

Scotland Excel

To: Chief Executive Officers Management Group

On: 18 November 2020

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

Annual Value Reports

1. Purpose

- 1.1 To inform the CEOMG of our new **Annual Value Report**.
- 1.2 This is a new report designed to provide a detailed view on the value derived from membership of Scotland Excel, tailored to each individual local authority.
- 1.3 The Report provides a range of value measures and discussion points and will be distributed to local authority Chief Executives, Finance Directors, Elected Members (including leaders) and Corporate Procurement Managers over the coming weeks.

2. Background

- 2.1 Scotland Excel's range of services are designed to help councils meet the twin challenges of reducing budgets at a time of growing demand. It is widely accepted that collaborative procurement increases efficiency, delivers value for money and ensures money is saved to front line services. And, through a more collaborative approach Scotland Excel can work with councils to realise a host of social, economic and environmental benefits from their spend.
- 2.2 The report includes a high-level update on specific financial indicators resulting from the use of Scotland Excel frameworks and services, demonstrating the value Scotland Excel provides to a council.

3. Measuring Value

- 3.1 The new report includes a number of indicators including financial benefits through savings, rebates and cost avoidance measures.
- 3.2 All measures within the document have sought to take a transparent and, where available, national view of measuring benefits. An example of this is the

adoption of the Scottish Government approach to cost avoidance. This is a value measure that provides a “calculated” view of an organisation having to undertake an activity in the absence of a Scotland Excel framework.

- 3.3 The Report also recognises that while important, value is not purely financial and does this by including updates on areas such as community benefits, local spend, living wage, and support for local economies. Our Scotland Excel Academy also provides a range of people development services to your organisation and your participation in this is provided, recognising that upskilling staff brings further benefits for councils.
- 3.4 The Annual Value reports will be distributed to members during November 2020 prior to the December Joint Committee. An offer will be made to all stakeholders including elected members for a member of the Scotland Excel Executive team to present it to wider groups of stakeholders.

4. Input

- 4.1 Scotland Excel has prioritised and distributed the first draft reports to CEOMG members prior to the meeting.
- 4.2 Much of the information contained within the report is included in quarterly business reviews with procurement managers. It should however be noted that no input has been sought at this stage from this group on the report.
- 4.3 Scotland Excel would be keen to obtain wider stakeholder input to improve subsequent annual value reports and will seek to do this over the coming months.

5 Recommendations

- 5.1 Members of the CEOMG are invited to note the contents of this report and would welcome input from members on their initial thoughts on the individual reports provided to members.