



# Operating Plan

01 April 2018 – 31 March 2019

## 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.

Our 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 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 document records the commitments we will deliver in 2018-19 to help us achieve each of our four goals and strategic objectives. 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 underpins 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><b>Strategic objectives:</b></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><b>Strategic objectives:</b></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><b>Strategic objectives:</b></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><b>Strategic objectives:</b></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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# Key priorities for 2018-19

Overview of the key commitments we will undertake this year:

<p><b>Goa1 1: Shaping solutions for innovative public services</b></p> <ul style="list-style-type: none"> <li>• Engage with local authority services to identify new collaborative procurement opportunities</li> <li>• Implement procurement strategies for older people's care home services, adult care and support services and new build housing</li> <li>• Deliver a programme to enhance the sector's procurement and commercial capability</li> <li>• Deliver a programme of accredited learning, workshops and masterclasses through the Scotland Excel Academy</li> <li>• Provide procurement support for the Digital Office for Local Government</li> <li>• Expand Scotland Excel's data analysis capabilities, tools and reporting</li> <li>• Increase Scotland Excel's policy influence for social care, education, affordable housing and environmental services</li> </ul>	<p><b>Goa1 2: Being sustainable in everything we do</b></p> <ul style="list-style-type: none"> <li>• Develop plans to increase the proportion of Scotland Excel suppliers paying their staff the Scottish Living Wage</li> <li>• Continue to work with the Supplier Development Programme (SDP) to encourage SME tender participation</li> <li>• Increase direct and supply chain opportunities for Scottish SMEs and contractors</li> <li>• Develop and implement a model for considering 'whole life' costing</li> <li>• Continue to support local authority recycling and climate change duties</li> <li>• Work with national partners on the development of sustainable procurement guidance and tools</li> <li>• Develop plans to increase the sector's sustainable procurement capability</li> </ul>
<p><b>Goa1 3: Placing people at the heart of our business</b></p> <ul style="list-style-type: none"> <li>• Continue to develop Scotland Excel's account management services</li> <li>• Explore digital technologies for customer engagement and service</li> <li>• Explore the feasibility of providing additional services requested by customers</li> <li>• Incorporate engagement with communities and service users in the development of procurement strategies</li> <li>• Implement a new model for representing the views and requirements of stakeholders</li> <li>• Continue to deliver Scotland Excel's organisational development strategy</li> <li>• Develop and implement a talent management programme for Scotland Excel staff</li> <li>• Develop plans to implement agile working policies</li> </ul>	<p><b>Goa1 4: Driving sustainable and scalable growth</b></p> <ul style="list-style-type: none"> <li>• Review Scotland Excel's governance model to support future growth</li> <li>• Implement new funding models to support service delivery</li> <li>• Continue to improve Scotland Excel's business and ICT infrastructure</li> <li>• Develop a risk model for assessing new business opportunities</li> <li>• Identify and evaluate new public sector markets and business opportunities</li> <li>• Secure the sustainable delivery of services for housing associations</li> <li>• Develop plans to expand associate membership</li> <li>• Identify opportunities to create new public sector partnerships</li> <li>• Develop existing partnerships with Crown Commercial Services (CCS) and SEEMiS</li> </ul>

## 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"> <li>• Develop plans which support direct engagement with local authority services to identify new collaborative procurement opportunities</li> <li>• Complete the sourcing strategy and initiate the tender process for a new build housing framework on behalf of participating local authorities</li> <li>• Implement a procurement strategy for older people's care home services that provide choice, continuity of care and innovation in service delivery</li> <li>• Implement the procurement strategy for adult care and support services and secure sustainable funding for ongoing delivery as part of the social care portfolio</li> <li>• Continue to pursue funding to deliver proposals which support the expansion of early learning and childcare provision</li> <li>• Develop and deliver contract and supplier management (CSM) and key supplier management (KSM) programmes which monitor and enhance the performance of Scotland Excel contracts</li> <li>• 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</li> <li>• Continue to inform and support national procurement policy in consultation with the local government procurement community</li> </ul>
<p>1.2 Deliver programmes which lead and develop professional, organisational and commercial capability</p>	<ul style="list-style-type: none"> <li>• Develop and deliver a targeted programme of change projects based on development needs identified by Procurement &amp; Commercial Improvement Programme (PCIP) assessments</li> <li>• Deliver a second cycle of local government PCIP assessments for all local authorities</li> <li>• Deliver the chargeable consultancy projects and transformation programmes agreed for Aberdeen City and Fife Councils, and respond to any further requests for these types of services from other councils</li> <li>• Continue to develop and deliver accredited work-based learning programmes through the Scotland Excel Academy</li> <li>• Develop and deliver a programme of practitioner workshops, masterclasses and events to lead best practice through the Scotland Excel Academy</li> <li>• Continue to develop Scotland Excel Academy online resources to support learning programmes and create a community platform for sharing best practice</li> </ul>

<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"> <li>• Continue to provide ICT procurement services for the Digital Office for Scottish Local Government, engaging proactively with stakeholders to promote a collaborative approach to the adoption of digital technologies</li> <li>• Continue to develop data analytic tools and resources to support the expansion of the contract portfolio and provide management information to the sector</li> <li>• Continue to develop and share access to the Cost of Care calculator to support the delivery of affordable and sustainable social care services</li> <li>• Continue to develop and share access to Indexation Modelling to track market influences on costs</li> <li>• Deliver market analysis reports in support of new collaborative procurement or service opportunities</li> <li>• Develop plans to roll out data analytic tools to staff across the organisation</li> </ul>
<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"> <li>• Continue to work with the Scottish Government, COSLA and other partners to support the development and/or delivery of national policy in social care</li> <li>• 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 food procurement for school meals</li> <li>• 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</li> <li>• Continue to work with the Scottish Government, Zero Waste Scotland and other partners to support the development and/or delivery of national environmental policy</li> <li>• Develop and deliver a calendar of communications activities which promotes our knowledge and experience in support of our policy and public affairs goals</li> <li>• Continue play a lead role in the development and delivery of national Graduate Apprenticeships as a cost-effective talent management opportunity for the local government sector</li> </ul>

## 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"> <li>• Develop plans to increase the proportion of Scotland Excel suppliers paying their staff the Scottish Living Wage</li> <li>• Continue to develop community benefit models which enable councils to achieve direct benefits for their areas</li> <li>• 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</li> </ul>
2.2 Deliver positive and measurable local economic impact through SME and third sector participation in our contracts	<ul style="list-style-type: none"> <li>• Continue to work with the Supplier Development Programme (SDP) to raise awareness of public procurement opportunities and encourage participation among Scottish SMEs</li> <li>• Increase direct and supply chain opportunities for Scottish SMEs and contractors within Scotland Excel contracts, particularly within the construction portfolio</li> <li>• Encourage housing associations to consider the local economic impact they can deliver through the use of Scotland Excel contracts</li> </ul>
2.3 Deliver positive and measurable environmental benefits through our contracts	<ul style="list-style-type: none"> <li>• 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</li> <li>• Develop and implement a model for considering 'whole life' costing within tender evaluations, including plans for monitoring costs over the lifecycle of products and services</li> <li>• Continue to support the collection, handling, treatment and recovery of value from waste by implementing new recyclable and residual waste arrangements which offer increased options for recycling and/or disposal and cover additional types of waste</li> <li>• Develop plans for assessing and mitigating the environmental impact of Scotland Excel's activities</li> </ul>
2.4 Lead and develop sustainable procurement knowledge and practice	<ul style="list-style-type: none"> <li>• Produce an annual report on procurement activity in line with the requirements of the Procurement Reform (Scotland) Act 2014, providing support and guidance on reporting commitments to the local authorities</li> <li>• Continue to work with national partners on the development of sustainable procurement guidance and tools</li> <li>• Develop plans to increase the local government sector's sustainable procurement knowledge and capability through the Scotland Excel Academy</li> <li>• Develop plans to promote sustainable procurement to elected members and senior officers to support a 'whole organisation' approach</li> </ul>

## Goa1 3: Placing people at the heart of our business

Strategic Objective	Commitment
<p>3.1 Ensure our customers continue to receive maximum value from our services</p>	<ul style="list-style-type: none"> <li>• Continue to develop Scotland Excel's account management services to ensure they deliver value to local authority procurement teams and support a positive customer experience for councils</li> <li>• 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</li> <li>• Explore the feasibility of providing additional services requested by customers, incorporating the findings into future operational plans</li> <li>• Embed the outputs of Scotland Excel's stakeholder engagement project into all engagement plans and activities, ensuring that these reflect the organisation's expanding customer base</li> </ul>
<p>3.2 Engage stakeholders in the delivery of effective local solutions</p>	<ul style="list-style-type: none"> <li>• Develop a model for incorporating community engagement, where appropriate, into the development of procurement strategies</li> <li>• Continue to engage directly with service users, where appropriate, to ensure their needs are considered within service design</li> <li>• Explore the feasibility of working with educational partners and/or suppliers to promote the benefits of procurement to pupils, incorporating the findings into future operational plans</li> </ul>
<p>3.3 Represent the collective views of stakeholders at a national level</p>	<ul style="list-style-type: none"> <li>• Review Scotland Excel's representation activities to ensure that these are targeted where they can have the greatest impact</li> <li>• Establish a model for undertaking representation activities, including a clear feedback loop for customers and/or communities</li> <li>• 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</li> </ul>
<p>3.4 Implement policies which develop, empower, value and engage our workforce</p>	<ul style="list-style-type: none"> <li>• Continue to deliver Scotland Excel's organisational development strategy and rolling improvement plans, involving staff in the development of plans, policies and initiatives where appropriate</li> <li>• Develop and implement a talent management programme to inspire and develop staff, increase Scotland Excel's capability, and support succession planning</li> <li>• Develop plans for agile working to create a productive working environment that benefits staff, Scotland Excel, and customers</li> </ul>



## 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"> <li>• Complete the review of Scotland Excel's governance and funding models, presenting recommendations to the Joint Committee for approval</li> <li>• Develop plans to implement the governance recommendations approved by the Joint Committee</li> <li>• Implement appropriate funding models to support the delivery of new and existing services</li> </ul>
4.2 Continue to maintain a robust business infrastructure to support our growth ambitions	<ul style="list-style-type: none"> <li>• Review Scotland Excel's business infrastructure to ensure it can support the organisation's growth ambitions, developing plans for continuous improvement initiatives and to address any gaps in capacity and/or capability</li> <li>• Develop a risk model for evaluating new business opportunities to assess their impact on internal resources and/or existing customers</li> <li>• Continue to implement technology solutions which increase efficiency, support agile working and offer scalability for business growth</li> </ul>
4.3 Use our knowledge and insight to identify new services and/or sectors which provide growth opportunities	<ul style="list-style-type: none"> <li>• 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</li> <li>• Continue to deliver procurement support to housing associations on behalf of the Scottish Government and develop plans to market additional services which secure the long term sustainability of this service</li> <li>• 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</li> <li>• Continue to market Scotland Excel through traditional and social media, targeted communications activity and political engagement to support new business opportunities</li> <li>• Identify opportunities arising for staff development through new business opportunities, fostering an understanding of commercial and entrepreneurial approaches across the organisation</li> </ul>
4.4 Explore opportunities to work with partners on the development and delivery of new business opportunities	<ul style="list-style-type: none"> <li>• 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</li> <li>• 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</li> <li>• Design a model for providing procurement support to SEEMiS in line with the partnership agreement</li> </ul>

## Key performance indicators

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

Outcomes	Key Performance Indicators	2018-19 Target <sup>1</sup>
Our services shape the effective and efficient delivery of public services	<ul style="list-style-type: none"> <li>• Number of contracts delivered v plan<sup>2</sup></li> <li>• Value of contract portfolio v target</li> </ul>	<ul style="list-style-type: none"> <li>• 31 contracts</li> <li>• £1.4bn portfolio value</li> </ul>
Our expertise leads continuous improvement in commercial performance	<ul style="list-style-type: none"> <li>• Number of PCIP assessments delivered v plan</li> <li>• Number of Scotland Excel Academy courses v plan<sup>3</sup></li> </ul>	<ul style="list-style-type: none"> <li>• 22 assessments</li> <li>• 40 courses</li> </ul>
Our services facilitate the delivery of national and local policy priorities	<ul style="list-style-type: none"> <li>• Number of policy areas influenced</li> <li>• Tonnes of waste diverted from landfill through Scotland Excel contracts</li> </ul>	<ul style="list-style-type: none"> <li>• No target</li> <li>• No target</li> </ul>
Our services enable positive and sustainable outcomes for people and communities	<ul style="list-style-type: none"> <li>• Number of community benefits realised to date</li> <li>• Number of Scottish suppliers &amp; percentage SMEs</li> </ul>	<ul style="list-style-type: none"> <li>• No target</li> <li>• No target</li> </ul>
Our insight and knowledge underpins innovative solutions for our customers	<ul style="list-style-type: none"> <li>• Number of business change initiatives delivered v plan</li> </ul>	<ul style="list-style-type: none"> <li>• 6 initiatives</li> </ul>
Our activities are recognised as leading the way in public procurement	<ul style="list-style-type: none"> <li>• Media coverage v target</li> <li>• Number of speaking engagements v target</li> </ul>	<ul style="list-style-type: none"> <li>• 60 published media items</li> <li>• 12 speaking engagements</li> </ul>
Our customers receive a measurable return on investment through savings	<ul style="list-style-type: none"> <li>• Percentage savings achieved across the portfolio v target<sup>4</sup></li> <li>• Savings achieved in the last quarter</li> </ul>	<ul style="list-style-type: none"> <li>• 2.5% rolling target (2018-23)</li> <li>• No target</li> </ul>
Our customers are satisfied with our services and how we deliver them	<ul style="list-style-type: none"> <li>• Customer satisfaction scores v target<sup>5</sup></li> </ul>	<ul style="list-style-type: none"> <li>• 80% of respondents</li> </ul>

<sup>1</sup> KPIs are monitored without targets where Scotland Excel cannot directly influence performance

<sup>2</sup> Contracts developed, renewed or extended

<sup>3</sup> Programmes, workshops and masterclasses

<sup>4</sup> Excluding social care contracts

<sup>5</sup> Percentage of respondents reporting 'good' or 'very good' overall satisfaction in the most recent customer satisfaction survey (currently 2017)