

Scotland Excel

To: Executive Sub-Committee

On: 22 April 2022

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

Operating Plan Update 2021-22

1. Summary

- 1.1 In June 2018, Scotland Excel's Joint Committee approved a new five-year corporate strategy supported by annual operating plans. Due to the impact of the Covid-19, the annual planning process was suspended and an interim operating plan created to guide activities until the end of 2020.
- 1.2 In December 2020, the Joint Committee approved a new operating plan which covers the fifteen-month period from January 2021 to March 2022. To simplify reporting, the number of commitments in the plan was reduced from 68 detailed commitments to 30 broader commitments. These align to more than 120 specific actions that have been cascaded to staff as part of Scotland Excel's Performance Review and Development (PRD) programme.
- 1.3 This report presents an update on the activity undertaken by the organisation between January and March 2022 to conclude the final quarter of the Operating Plan 2021-22.
- 1.4 The Joint Committee approved a new one-year operating plan in December 2021 which takes effect from 01 April 2022. The Operating Plan 2022-23 will form the basis of future committee reports updating members on the organisation's progress.

2. Recommendations

- 2.1 The members of the Joint Committee are invited to note Scotland Excel's progress in delivering the commitments contained within the Operating Plan 2021-22.
- 2.2 Twenty-seven commitments in the operating plan have progressed in line with plans and are indicated as green within the report.

- 2.3 Two commitments are indicated as amber within the report. This status was selected to reflect the progress made whilst also recognising the commitment was not completed within the anticipated timeline. The roll out of stakeholder mapping tools and a competitor analysis model have been delayed until 2022-23. However, these tools are already being used successfully by some teams within the organisation.
- 2.4 One commitment is indicated as black within the report. Due to restrictions on holding national and regional events, the Coaction project is now being implemented on a project-by-project basis.

3. Background

- 3.1 Progress reports are produced quarterly to track Scotland Excel’s activity against annual 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.
- 3.2 The reports summarise the progress made against operating plan commitments and uses a ‘traffic light’ symbol to provide a guide to the status of each activity. This guide has been revised to include symbols to indicate projects or activities which have not yet started, and projects or activities which have been completed:

	Project or activity not yet started
	Project or activity is currently stalled or significantly behind schedule
	Project or activity is progressing at a slower pace than anticipated and/or results have been weaker than expected
	Project or activity is progressing in line with expected/agreed timelines and results
	Project or activity completed

- 3.3 Due to continuing uncertainty in relation to Covid-19 and Brexit, reporting against key performance indicators (KPIs) is currently on hold pending a review of appropriate measures.



Operating Plan

2021 – 2022

Year End Report

Goal 1: Shaping the delivery of innovative public services

Strategic Objective	Commitment	RAG status	Progress summary
1.1 Deliver a programme of collaborative procurement to support early intervention and the delivery of public services	<ul style="list-style-type: none"> Continue to engage directly with local authority services on the collaborative procurement opportunities pipeline and identify opportunities to lead and/or participate in national cross-sector opportunities and initiatives with partners in health, further and higher education, and central government. 		<ul style="list-style-type: none"> A Commercial User Intelligence Group Steering Group meeting with procurement stakeholders took place in February. Scotland Excel is continuing to participate in several cross-sectoral initiatives including the Scottish Government-led Supply Chain Development Programme, the Public Sector Food Forum, and the Scottish Organic Stakeholders Group which is supporting the government's Scottish Organic Action Plan.
	<ul style="list-style-type: none"> Continue to develop and deliver a contract and supplier management (CSM) programme which monitors and enhances the performance of Scotland Excel contracts, incorporating new environmental performance measurements 		<ul style="list-style-type: none"> Contract and supplier management activity has focused on mitigating the impact of global supply chain disruptions and price volatility. Measures have also been implemented to identify supply chains with connections to Russia following the invasion of Ukraine. Work is ongoing to develop a new CSM reporting model which incorporates environmental performance measures in line with the Scottish Government's climate change goals.
	<ul style="list-style-type: none"> 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. 		<ul style="list-style-type: none"> Following the reopening of the Adult Care and Support flexible framework, 21 new providers covering 26 services are being awarded to the framework. Local authorities will be able to use the new providers by the end of April 2022.
1.2 Deliver programmes which lead and develop professional, organisational and commercial capability	<ul style="list-style-type: none"> Develop a portfolio of accredited and non-accredited Academy programmes based on member and wider public sector requirements whilst progressing other strategic areas such as apprenticeships and becoming a credit rating body. 		<ul style="list-style-type: none"> The Scotland Excel Academy is currently delivering 9 cohorts of accredited programmes, with a further 10 programmes planned. Several courses have been delivered through the Scottish Government's national procurement training framework, and a full programme of open and closed courses will be launched across the public sector in April.

	<ul style="list-style-type: none"> • Deliver sector and local initiatives which support Scottish Government national policy objectives, such as flexible and affordable solutions. 		<ul style="list-style-type: none"> • A third tranche of Stay Connected free online seminars for procurement practitioners was launched in February. Following discussions with council procurement leads, the third cycle of the national Procurement Commercial Improvement Programme (PCIP) assessments has been postponed until 2022-23. Plans are underway for the Scotland Excel Annual Conference which will take place on 18-19 May as a hybrid online and in-person event.
	<ul style="list-style-type: none"> • Continue to deliver chargeable consultancy and transformation programmes, responding to any requests for these types of services and building the Scotland Excel knowledge bank to retain the intellectual property of improvement methodologies and resources within the local government sector 		<ul style="list-style-type: none"> • Scotland Excel is continuing to deliver a range of chargeable and consultancy services to councils, partners and associate members, including flexible procurement, consultancy, and bespoke learning and development programmes. Following the successful delivery of a similar programme for the Scottish Government, the Department of Health for Northern Ireland has commissioned Scotland Excel to administer their £500 payments to personal assistants to recognise their work during Covid.
	<ul style="list-style-type: none"> • Engage with members, suppliers and providers to understand the impact of Covid-19 and BREXIT to support the delivery of frameworks, services and knowledge to meet Local Authority and national objectives. 		<ul style="list-style-type: none"> • Scotland Excel is continuing to closely monitor the impact of Covid-19, Brexit and other global events on the pricing and availability of key framework commodities, and is providing regular updates to stakeholders. The invasion of Ukraine has had a significant impact on the availability of bitumen which was predominantly sourced from Russia. Rising energy prices have impacted most framework suppliers, and all frameworks are being reviewed to develop recommendations which will help councils manage their sourcing challenges.

	<ul style="list-style-type: none"> • Drive the next generation development of the National Care Home Contract (NCHC) and 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. 		<ul style="list-style-type: none"> • The national care home contract fees for 2022-23 have been agreed and work is underway to roll out the new rates which take effect from 6th April. A meeting with stakeholders interested in participating in the redesign of the national care home contract has been scheduled for April.
1.3 Harness the potential of digital technology and data insight to support the delivery of public services	<ul style="list-style-type: none"> • Continue to develop The Academy's online learning platform, to support engagement and learning, and to deliver national coaction events, video content and programmes. 		<ul style="list-style-type: none"> • The Scotland Excel Academy online platform continues to be developed, and now incorporates automated reminders for student assessment tasks.
	<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. 		<ul style="list-style-type: none"> • Scotland Excel is continuing to work on a range of collaborative ICT solutions including Artificial Intelligence (AI)/robotics, and procurement routes to establish a National Security Operating Centre (SOC), and National Shared Digital Alarm Receiving Centre.
1.4 Use our insight and experience to shape policy and meet the challenges of future public service delivery	<ul style="list-style-type: none"> • Continue to work with the Scottish Government and other partners to support the development and/or delivery of national policy objectives across the SXL portfolio including guidance, tools and reporting. 		<ul style="list-style-type: none"> • Work is continuing with the Scottish Government and other partners across a range of policy areas. Scotland Excel is taking part in the Key Stakeholder Reference Group informing the implementation of the National Care Service, and has contributed to the Construction Industry Inquiry Group and Fair Work Convention's review of review of working practices in Scotland's construction industry.

Goal 2: Being sustainable in everything we do

Strategic Objective	Commitment	RAG status	Progress summary
2.1 Deliver positive and measurable social value through our contracts and services	<ul style="list-style-type: none"> Work with partners and secure care providers to support the implementation of the new National Standards and Pathways for Secure Care Centres. 		<ul style="list-style-type: none"> The new national standards have been built into secure care contracts. Scotland Excel continues to liaise with key partners on future plans for secure care and will contribute to a national consultation on the forthcoming Children's Care and Justice Bill.
	<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 		<ul style="list-style-type: none"> More than 80% of suppliers have confirmed payment of the Living Wage, and commitments continue to be monitored as part of ongoing contract management activity. Scotland Excel is continuing to work with the Scottish Government and other stakeholders on remuneration for the social care workforce.
	<ul style="list-style-type: none"> Continue to embed community benefit models which enable councils to achieve direct benefits for their areas and the participation of supported businesses and the third sector within our supply chain 		<ul style="list-style-type: none"> Scotland Excel has been engaging with councils to review its community benefits model. Feedback from two workshops will be used improve data gathering procedures and reporting.
2.2 Deliver positive and measurable local economic impact through SME and third sector participation in our contracts	<ul style="list-style-type: none"> Support the continued application of community wealth building including living wage Scotland Excel suppliers and work with partners including Scottish Government and the Supplier Development Programme (SDP) 		<ul style="list-style-type: none"> A practice sharing workshop took place in February with Scotland Excel, Scottish Government and the four pilot councils to discuss the outcomes of the community wealth-building project. A suite of templates has been developed and a toolkit is being created which will provide a model to be share with councils in support of their own community wealth-building journeys.
2.3 Deliver positive and measurable environmental benefits through our contracts	<ul style="list-style-type: none"> Continue to deliver and promote environmental sustainability goals including Scotland Excel and supplier carbon footprint and consider "best value" and 'whole life' costing within tender evaluations 		<ul style="list-style-type: none"> Scotland Excel is reviewing all frameworks to identify how they support council net zero ambitions. This includes working with external bodies to review policy impacts, low carbon innovations, and changes to working practices. A new tool is being developed to calculate the levels of embodied carbon in construction materials.

<p>2.4 Lead and develop sustainable procurement knowledge and practice</p>	<ul style="list-style-type: none"> • Explore the development of progressive, sustainable learning pathways to support career development within the sector, co-chairing the Scottish Government professional practice and development framework, and work with educational partners and/or suppliers to establish workforce needs and promote the benefits of procurement as a career. 		<ul style="list-style-type: none"> • The Scotland Excel Academy is continuing to co-chair the cross-sector Professional Practice and Development (PPD) forum to explore national initiatives to attract and develop procurement talent. In March, Scotland Excel launched a recruitment campaign for a graduate recruitment programme which has attracted a pool of high-quality candidates.
--	---	---	---

Goal 3: Placing people at the heart of our business

Strategic Objective	Commitment	RAG status	Progress summary
3.1 Ensure our customers continue to receive maximum value from our services	<ul style="list-style-type: none"> Continue to deliver Scotland Excel's account management services to ensure and demonstrate value to members and support a positive customer experience 		<ul style="list-style-type: none"> Scotland Excel's Project and Account Managers continue to provide support to council procurement teams including quarterly business reviews, change projects, and workshops.
	<ul style="list-style-type: none"> Continue and refresh Scotland Excel's stakeholder engagement activity including understanding priorities and assessing satisfaction 		<ul style="list-style-type: none"> Scotland Excel's stakeholder engagement and mapping tools are being used by several teams in support of income generating frameworks and services. Further plans to roll out use across the organisation are planned for 2022-23.
3.2 Engage stakeholders in the delivery of effective local solutions	<ul style="list-style-type: none"> Continue to engage directly with service users and the wider community, where appropriate, to ensure their needs are met and incorporated into the development of procurement strategies 		<ul style="list-style-type: none"> Scotland Excel is investigating options for engaging with care home residents and their families as part of the national care come contract redesign project.
	<ul style="list-style-type: none"> Continue to engage directly with partners to ensure that national social care contracts meet the needs of all care groups and align with national strategy 		<ul style="list-style-type: none"> Scotland Excel is continuing to engage with The Promise and other key stakeholders to ensure policy direction is reflected in contracts for children's services. Representatives from advocacy groups, providers, provider bodies, unions and Scottish Government have agreed to work with Scotland Excel on the redesign of the national care home contract.
3.3 Represent the collective views of stakeholders at a national level	<ul style="list-style-type: none"> Continue to collect, review and represent the views of members, customers and communities at appropriate fora 		<ul style="list-style-type: none"> Scotland Excel is continuing to represent the local government sector within Scottish Government national initiatives including the Climate Change Forum, the Professional Practice and Development Forum, and the Supply Chain Development Forum. In March, Scotland Excel took part in a round table meeting with the UK Department of Education and other devolved nations to discuss the issues, priorities and challenges arising from educational budgets.

<p>3.4 Implement policies which develop, empower, value and engage our workforce</p>	<ul style="list-style-type: none"> • Continue to implement the Scotland Excel organisational development strategy, developing initiatives to inspire and develop staff, increase Scotland Excel's capability, and support succession planning 		<ul style="list-style-type: none"> • Scotland Excel's new People Strategy is close to completion and will be launched in early 2022-23. A flexible and dynamic approach to recruitment has been implemented to mitigate the challenges of a fast-moving and competitive job market. An online careers event, digital marketing campaigns and expanded website content has been successful in attracting interest from candidates.
--	--	---	--

Goal 4: Delivering sustainable and scalable growth

Strategic Objective	Commitment	RAG status	Progress summary
4.1 Implement a new governance model which supports scalable business growth	<ul style="list-style-type: none"> Promote the concept of Coaction to senior stakeholders and explore opportunities where creation, delivery and production of high-quality national cost effective learning is jointly undertaken 		<ul style="list-style-type: none"> Due to ongoing restrictions in bringing people together for a Coaction event, the concept will now be rolled out through partnership working on a project-by-project basis.
	<ul style="list-style-type: none"> Continue to implement appropriate funding routes through the delivery of new and existing services, monitoring income and providing regular reports to the joint committee whilst recognising the impact of the pandemic 		<ul style="list-style-type: none"> Income from chargeable services and rebates continues to grow and is expected to account for c.15% of operating income in 2021-22. A healthy pipeline is in place for 2022-23 when this income is expected to account for c.21% of the total.
4.2 Continue to maintain a robust business infrastructure to support our growth ambitions	<ul style="list-style-type: none"> Continue to develop and support a robust working environment and infrastructure that includes the use of digital technology, agile working and emerging technology to benefit staff and customers 		<ul style="list-style-type: none"> Plans for rolling out hybrid working have continued during Q4 to support a return to office working within the next few months. Scotland Excel is working with the Digital Office to review cyber security and disaster recovery provision across its ICT infrastructure to ensure it is in line with National Cyber Security Centre guidance.
4.3 Use our knowledge and insight to identify new services and/or sectors which provide growth opportunities	<ul style="list-style-type: none"> Research collaborative procurement and leading change solutions available in other public sector markets to identify potential business opportunities, reporting on the findings to inform future growth plans 		<ul style="list-style-type: none"> A competitor analysis model was developed and successfully piloted during 2021-22, including an analysis of key framework competitors. Roll out of the model across the organisation are planned for 2022-23.
	<ul style="list-style-type: none"> Continue to grow and develop Scotland Excel's associate membership programme to maximise its commercial potential for the organisation including framework spend whilst providing demonstrable benefits for members 		<ul style="list-style-type: none"> Seven new associate members were approved in Q4 with a total annual income of £4,461k. Scotland Excel presented at the Scottish Federation of Housing Associations (SFHA) development conference in March to promote a new procurement improvement assessment service which will be developed in 2022-23 to help housing associations meet Scottish Government funding criteria for new build development.

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 market Scotland Excel through traditional and social media, targeted communications activity and political engagement to support new business opportunities and promote our knowledge and experience in support of policy and public affairs goals 		<ul style="list-style-type: none"> Marketing and communications activity for Q4 has included a significant recruitment campaign and online event, the launch of the EEC framework, marketing support for the launch of Scotland Excel's Annual Conference, press releases and case studies. Preparations have been taking place for a number of imminent campaigns including promotion of Academy programmes, and an engagement plan for new committee members.
	<ul style="list-style-type: none"> Explore new Scotland Excel partnership opportunities and continue to develop partnerships e.g., Crown Commercial Services (CCS) to ensure most effective delivery of Scotland Excel and customer objectives 		<ul style="list-style-type: none"> Scotland Excel is continuing to build positive relationships with growing number of partners including Scottish Enterprise, Construction Scotland Innovation Centre, Zero Waste Scotland and the Competition & Markets Authority (CMA). Work with Scottish Enterprise to identify opportunities to join up public sector demand with business investment is progressing well.

Report Key	
	Project not yet started
	Project or activity is currently stalled or significantly behind schedule
	Project or activity is progressing at a slower pace than anticipated and/or results have been weaker than expected
	Project or activity is progressing in line with expected/agreed timelines and results
	Project completed

Report issued: April 2022