included government forums for collaborative procurement, construction, best practice and professional development. • Scotland Excel continues to engage with a wide range of stakeholders and partners. This activity will be formalised as part of the stakeholder engagement strategy.

Goal 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 effective 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	Year 3 Priorities	RAG status	Progress summary
(a) Develop and implement a strategy to support staff recruitment, retention, development, performance and engagement	• Complete the development and implementation of an organisational development strategy	G	• The project to develop and implement an Organisational Development strategy has continued to make progress during Q1. A framework for developing and documenting the strategy has been agreed, and work to develop plans for each of the key areas is continuing within project workstreams.
(b) Develop and implement programmes to support the continuous improvement of business performance, systems and processes	• Agree and deliver 2017-18 internal transformation projects • Implement a spend data management and reporting solution • Continue to plan and implement the migration of the ICT infrastructure to a cloud environment • Undertake assessment to renew CIPS accreditation	G	• Scotland Excel's business change team is managing seven internal projects to support strategic goals and continuous improvement. • Discussions are continuing with Spikes Cavell on spend data management requirements. A decision on commissioning this company to develop a specification will be made in Q2. • All Scotland Excel staff were successfully migrated to Office 365 in Q1. This is delivered through a cloud-based server and supports secure access remotely from multiple devices. • Plans to renew CIPS corporate accreditation will be implemented from Q2.
(c) Ensure that Scotland Excel delivers its plans through effective governance, risk management and policies	• Explore options for governance models which support the future growth of Scotland Excel	G	• Meetings have taken place with other public sector shared service organisations to understand their governance models and identify the risks/benefits of different approaches.

(d) Develop and implement a strategy for gathering, analysing and distributing business intelligence within Scotland Excel and across the sector	• Expand the use of BI tools across the organisation to support internal/external delivery of data and reports	**G**	• New business intelligence (BI) and reporting tools piloted in 2016-17 will be rolled out across the organisation in Q3.
(e) Develop and implement a clear, transparent and sustainable funding and delivery model for Scotland Excel	• Hold 4 regional consultation workshops for new strategy development • Develop a new corporate strategy for 2018-22 • Explore options for funding models to support the new strategy	**G**	• Regional workshops to consult on the new strategy will take place in Q3 as part of senior stakeholder engagement plans. • A draft timeline for developing the strategy has been created and work will commence in Q2. • Scotland Excel is continuing to explore different funding models as part of its governance review, particularly ways in which the organisation could expand chargeable services and/or apply for funding grants.

Report Key

R	Project or activity is currently stalled or significantly behind schedule
A	Project or activity is progressing at a slower pace than anticipated and/or results have been weaker than expected
G	Project or activity has been completed and/or is progressing in line with expected/agreed timelines and targets

Key Performance Indicators

KPI	Link to outcomes	Q1 Status
No. & value of contracts delivered v plan	Our services support the effective and efficient delivery of public services	• 4 contracts delivered, renewed or extended from 31 targeted • £944m portfolio value against £1bn target by year end
Percentage & value of savings v target (excluding social care)	Our customers are satisfied with our services and achieve a measurable return on their investment	• Average savings of 4.4% against a rolling 5% target (2015-18) • £3m estimated saving in the last recorded quarter (Apr-Jun 2017)
No. of PCIP assessments completed v schedule	Our expertise supports continuous improvement in procurement performance	• 15 assessments completed against 15 targeted
No. of Scottish suppliers & percentage SMEs	Our services help to deliver positive and sustainable outcomes for communities and service users	• 413 Scottish suppliers of which 77.7% are SMEs
No. of community benefits realised to date	Our services support the implementation of national and local policy priorities	• 203 jobs • 168 apprenticeships • 28 work placements • 58,105 hours work experience • 3,321hours volunteering/mentoring • £153k value of other initiatives
Customer satisfaction statistics & trends[1]	Our customers are satisfied with our services and achieve a measurable return on their investment	• 82.4% of procurement stakeholders • 80.8% of senior stakeholders
Website usage statistics & trends	Our customers receive relevant communication and support	• 7,578 visitors in Q1 • 16,649 user sessions in Q1
Media coverage v target	Our reputation demonstrates the value of collaboration	• 25 media items placed in Q1 against an annual target of 50
Income from associate members v target	Our reputation demonstrates the value of collaboration	• £55.3k income against a £60k target
Staff turnover v headcount	Our people, policies, processes and technology optimise our value	• 2.5% staff turnover rate in Q1 • 70 permanent staff

Report issued: October 2017

1 Percentage of respondents reporting their overall satisfaction as 'very good' or 'good' in the 2016-17 customer satisfaction survey