



Shared Vision, Shared Success

Our Corporate Strategy 2018–23



Scotland Excel Supported
Business Event, February 2018

Shared Vision, Shared Success

OUR CORPORATE STRATEGY 2018–23

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Foreword

Having spent much of my career in procurement, I was delighted to take on the role of Convener of the Scotland Excel Joint Committee following the May 2017 local government elections.

My first year in this post has been something of a whirlwind as I have learned about the organisation's many achievements since its launch in April 2008, and why it truly deserves its status as a centre of procurement expertise.

These achievements have continued apace during my first year of office. To give just a few examples, this year Scotland Excel has expanded its work in social care to help ensure the sustainable delivery of services for the most vulnerable members of society, created a new 'small value' contract service to free up time for local authority procurement teams and held the Supplier Excellence Awards to highlight the range of benefits being delivered by suppliers.

Scotland Excel has continued to evolve its leading change services to help local authorities develop their procurement skills, tools and processes. In 2017, national Procurement & Commercial Improvement Programme (PCIP) assessments were completed with all 32 councils to support targeted improvement in the sector's capability. A suite of new learning and development opportunities available through the Scotland Excel Academy provides further opportunity for council staff to enhance their knowledge and skills across a range of key disciplines.

As a champion of community empowerment, I have been particularly impressed with the effort Scotland Excel makes to understand local requirements and engage with different communities throughout Scotland. This goes beyond initiatives encouraging local suppliers to take part in tenders, and seeks to create dialogue among key stakeholders. In February, I had the pleasure of attending their Supported Business Event which brought representatives from the supported business community together with councils to explore opportunities for working together.

I am also encouraged by Scotland Excel's involvement of service users in the development of contracts. Most recently, young people were engaged in the development of the new children's residential care services contract, and a number of their ideas were included as part of the service specifications. I am pleased that Scotland Excel has committed to continuing to engage with service users and communities in this new strategy.

Another area of interest to me is ICT and, in particular, the benefits that can be offered to communities through increased application of digital technologies within councils. It is good to see Scotland Excel continuing to support these goals through partnerships with the public sector education technology provider, SEEMIS Group, and the Digital Office for Scottish Local Government. I look forward to seeing the outputs of these partnerships as the new strategy progresses.

In today's challenging financial climate, partnerships are an important way for public sector organisations to increase efficiency, share knowledge and deliver more and better services. This is just one route that Scotland Excel is pursuing to ensure its long term sustainability, along with exploring alternative funding models and extending its reach into new sectors such as housing. Scotland Excel's commitment to always putting the customer first will ensure that the benefits delivered by these new approaches will be shared by all.

This new five year corporate strategy demonstrates that Scotland Excel has no intention of resting on its laurels. It builds on the success of the past three years and clearly articulates how the organisation can achieve more on behalf of its local government members and partners. It also recognises that to ensure its sustainability, it must consider a range of funding options and continue to demonstrate a measurable return on investment.

Scotland Excel's achievements over the past ten years reflect well on the organisation. But this success is something we can all be proud of within local government; it demonstrates how much we, as councils, have achieved through a collaborative approach. I am sure you will join me in congratulating Scotland Excel in this, their tenth anniversary year, and welcome the publication of this ambitious new corporate strategy.

Councillor John Shaw
Renfrewshire Council, and
Convener of Scotland Excel's Joint Committee

Introduction

It is hard to believe that three years have passed since I wrote the introduction to our previous strategy. But when I look back on all that has been achieved since then, it seems even more remarkable that it all took place in just three years!

Local government is truly leading the field in the impact it is delivering through procurement, and I am proud that Scotland Excel has played a pivotal role in helping to achieve this. I say this not to gain credit for our organisation, but to applaud the difference that procurement is making for communities across Scotland.

In our sector, procurement has always been about people – getting the best for those who use essential public services. With demand continuing to rise, and the pressure on budgets increasing, it is more important than ever that we use the power of procurement to help secure the future delivery of high quality services at a sustainable cost.

It is no surprise therefore that our new strategy will see us extending the reach of our social care portfolio. Since 2011, we have steadily increased the number of social care contracts we offer, all of which support national policies to ensure the wellbeing of some of the most vulnerable people in our society. This year, we begin the development of two new frameworks for older people’s care home services and adult care and support services.

Another fundamental aspect of wellbeing is ensuring that people have access to affordable homes. I am delighted that Scotland Excel has secured funding to develop a national framework for new build housing. This contract will significantly shorten procurement timescales for new build projects, helping to deliver the Scottish Government’s commitment to build 50,000 affordable homes by 2021.

As champions of procurement, we remain committed to increasing procurement and commercial capability within our sector to ensure that councils get the most from their local procurement activities. Over the past two years, our learning and development and business change services have been transformed to ensure we can keep pace with the demands of our members as their professional and organisational capability matures.

In particular, our learning and development programme has taken a leap forward with the Scotland Excel Academy. Our new strategy will see us roll out a wide range of accredited qualifications, practitioner workshops and thought leadership masterclasses that take a holistic view of the skills and attributes of successful procurement leaders. These

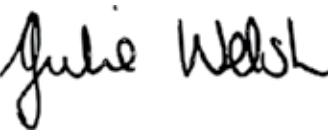
professional learning opportunities will complement a business change programme which includes both sector-wide initiatives and local consultancy projects.

While our focus is first and foremost with our local authority members, I have been pleased to welcome new customers to our organisation in recent years. In April 2017, we launched a programme of procurement services for housing associations, and I firmly believe that there are significant synergies and benefits to be realised through councils and housing associations working together with Scotland Excel.

Indeed, I am convinced that Scotland Excel has the potential to deliver services for many other public and third sector organisations. Over the past ten years, we have developed a wealth of expertise in procurement, learning and development and business change that we can offer to new customers at a competitive cost. And as a non-profit organisation, every penny made is reinvested to develop, expand or sustain services for all of our stakeholders.

Our new strategy is very much about growth. Scotland Excel is at its heart a forward-thinking organisation, and we are constantly identifying new opportunities that have the potential to deliver substantial benefits for customers, communities and people across Scotland. To ensure that we can achieve these ambitions, we will be looking at new services, new markets and new funding models to underpin our growth and secure our future.

I hope this strategy will convince you of our commitment and capability to achieve our aims. As we celebrate our tenth anniversary, I believe Scotland Excel has an impressive track record to look back on, and is in a great position to realise its future goals. I would like to take this opportunity to thank all of our staff, stakeholders and customers for your invaluable support along the way. I look forward to working with you as we continue on our journey.



Julie Welsh
Director, Scotland Excel



Context

Councillor Shaw, Derek Mackay MSP and Andrew Richmond mark Scotland Excel's 10th Anniversary. Photo: Daily Record.

In 2018, Scotland Excel marks ten years as the centre of procurement expertise for local government, making it one of the most successful collaborative ventures undertaken by Scottish local authorities. During that time, we have delivered measurable benefits to councils including an estimated £150m of savings and efficiencies, returning around £5 for every £1 invested in our operations.

Our previous corporate strategy was developed to support councils in a challenging and complex environment. These challenges are no less relevant today, and many of the commitments in our 2018–23 strategy have been developed to help local authorities mitigate their impact. Some of the key areas which have informed our thinking are highlighted below.

Financial challenges

In recent years, economic austerity has created difficult choices for the public sector and has had a significant impact on Scotland's local authorities. Audit Scotland's 2017 financial overview report noted a real-terms reduction of 7.6% in Scottish Government revenue funding to councils between 2010/11 and 2016/17.

Faced with financial pressures, councils have implemented savings initiatives such as reducing staff numbers, rationalising property and improving procurement. Councils are now finding it difficult to identify further savings, and are increasingly using reserve funding to pay for staff severance packages, transformation programmes and/or shortfalls in service budgets. In 2016/17, 19 councils drew on their revenue reserves compared with eight councils in 2015/16.

With the Fraser of Allander Institute projecting a 2.3% decrease in the overall Scottish budget to 2020, the financial challenges facing local government are likely to continue for the foreseeable future. The lifting of the public sector pay cap, economic inflation and expected rises in interest rates will all add further pressure on already decreasing budgets.

National policies

In recent years, local government budget settlements have included funding which is ring-fenced for the delivery of national priorities such as early learning and childcare services (ELC) and educational attainment. This means councils have less flexibility to manage funding across their full

range of services and, as a result, budget cuts may be as high as 20% in some services.

Responding to national policies also brings challenges for delivering these prioritised services. In February 2018, Audit Scotland reported a significant risk that councils will not have the infrastructure or workforce in place by 2020 to meet the expanded entitlement to funded ELC services.

As part of its Education Reform Agenda, since 2017 the Scottish Government has been providing c. £120 million each year directly to schools through Pupil Equity Funding. The findings of their consultation, Fair Funding to Achieve Excellence in Education, published in February 2018, found that while direct funding offers a range of benefits, headteachers continue to require support to deal with tasks such as administration, financial management and building maintenance.

Most respondents felt that accountability for funding decisions should lie at the local authority level, and most headteachers felt that non-education tasks should be carried out by someone trained in the relevant field. Councils are therefore faced with the challenge of supporting headteachers with their new responsibilities while continuing to balance their central education budget.

In 2016, the Scottish Government committed £3bn to the delivery of 50,000 affordable homes by 2021, with 35,000 of these available for social rent. While this programme provides a welcome capital investment for councils and social landlords, recent media reports about the number of new homes currently being built each quarter suggest that achieving this target will be challenging.

Elected members and housing associations have called for a national procurement solution to be implemented as an alternative to the time-consuming individual procurement exercises undertaken for each new housing project.



Dr Oliver Escobar speaks at the
Scotland Excel Conference, February 2018



Ageing population

While budgets are reducing, local authorities have faced increasing demand for services from a steadily growing population and, in particular, social care provision for Scotland's ageing demographic. According to figures released by the National Records of Scotland in October 2017, people aged 75 and over are projected to be the fastest growing age group, increasing 27% by 2026.

In 2016/17, councils delegated £2.4bn of social care expenditure to the recently-formed Integration Joint Boards (IJBs) which bring together health and social care services in Scotland. While a key focus for IJBs will be on anticipatory and preventative care that may change the nature of care services for older people, it is likely that demand for existing services will continue to grow in the short to medium term.

In October 2016, the Scottish Government and local authorities agreed to pay the Scottish Living Wage to all adult care workers. Audit Scotland has estimated that this will cost councils around £100m each year, and this will increase from 2018/19 when the Living Wage will also be paid for sleepover shifts.

Tackling poverty

Scotland's councils are committed to tackling inequality. In 2015/16, Scottish Government figures suggest 18% of Scotland's population were living in absolute poverty after housing costs. Poverty can limit the life chances of those affected by it in areas such as health, education and employability, and public sector resources are often stretched by demand for services which deal with the negative outcomes that it can bring.

Despite budget cuts, councils must ensure that these essential services are available to all who need them. At the same time, in line with the 2011 Christie Commission recommendations, they are working with other public sector bodies to invest in early intervention initiatives which deliver positive outcomes for people and reduce demand for services which respond to the adverse consequences of poverty and inequality.

Recent changes in welfare legislation have had an impact on councils. In April 2013, councils became responsible for administering the Scottish Welfare Fund (SWF) which replaced Community Care Grants and Crisis Grants managed by the Department for Work and Pensions (DWP). The Scotland Act 2016 will see a further 11 benefits transferred to Scotland from the summer of 2018, and councils will work with the Scottish Government to provide local, joined-up services for claimants.

The roll out of Universal Credit (UC) by the UK Government has affected some councils financially. Housing benefit is one of six benefits included in UC which is paid directly to claimants monthly. Councils in UC areas have reported a significant increase in rent arrears, as well as additional demand for support such as SWF grants and discretionary housing payments (DHPs). In response, the Scottish Government has now made provision for two-weekly UC payments with the housing element paid directly to landlords.

Local impact

A strong local economy supports the sustainability of Scotland's communities and facilitates the delivery of a wide range of positive social and environmental outcomes. According to the Convention of Scottish Local Authorities (COSLA), councils invest more than a quarter of a billion pounds each year promoting economic growth and providing direct support for business.

Councils play a critical economic role in a number of ways including regeneration initiatives, business advice and support through Business Gateway, and the delivery of support functions such as planning, licensing and local transportation. Councils are also a major employer in their area and use their c. £6.3bn procurement spend to deliver opportunities for Scottish businesses.

The Local Government Benchmarking Framework Overview Report 2016/17 found that councils spent an average of 20.3% of their procurement budget in their local areas. While this figure was viewed unfavourably in some quarters, the report sees its relative stability as evidence that "the drive to reduce costs has not resulted in local SMEs being displaced by larger national suppliers of goods and services". Moreover, each council's spend with local suppliers does not take account of 'inward investment' from procurement spend across council areas, or business secured by local suppliers as sub-contractors.

The forthcoming Local Governance Review, announced by the Scottish Government and COSLA in December 2017, will also have an impact at a local level. The review will give communities – including public, private and third sector organisations – more say in how public services in their area are run, and may see the delivery of some services transferred to local organisations.

Brexit

The full impact of Brexit on the local government sector is still largely unknown. Examples cited by COSLA include loss of EU funding for local initiatives, a reduction in the number of EU nationals working in key service areas such as education and social care, and implications for local businesses which export to Europe.

In March 2018, the UK Government announced that public procurement was one of 24 areas expected to require a UK legislative approach for a temporary period. While discussions are still ongoing with devolved governments, this could have implications across the Scottish public sector where procurement duties go beyond the obligations required by EU directives.

Regardless of the legislative position, the cost of procuring goods may rise, particularly where products or their raw materials are imported from the EU and/or are vulnerable to currency or market fluctuations. Since the announcement of the UK's departure from the EU in 2016, Scotland Excel has mitigated a number of price increase requests relating to the Brexit vote.

Our strategy

The challenges facing the local government sector require the continuous development of new and innovative solutions. We believe we have demonstrated our ability to support many of these challenges, both directly through savings, efficiencies and increased commercial capability, and indirectly by embedding national and local policies within our procurement strategies.

This corporate strategy sets out how we plan to raise our game further, providing even greater support to councils and other public sector stakeholders, while ensuring our own organisation's long term sustainability and growth. As always, our strategy has been developed in consultation with our member councils, and the operating plans which support it will be published annually to ensure our focus remains relevant to their needs.

This strategy looks forward over a period of five years to support a longer term view of our goals and objectives and enable us to plan accordingly. It will be reviewed at the end of the third year and, if required, updated to reflect any new priorities or significant changes in our macro-environment.



Scotland Excel's Executive Team

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

1: Shaping solutions for innovative public services

Strategic objectives:

1.1 Deliver a programme of collaborative procurement to support early intervention and the delivery of public services	1.2 Deliver programmes which lead and develop professional, organisational and commercial capability	1.3 Harness the potential of digital technology and data insight to support the delivery of public services	1.4 Use our insight and experience to shape policy and meet the challenges of future public service delivery
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2: Being sustainable in everything we do

Strategic objectives:

2.1 Deliver positive and measurable social value through our contracts	2.2 Deliver positive and measurable local impact through SME and third sector participation in our contracts	2.3 Deliver positive and measurable environmental benefits through our contracts	2.4 Lead and develop sustainable procurement knowledge and practice
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3: Placing people at the heart of our business

Strategic objectives:

3.1 Ensure our customers continue to receive maximum value from our services	3.2 Engage stakeholders in the delivery of effective local solutions	3.3 Represent the collective views of stakeholders at a national level	3.4 Implement policies which develop, empower, value and engage our workforce
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4: Driving sustainable and scalable growth

Strategic objectives:

4.1 Implement a new governance model which supports scalable business growth	4.2 Continue to maintain a robust business infrastructure to support our growth ambitions	4.3 Use our knowledge and insight to identify new services and/or sectors which provide growth opportunities	4.4 Explore opportunities to work with partners on the development and delivery of new business opportunities
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Shaping solutions for innovative public services

Goal 1

Key objectives

- 1.1 Deliver a programme of collaborative procurement to support early intervention and the delivery of public services
- 1.2 Deliver programmes which lead and develop professional, organisational and commercial capability
- 1.3 Harness the potential of digital technology and data insight to support the delivery of public services
- 1.4 Use our insight and experience to shape policy and meet the challenges of future public service delivery



Hugh Carr, Scotland Excel

Innovative solutions

Scotland Excel's contract portfolio will continue to be the core service we provide to local authorities. Over the past ten years, we have helped to establish procurement as an effective mechanism for supporting local government financial challenges, both at a national level through collaborative contracts and through initiatives which increase procurement capability locally within councils.

As our contract portfolio matures, it becomes more difficult to drive further savings from each new generation of contract. New contract development areas will continue to be led by national and local policy priorities where there is a significant opportunity to realise benefits through involving procurement in early intervention and/or service innovations which support better outcomes for people and communities.

We will continue to champion digital transformation across the sector through our work with the Digital Office for Scottish Local Government. Harnessing the power of technology within our own organisation, we will use our market knowledge and spend data to optimise our existing contract portfolio and introduce new performance measures which demonstrate best value. Market insight will be shared with customers where there is the potential to support service planning, particularly in social care.

We will also seek to accelerate the benefits that councils can achieve locally through our learning and development and business change programmes. As well as sector-wide opportunities for developing professional and organisational practice, we will offer on-site consultancy programmes to identify savings and embed procurement knowledge and practice. These services offer a significant cost advantage over private sector consultants, and retain intellectual property within local government.

Progress to date

In March 2018, the value of our contract portfolio reached £1bn, largely due to our focus on delivering high risk, high value contracts in construction and social care. Our £200m framework for energy

efficiency contractors (EEC), awarded in May 2017, was our highest value contract to date.

The EEC framework provides councils with an efficient route to market for works funded through national energy efficiency programmes which help to reduce fuel poverty. In addition, we have recently secured funding to develop a national house building contract to help accelerate the Scottish Government's commitment to deliver 50,000 affordable new homes by 2021.

In social care, we are providing procurement and contract management support for existing national arrangements for older people's care home services. Working with COSLA, the Scottish Government and other partners on the reform of adult social care, we have developed a new procurement strategy for these services which will support greater choice and innovation in the care home market.

We have also developed a procurement proposal for adult care and support services which are not currently covered by national arrangements. These services enable older people and vulnerable adults to remain living safely in their own homes, reducing the likelihood of hospital admissions and providing an alternative to more costly care home services. A national framework will support the delivery of personalised outcomes at a sustainable cost for councils and providers.

In October 2017, the Scottish Government committed to almost doubling the entitlement to free early learning and childcare provision by 2020. To help local authorities deliver this commitment – which aims to close the poverty gap by reducing barriers to employment for parents and offering



Commercial User Intelligence Group Meeting

children the best start in life – we have developed a proposal to support the procurement of these services from external providers. We are now engaging with stakeholders to explore funding options.

We are also supporting the delivery of key policy objectives in other areas. Over the past year, our efforts to create opportunities for Scottish food producers within the public sector supply chain have delivered £3.34m of business through our contracts. Working with Zero Waste Scotland, we have aligned our environmental category strategy with the Scottish Government's Circular Economy ambitions and Zero Waste Plan.

Having expanded our corporate portfolio into ICT with contracts for online school payments and customer service platforms, in 2016 we began working in partnership with the newly-launched Digital Office for Scottish Local Government. Our focus has changed to providing procurement support for their work to build a portfolio of collaborative initiatives and projects that maximise the value of digital technologies.

In April 2017, we introduced a new service for the delivery of small value contracts at the request of council procurement teams. These contracts free up time for local teams to focus on other priorities and are delivering savings which represent a significant return on investment. Scotland Excel retains the

rebate from its groceries contract to deliver this service, which demonstrates the potential of this alternative funding model.

Following the success of Scotland Excel's Procurement Improvement Programme (PIP), which supported a threefold increase in procurement capability in local government over five years, we took time in 2016 to consider the next steps for our business change and learning and development programmes, prompted by a change to the national procurement assessment programme.

The new Procurement & Commercial Improvement Programme (PCIP) takes a more strategic view of an organisation's procurement capability and, by November 2017, we had completed PCIP assessments with all 32 councils. We are now developing a programme around the four priority areas identified.

To support this, we have launched the Scotland Excel Academy which offers multi-disciplined, work-based learning opportunities in leadership and management, procurement and project management. Programmes available through the Scotland Excel Academy are accredited by the Chartered Management Institute (CMI) and the Chartered Institute of Procurement & Supply (CIPS), with further accreditation by the Scottish Qualifications Authority (SQA) in the pipeline.



Scotland Excel Domestic Furniture and Furnishings Mobilisation Event, October 2016



Scotland Excel Learning & Development Workshop

Our commitments

Collaborative procurement

Working with established key stakeholders, we will continue to engage widely and directly with council service areas, sharing our knowledge and expertise to support collaborative procurement development.

We will implement the procurement strategies agreed with partners and stakeholders for new build housing, older people's care home services and adult care and support services. We will secure funding to deliver our proposals to support the procurement of early learning and childcare services, and will continue to explore further opportunities to support key services through procurement, particularly those which focus on early intervention.

We will continue to develop and enhance our strategic procurement practices and contract and supplier management activity, with a particular emphasis on monitoring their social, environmental and economic impact.

Adopting a cross-sector leadership approach, we will continue to work with colleagues throughout health, education and central government, sharing expertise and seeking opportunities to work collaboratively on national procurement solutions.

We will continue to inform and support the development of national procurement policy in consultation with the local government procurement community.

Professional, organisational and commercial capability

We will work with our procurement community to scope and deliver change projects which drive best practice and innovative thinking, informed by the results of each PCIP assessment cycle. As we strive to embed change and innovation across our community, we will play a role in transforming practices across our sector.

Where requested, we will deliver on-site consultancy projects and transformation programmes which support a step change in procurement and commercial capability. Capitalising on our extensive experience and sector knowledge, we will deliver customised projects and programmes at a competitive cost, retaining the intellectual property of improvement methodologies within local government.

Through the Scotland Excel Academy, we will continue to deliver multi-disciplinary work-

based learning programmes which address the development needs of the local government community and wider public sector, and which realise a quick return for our customers.

We will continue to deliver accredited programmes in procurement, leadership & management and project management. Future learning needs will be identified through ongoing consultation with stakeholders and be informed by outcomes of PCIP assessments.

We will deliver practitioner workshops and events to build skills and knowledge across our community, and work with subject matter experts on the delivery of thought leadership masterclasses.

Our Academy's online platform will provide a mechanism for sharing information and practice nationally, and we will work to create and support communities of practice across key disciplines.

We will continue to work with national partners on the ongoing development of PCIP assessments, ensuring that consideration is given to the needs of the local government sector.

Digital technology and data insight

We will continue to work with the Digital Office for Scottish Local Government to provide procurement support for digital technologies which reduce the cost of services and improve customer experience for citizens. To achieve this, we will be proactive in our engagement with local authority stakeholders to promote innovation and encourage the adoption of common ICT platforms.

Building upon our data analysis expertise, and employing appropriate digital technologies, we will continue to develop analytical tools for our own use to support the expansion of the contract portfolio and service the management information needs of our procurement community.

We will continue to develop and share innovative tools and solutions to support commercial development across the sector; for example, the Cost of Care Calculator which supports price negotiations for social care services, and Indexation Modelling which tracks market influences on the cost of goods and services.

We will continue to undertake market analysis in line with our community's needs and to support effective options appraisal and decision making in the pursuit of new service offerings. We will identify appropriate opportunities to use our market knowledge and insight to influence policy, and share information which can help councils plan future service delivery.

We will empower our people by providing the appropriate skills and tools to allow tailored analysis of our contract and business performance metrics.

Shaping policy

We will participate in relevant national forums to influence policy setting which correlates with local government priorities. In particular, we will seek further opportunities to provide input and align our strategies within social care, educational support, affordable housing and environmental services.

Our marketing and communications activity will maximise our profile across the public sector by highlighting the breadth and depth of our expertise and influence, and will clearly communicate the successes arising from our activities in a robust and impactful manner.

We will continue to play our part in leading the development and implementation of a national Graduate Apprenticeships programme as a cost-effective talent management opportunity for our procurement community.

Goal 1: Outcomes supported

Our services shape the effective and efficient delivery of public services	Our services facilitate the delivery of national and local policy priorities
Our expertise leads continuous improvement in commercial performance	Our insight and knowledge underpins innovative solutions for our customers
Our activities are recognised as leading the way in public procurement	Our customers receive a measurable return on their investment through savings

Case Study



Lynsey Gordon, Category Manager has been developing and managing Scotland Excel food contracts since 2014. In this case study, she takes a look at the work the organisation has been doing to embed national and local food policy in our contracts.

Scotland Excel's food portfolio is an integral part of our commitment to shaping innovative procurement services for local authorities. We work hard to ensure that our insight and experience in this market has a positive impact that reaches far beyond the food that appears on our plates.

Ensuring Scotland's extensive public spend on food and drink supports the nation's food and drink sector has been a major focus for the Scottish Government in recent years. Scottish councils are increasingly looking to source local produce to deliver a positive impact for their communities.

That's why, as our food contracts have evolved over recent years, we have looked for innovative ways to use public procurement to make sure more locally sourced products are available through our frameworks.

When developing our latest groceries framework, we took a creative approach to help drive forward the ambitions of the national Dairy Action Plan. A secondary price list within the tender process allowed suppliers to offer Scottish dairy products as alternatives to those on the core list. Local authorities have since generated £1.1m of business for the Scottish cheese sector by switching to a Scottish product.

We also considered the Dairy Action Plan when retendering our milk contract. We asked bidders to demonstrate how they support sustainable farm gate pricing through a transparent and efficient supply chain. And, as with previous frameworks, we ensured that local SME dairies could bid for a place on the framework alongside national suppliers by splitting the tender into geographic lots.



Clockwise from left:
1/ Lynsey Gordon
2/ Groceries contract mobilisation event
3/ Councils spend £10.9m each year on Scottish produce
4/ More locally sourced produce is being served in schools.
Photo from stock photography

Local SME suppliers and producers have also benefited from a new approach to developing our frozen food framework which went live in 2017. By incorporating a lot for supply only, smaller companies without a national distribution network could bid for a place on the framework. As a result, a small, family-owned fish company in Aberdeenshire now has the potential to generate £1m of new business by supplying Scottish haddock to councils.

This year, to include more Scottish meat in our forthcoming fresh meats framework, and still be in line with EU Procurement Regulations, we were able to specifically ask for Scotch Beef and Scotch Lamb products by including Protected Geographical Indication (PGI), or equivalent, in our tender.

Across the whole food portfolio, spending by councils on Scottish products has continued to rise. It now accounts for £10.9m each year, which is more than 26% of spend on core products through our food contracts. Not only is this approach good for Scottish business, it's helping to create a greener Scotland by reducing our food miles.

Our innovation in food procurement has had a positive impact on the Scottish economy and supported our customers in their efforts to 'source local' at competitive prices – all while ensuring that citizens receive quality produce that supports healthy lives. We will continue to do what we can to incorporate locally sourced produce and embed traceability within our frameworks while continuing to achieve value and quality.



Being sustainable in
everything we do

Goal 2

Key objectives

- 2.1 Deliver positive and measurable social value through our contracts
- 2.2 Deliver positive and measurable local impact through SME and third sector participation in our contracts
- 2.3 Deliver positive and measurable environmental benefits through our contracts
- 2.4 Lead and develop sustainable procurement knowledge and practice

Councillor Westlake,
Scotland Excel Executive
Sub-Committee



Sustainable procurement

Scotland Excel has been a long-time champion of sustainable procurement and its power to deliver social, economic and environmental benefits for communities. Sustainable procurement has driven innovation in our procurement strategies, and their impact has been recognised with national awards.

Over the next five years, we are committed to continuous development of our approach to deliver even greater benefits for people and communities across Scotland.

Scottish companies account for c. 62% of all suppliers on Scotland Excel national frameworks, and c. 78% of these are SMEs. We believe that there is still ample opportunity for local companies to take part in our tenders, and we will work with councils and partners to promote opportunities to SMEs, third sector organisations and supported businesses to support local economic impact and jobs.

We will continue to enhance our methods for monitoring the social, economic and environmental impact of our contracts, and use the findings to target further value. As a key member of the Scottish Government Policy Group and Best Practice Forum, we will continue to play a leading role in the development of sustainable procurement practices. We will advance sustainable procurement knowledge and expertise within our sector through our education and business change programmes.

Progress to date

In December 2016, we published our sustainable procurement strategy which sets out our approach to considering the social, economic and environmental wellbeing of our communities within our procurement strategies. This also includes

our commitment to creating opportunities for SMEs, third sector organisations and supported businesses, and our efforts to promote innovation through the procurement process.

We have considered Fair Work Practices, including payment of the Scottish Living Wage, within tenders since early 2015. Of the 494 suppliers appointed since then, 406 (82%) pay the Living Wage, 60 are Living Wage Accredited, and a further 95 are committed to achieving accreditation within two years.

In addition, social value is delivered through the community benefits in our contracts which, since 2013, have supported 274 jobs and 200 apprenticeships, almost 60,000 hours of work experience, and over £285,000 of community and charitable initiatives. We also support the Eco-Schools programme, operated internationally by the Foundation for Environmental Education (FEE), which involves schools, pupils and their communities in protecting the environment.

Scotland Excel has incorporated the Eco-Schools programme into evaluation criteria for two social care frameworks. As a result, the number of children's residential care services that hold the Eco-Schools International Green Flag Award will increase from 6% to 83% over the next four years, while all secure care providers have committed to achieving the award by 2020.



Supplier Excellence Awards 2018 Winners. Photo: Holyrood

In line with our sector's priorities, Scotland Excel makes significant effort to deliver local economic value. Lotting strategies ensure that smaller suppliers can bid for the specific products or geographic areas without penalty. For example, our food contracts have successfully created opportunities for local suppliers and producers through the use of 'supply only' lots which do not require direct distribution capability, or by breaking down large council areas into smaller geographic lots that are easier to service.

We work in partnership with the Supplier Development Programme (SDP) to encourage SMEs to participate in tender opportunities. Having supported their local 'Meet the Buyer' events for many years, in 2016 we became involved in the delivery of SDP training sessions and webinars. We have established links with the Scottish

Local Authorities Economic Development Group (SLAED) to explore how we can help to align councils' economic development and procurement objectives.

We are also working to create opportunities for supported businesses and third sector organisations. Suppliers on our award-winning domestic furniture contract include third sector organisations working as consortia, while supported businesses also feature in its supply chain. In addition, we are facilitating dialogue between supported businesses, councils and housing associations to enable them to explore local opportunities.

To date, Scotland Excel waste management contracts have helped to divert more than 1.2m tonnes of waste from landfill. We encourage all suppliers to consider how they can minimise their environmental impact, and our recent Supplier Excellence Awards identified many examples of good environmental practice in production, packaging, logistics and recycling.



Paul Wheelhouse MSP speaks at the Scotland Excel Supported Business Event, February 2018

Our commitments

Social value

We will continue to consider how our procurement activities can achieve positive social outcomes for Scotland’s people and communities in line with our sustainable procurement strategy. We will encourage suppliers to seek Living Wage accreditation and explore opportunities to increase payment of the Scottish Living Wage among suppliers that pay some employees below this level.

We will continue to embed community benefits provisions within all of our contracts, expanding recent efforts to ensure these benefits are offered and/or can be selected at a local level so that all councils can achieve a direct benefit for their local area.

We will continue to monitor and report on the delivery of community benefits by suppliers, including job opportunities, apprenticeships and work experience. In particular, we will continue to encourage the delivery of employment opportunities for disadvantaged or disabled workers through community benefits and/or the participation of supported businesses and the third sector within our supply chain.

Local impact

We will continue to consider local impact as part of market analysis at an early stage in the procurement process, and ensure that procurement strategies deliver opportunities for SMEs, third sector bodies and supported businesses. We will place particular emphasis on local micro and SME businesses, which constitute the majority of businesses in Scotland.

We will continue our work with the Supplier Development Programme to create awareness of tender opportunities among Scottish SMEs, encourage participation, and provide training and advice to help them become tender ready. We will also explore further opportunities to work with economic development teams within councils to target local SMEs, third sector organisations and supported businesses directly.

We will consider how we can increase direct and supply chain opportunities for SMEs and local contractors, particularly within our construction contracts, and will promote opportunities for the

housing sector to create a positive impact in their communities through the use of local suppliers on Scotland Excel contracts and/or community benefits.

Environmental benefits

We will embed contract specifications which drive sound environmental practices including minimising waste within production and packaging and the appropriate use of recycled materials. We will continue to encourage suppliers to reduce their carbon footprint through recycling initiatives, energy efficiency measures and improved delivery logistics. We will champion specific changes demanded by our customers such as eliminating plastic straws from drink cartons.

Where appropriate, we will ensure our tender evaluations consider ‘whole life’ costing, particularly for environmental contracts where there is an opportunity to recover value from waste and support compliance with legislation, climate change targets and circular economy objectives.

We will also lead by example by considering the environmental impact of our own procurement and business activities, and implementing processes and initiatives to reduce our carbon footprint.

Sustainable procurement leadership

We will continue to participate in the development of national sustainable procurement guidance and tools as a key member of the Scottish Government’s Policy Group and Best Practice Forum, and will provide support to our councils in the use of these resources.

We will actively promote a ‘whole organisation’ approach to sustainable procurement, taking a lead role in the delivery of initiatives which build the sector’s capacity and capability in sustainable procurement including masterclasses, best practice and knowledge sharing.

Our efforts to champion a sustainable approach will be incorporated into our engagement with elected members and senior officers to ensure that the principles and benefits of sustainable procurement are recognised at all levels within councils.



Goal 2: Outcomes supported	
Our services facilitate the delivery of national and local policy priorities	Our services enable positive and sustainable outcomes for people and communities

Case Study



In this case study, Category Analyst, **Barry Phillips** explains the innovative approach the organisation took to incorporate opportunities for the third sector and, in particular, supported businesses within our domestic furniture and furnishings contract.

Scotland’s third sector plays a vital role in supporting communities at a local level. It includes social enterprises, charities, supported businesses and voluntary groups which play an important part in improving people’s wellbeing.

The sector is driven by social values and goals and this is evident from the approach of supported businesses which offer a vital source of sustainable employment to disabled and disadvantaged people.

Scotland’s councils recognise the important role the sector plays in communities and they are keen to strengthen it. The Scottish Government has a policy that every public body should have at least one contract with a supported business.

As a leader in sustainable procurement, Scotland Excel is committed to considering how we can create opportunities for the third sector within our frameworks. One of the key ways we have achieved

this is through our second generation domestic furniture and furnishing (DFF) framework which was awarded in November 2016.

Our first DFF framework created a benchmark for sustainable procurement practices when it won the National GO Public Procurement Award for Sustainability/Corporate Social Responsibility in 2015.

As well as providing an effective way for councils to support vulnerable people through the Scottish Welfare Fund, it also embedded community benefits which generated 130 new jobs and apprenticeships, and delivered environmental benefits through recycling initiatives with third sector partners.

For the new framework, we took this one step further by incorporating a lot for reuse furniture. It was the first time such an approach has been taken for a national framework and offered the potential



Clockwise from left:
1/ Barry Phillips
2/ Winners of the GO Scotland Sustainable Procurement Award
3/ Apprentices supported by the DFF framework (Photo: Daily Record)
4/ DFF contract mobilisation event

to divert hundreds of tonnes from landfill, reduce CO2 emissions and keep good quality items in circulation.

We engaged with Community Resources Network Scotland (CRNS), which represents Scotland’s community reuse, repair and recycle charities, to understand the market. As a result, our tender attracted successful bids from 18 third sector organisations – 17 of them working together as consortia – for both new and recycled lots.

We also wanted to create opportunities specifically for supported businesses, many of which operate in the furniture and furnishings market. We engaged with the British Association of Supported Employment (BASE) and decided that the best option would be to look at opportunities within the supply chain. This resulted in sub-contracting commitments to supported businesses worth up to £80,000 a year.

We firmly believe that supported businesses can make a key contribution to local impact and will continue to facilitate opportunities within the local government sector. In February 2018, Scotland Excel held a knowledge exchange and networking event attend by local authority economic development and procurement officers and representatives from Scotland’s supported businesses.

I am delighted to report that the new generation DFF framework has won three awards – the GO Scotland Sustainable Procurement Award, the Scottish Public Service Commercial Partnerships Award and a Highly Commended for Sustainable Procurement at the GO National Awards.

Most of all, I am proud that Scotland Excel has raised the benchmark once again and delivered a framework with sustainable and socially responsible procurement at its core.



Placing people at the
heart of our business

Goal 3

Key objectives

- 3.1 Ensure our customers continue to receive maximum value from our services
- 3.2 Engage stakeholders in the delivery of effective local solutions
- 3.3 Represent the collective views of stakeholders at a national level
- 3.4 Implement policies which develop, empower, value and engage our workforce



Positive engagement

Scotland Excel's ethos of engaging positively with stakeholders has played a key part in our success. Our reputation for leading and facilitating collaboration has been built on listening to our customers and ensuring that we deliver solutions based on consensus rather than compromise. As our business grows, we will ensure that meeting the needs of all our customers remains our priority.

We will continue to ensure that the local government procurement community are fully supported in their role and can access the resources they need. We will review our stakeholder engagement activities to reflect our expanding reach, and involve communities and service users where this can have a positive impact on procurement solutions. Where appropriate, we will act as the voice of our stakeholders and ensure that their views are considered at a national level.

We will continue our endeavours to ensure that Scotland Excel provides a positive working environment which promotes innovation, fosters collaboration and encourages development. The implementation of our Organisational Development strategy, a new talent management programme and an agile working policy will ensure that all of our people have the opportunity for personal and professional development in a flexible and productive workplace.

Progress to date

Scotland Excel constantly strives to improve customer experience. In our 2017 customer satisfaction survey, 82% of procurement stakeholders and 81% of senior stakeholders who responded to our questionnaire rated their overall satisfaction as 'good' or 'very good'. A detailed analysis demonstrated that satisfaction with our services and delivery had increased across almost every area of our work.

This was the result of improvements made in response to the findings of our previous survey which included increasing the number of social care and construction contracts, streamlining the contract delivery process and refreshing our account management services. We also developed and launched a new website to provide easy access to more detailed contract information in response to customer feedback.

In 2015, we embarked on a project to map our relationships with local authority stakeholders and understand our wider stakeholder landscape. As a result, we have been able to target our engagement activities more effectively, and build enhanced relationships with organisations that influence our areas of work.

In social care, our engagement activities have expanded to include people who use services. When developing a contract for care home services for adults with learning disabilities, we worked with People First, a self-advocacy group, to involve people with experience of these services during contract development. Our community meals contract was evaluated with the help of elderly service users, and we involved 'looked after' young people in the development of our recent contract for children's residential care home services.



Scotland Excel Conference, February 2018

Our customer base has now grown to encompass other public sector organisations through associate membership and, in particular, housing associations taking part in the PCIP programme being delivered by Scotland Excel on behalf of the Scottish Government. While local authority members remain our priority, there are clear synergies and benefits to working with housing associations, particularly in relation to construction contracts.

For example, by using the energy efficiency contractors framework, both councils and housing associations are able to act more quickly to reduce fuel poverty in Scotland's communities. Their combined spend can increase the volume of community benefits delivered through existing contracts and, by aggregating demand from both sectors, we can identify new collaborative contract opportunities.

Our own people are at the heart of Scotland Excel's success, and it is through their knowledge, skills, experience and commitment that we are able to satisfy our customers. Our employee performance management process, and significant emphasis on training and career development, has allowed many staff to progress their careers, including those joining as modern apprentices and graduate interns.

Scotland Excel has held Investors in People (IiP) accreditation since 2009. The recommendations from the most recent IiP assessment in 2016, where we achieved Silver Standard, have been incorporated into a new Organisational Development strategy which aims to attract, develop, reward and retain a highly skilled, motivated and engaged workforce.



Scotland Excel Conference,
February 2018

Our commitments

Delivering value

We will continue to evolve our account management services to optimise their value and deliver a positive customer experience for our councils. We will further explore opportunities to use digital technologies to engage with our customers, for example through webinars and digital communities, and seek to expand our online ‘self-service’ facilities, including a contract spend reporting portal.

Following the successful implementation of a ‘small value’ contract development service, we will explore the feasibility of providing other services identified through customer engagement, for example short-term staff resourcing, bespoke advisory services, or supporting local collaborative procurement projects.

We will embed the findings from our stakeholder engagement project to support the delivery of procurement solutions aligned to local government and other public sector outcomes. We will ensure that our engagement activities reflect the organisation’s expanding customer base.

Engaging with stakeholders

We will explore opportunities to work more closely with a diverse range of community groups to maximise the potential of our contracts and enhance the outcomes they deliver. In particular, we will strive to ensure that we develop procurement solutions that continue to meet changing local requirements.

To support this, we will develop a model for incorporating an appropriate level of community engagement into procurement strategies where this can have a positive impact. Scotland Excel will also continue to engage directly with people who use services to ensure that their needs are incorporated into service design.

Recognising the role played by schools within local areas, we will explore opportunities to work with education partners to promote the influence procurement can have in helping communities flourish. To achieve this, we will seek opportunities to enhance the engagement already undertaken by suppliers within schools as part of their community benefits commitments.

Representing our sector

We will continue to engage with a wide and diverse set of stakeholders and partners, including public, voluntary and private organisations, and ensure we represent the collective views of our customers through these relationships.

We will undertake a comprehensive review of our engagement activities at a national level to ensure we target our resources where our organisation can have the greatest, tangible impact for our customers. We will consider how we can keep customers better informed of our representation activities.

We will also capitalise on our relationships with elected members and local government policy makers to build a clear understanding of the value of procurement, and ensure that the views of the local government procurement community are heard.

Developing our people

We will continue to implement our Organisational Development (OD) strategy to ensure that we attract, develop, reward and retain the best people. We will develop a rolling plan of improvement projects to achieve our OD objectives and ensure that our policies, systems and processes support our aims. Our ongoing work with liP will benchmark our OD performance.

We will develop and implement an internal talent management programme to develop our people and ensure Scotland Excel remains fit for purpose to support the ongoing needs of our community. In addition, we will continue to identify and deliver training and development opportunities for staff at each stage of their career.

We will continue to explore the benefits of agile working and develop plans to implement agile working policies that deliver a productive working environment that benefits our staff, our organisation and our customers.

Sarah Walker, Scotland Excel



Goal 3: Outcomes supported

Our services enable positive and sustainable outcomes for people and communities	Our insight and knowledge underpins innovative solutions for our customers
Our activities are recognised as leading the way in public procurement	Our customers are satisfied with our services and how we deliver them

Case Study



Nicola Burleigh is a Category Manager in Scotland Excel's social care procurement team. In this case study, she explains how she engaged with care-experienced young people to take their views on board when developing our children's residential care contract.

Local authorities provide essential social care services to those who need them at different stages of their lives. Since 2011, Scotland Excel has developed a portfolio of procurement frameworks to help councils source care providers for a range of adult and children's services.

When we design our social care frameworks, our key priority is to support councils to realise the best possible outcomes for people who use care services in line with national policy. To achieve this, it is vital to involve those who are best placed to provide their views – people who have direct experience of care.

At Scotland Excel, we have an established track record of engaging with people who use care services. Our care home services for adults with learning disabilities framework involved people with experience of these services during contract development. Our community meals contract was evaluated with the help of elderly service users who tested and scored the various meal options.

Recently, we involved young people with experience of living in care when developing a new generation contract for children's residential care services. This contract is designed to meet the requirements of local authorities purchasing these services but it was important to us to engage with and represent the views of young people with first-hand experience.

We thought it may be a challenge to reach out to these young people. However, our search led us to Gemma Watson, Involvement Advisor of the Care Inspectorate. Gemma works closely with Young Inspection Volunteers, a team of specially trained people aged 18–26 who themselves have experience of care.

Gemma arranged an informal focus group with some of the Young Inspection Volunteers. This gave them an opportunity to review the contract documentation, including the specifications for care services, and provided a channel for them to feed back where they felt improvements could be made.



Clockwise from left:
1/ Nicola Burleigh
2/ There are 14,897 looked-after children in Scotland (July 2017). Photo from stock photography
3/ Community meals evaluation tasting
4/ Young people's views are considered in the development of care contracts. Photo from stock photography

Many of the suggestions from the Young Inspection Volunteers were incorporated into the contract. Some were easy to implement but will make a huge difference to care experienced by young people. For example, being supported to cook their own meals at an appropriate age will help them prepare for life when they leave residential care.

Other suggestions around health, education and support mechanisms for young people were also reflected in the final specifications.

The Young Inspection Volunteers were involved throughout the evaluation of the framework, spending many hours of their own time reading and assessing documents and providing the feedback that has helped reshape the services offered.

Our volunteers were highly engaged in the process – they were keen to take the opportunity to contribute their experiences for the benefit of all young people using care services. They also understood why the procurement process is so important in providing the service they receive.

Gemma says: "This was a challenging piece of work for our volunteers but their enthusiasm, coupled with support from me and guidance from Scotland Excel, provided some excellent feedback that will further improve the services that young people receive."

The Young Volunteers were a truly inspirational group who really validated our belief that we can provide better service outcomes by involving those who use the services throughout the procurement process.

The feedback of the volunteers formed part of a wider consultation of stakeholders, including care providers, whose opinions of the existing specifications and terms and conditions were also considered. It is through this 360° approach to engagement that we are able to develop frameworks that deliver the best outcomes for all those involved.

Driving sustainable and
scalable growth

Goal 4

Key objectives

- 4.1 Implement a new governance model which supports scalable business growth
- 4.2 Continue to maintain a robust business infrastructure to support our growth ambitions
- 4.3 Use our knowledge and insight to identify new services and/or sectors which provide growth opportunities
- 4.4 Explore opportunities to work with partners on the development and delivery of new business opportunities



Funding growth

Scotland Excel has delivered a solid return on investment for councils over the past ten years. However, the financial pressures they face are such that we cannot solely rely on core membership fees to sustain our organisation. We will therefore continue to explore alternative funding options and new business opportunities to underpin future growth.

To achieve this, we will develop an appropriate governance structure which balances business flexibility and oversight. We will ensure that growth is planned and sustainable over the longer term, has no adverse consequences for the delivery of existing services, and capitalises on partnerships which increase public sector efficiency and offer clear benefits for all stakeholders.

We will maintain our commitment to improvement of our business infrastructure to ensure that the quality of our services remains high, and we can continue to meet or exceed the needs of our key local government members. As a centre of procurement expertise we will continue to seek professional accreditations which validate the quality of our work.

Progress to date

Scotland Excel has explored a number of options for generating additional funding and income. In 2017/18, we secured funding of c. £750k over two years from the Scottish Government to explore collaborative procurement opportunities within the adult care and support markets, and deliver procurement capability services for housing associations. This latter project has generated associate membership income from housing associations, with the potential to offer chargeable services to this sector.

We have also developed partnerships which capitalise on synergies and/or generate income. This has been achieved successfully with SEEMiS through the provision of procurement support for national ICT resources, and by working with Crown Commercial Services (CCS) to migrate councils to their light vehicles framework where councils benefit from better pricing through economies of scale. This latter partnership has enabled Scotland

Excel to redeploy procurement resources and offers the potential to share in the CCS supplier levy.

Although we have not traditionally made use of supplier rebates or levies as a funding source, this is a common practice among public and private sector procurement organisations. In 2017/18, with the agreement of our Joint Committee, we retained a £135k rebate generated by our groceries contract to create a new team delivering small value contracts on behalf of local authorities. This service was developed at the request of council procurement teams and, in its first nine months, delivered contracts with estimated savings of c. £750k.

Over the past few years, we have developed a number of learning and development and business change services which generate income. Other sectors have shown interest in our accredited learning and development courses, delivered through the Scotland Excel Academy, and there is potential to extend these to central government, health, further education and housing. There has also been increasing demand from local authorities for our chargeable consultancy services.

Our previous corporate strategy has laid the foundations for growth. Examples of investment in our people and systems, and improvement initiatives undertaken across all areas of our business, can be found throughout this strategy. These investments have been made to ensure that the quality of our services remain high, and we can continue to meet or exceed the needs of our key customers in local government while seeking new opportunities.

Our commitments

Governance

The challenging public sector environment continues to be the main influence on Scotland Excel’s strategic direction. To support our strategy, and ensure that we can continue to grow and deliver the services our customers need, we will undertake a review of our existing governance and funding models.

Building on an initial appraisal of governance options completed in 2017/18, we will explore the benefits and restrictions of each option, consulting widely with stakeholders on their views to ensure that our recommendations provide the optimum balance between robust oversight and commercial potential.

We will develop funding models that support the long term sustainability of the organisation, offering the potential for growth while mitigating increases in member requisitions. We will establish opportunities to earn income from sources such as consultancy, associate membership, learning and development, and supplier rebates.

Business infrastructure

To support our existing operations and strategic aspirations, we will ensure a flexible and resilient infrastructure is in place through effective business practices, modern technology solutions and efficient organisational processes. We will use a robust risk management approach when evaluating new opportunities to assess the internal impact for Scotland Excel and our customers.

We will continue to implement technology solutions which increase efficiency, support agile working and offer scalability for business growth. Our ethos of continuous improvement will ensure that the delivery of our activities is continually optimised, and we will continue to seek external validation of our business practices through professional accreditations such as CIPS, CMI and IIP.

New opportunities

Having successfully led collaborative solutions for our local authority members, we recognise that other public and third sector bodies may benefit from our services and offer a synergistic relationship with our organisation and/or sector. We will therefore seek to identify further public sector markets for future growth.

We will investigate these markets to identify opportunities which add value to customers and offer commercial potential to support our financial goals. We will seek to expand our associate membership base, and to establish the sustainable delivery of procurement services to housing associations beyond the current Scottish Government-funded programme.

In seeking new opportunities, we will capitalise on the extensive work already undertaken to raise our profile through traditional and social media, targeted communications activities and political engagement. All income generated through new business will be reinvested in Scotland Excel to enhance the services we provide for our stakeholders.

We will develop our internal capabilities to support this goal, using it as an opportunity for staff to gain new skills and experience which benefit all of our customers.

Partnerships

Recognising the strengths and capabilities of the wider public sector, we will explore opportunities to work with partners on the development and delivery of new business opportunities. We will use our stakeholder engagement tools to identify opportunities and common areas of interest, document our partnership strategies, and continually review and develop our relationships.

We will continue to promote the work of our organisation and engage widely with stakeholders to build new partnerships and strengthen existing relationships. In particular, we will ensure that our existing partnerships with SEEMiS and CCS continue to offer advantages for our organisations, and explore further opportunities for working together to deliver benefits for our customers.



Goal 4: Outcomes supported	
Our insight and knowledge underpins innovative solutions for our customers	Our customers receive a measurable return on investment through savings
Our activities are recognised as leading the way in public procurement	Our customers are satisfied with our services and how we deliver them

Case Study



Colin Taylor joined Scotland Excel in 2008. As Housing Services Manager, he has been leading a Scottish Government-funded project to support procurement capability within the social housing sector. In this case study, he looks at how the programme is benefiting housing associations and their communities.

Winston Churchill once said, “We shape our buildings; thereafter they shape us”. So, it is little wonder Scotland places such emphasis on community and housing.

It is not easy to meet the housing needs of a growing population. In 2016, the Scottish Government confirmed their commitment to investing £3 billion to deliver 50,000 affordable homes by 2021, with 35,000 available for social rent. Scotland Excel saw the opportunity to support housing associations with the increased procurement this would bring, and secured funding from the Scottish Government to help them get the best possible value from their spend.

The programme encourages registered social landlords (RSLs) to take part in an assessment of their procurement capability using a well-established model known as the Procurement and Commercial Improvement Programme (PCIP). The 2013 Review of Scottish Public-Sector Procurement in Construction recommended that all organisations procuring construction using public

resources should undergo an assessment of this kind.

This was a new sector for us and we needed to build relationships. To get the ball rolling, we attended the 2017 Scottish Federation of Housing Associations (SFHA) Procurement Conference to raise our profile within the sector and encourage RSLs to participate in the programme. So, we were delighted when Sharon Keenan, Chief Executive of Clydebank Housing Association (CHA) was the first to sign up to participate in the programme at this event.

PCIP assessments were new to the housing sector and we wanted to provide every support to CHA to ensure that they were ready. Our Housing Team therefore conducted a mock PCIP assessment in April, giving CHA valuable experience and insight into the process.

From the output of the mock assessment, CHA created an action plan to drive procurement improvement and, with our help and support, set about making positive changes within the



Clockwise from left:
1/ Colin Taylor
2/ Sharon Keenan, Clydebank Housing Association (CHA)
3/ CHA's La Scala housing development was supported by Scottish Government funding
4/ Scotland Excel at the Scottish Federation of Housing Associations Conference

association. They also became associate members of Scotland Excel to take advantage of the many savings and benefits that procuring through national frameworks can provide.

One of their actions was to increase their visibility in the local community and encourage their SMEs to engage with the procurement process. Working collaboratively, they exhibited at West Dunbartonshire Council's meet the buyer event which was hugely successful for them in reaching out to local suppliers.

In October 2017, CHA took part in a more formal PCIP pre-assessment. This provided them with a more in-depth understanding of the assessment and gave them another opportunity to prepare for the official assessment. However, it was evident that they had already made many improvements through their continually updated action plan.

CHA were now ready for the PCIP itself and a date was set for early March 2018. Though they were implementing a full staff re-structure and preparing for GDPR, procurement improvement remained a priority for them, and they now consider procurement a strategic function within their organisation.

For Sharon, the whole experience has really benefited CHA. She says: “We are delighted to have

embarked on the PCIP process with Scotland Excel. Although daunting at first, the process itself was simple and straight forward.

“Scotland Excel were fantastic at guiding us through the exercise and we easily devised and worked through a comprehensive action plan. It certainly was extremely beneficial and well worth the effort, and we are now well placed to continue in our procurement journey in terms of knowledge and practices.

“We thank all at Scotland Excel for devoting their time to us and the Scottish Government for funding the exercise.”

We have learned a lot about the sector through working with CHA and other housing associations that have since signed up for assessment. We are now working with over a third of Scotland's housing associations to support and encourage improved procurement capability.

Scotland Excel remain committed to raising national standards in the public sector. Working with housing associations has helped us to extend our reach and ensure that both local authorities and social landlords can get the best value for their people and communities through their procurement spend.



In April 2018, Scotland Excel reached a significant milestone.

As the Centre of Procurement Expertise for the local government sector, we are proud to have been supporting Scotland's councils for 10 years.

We have grown to become a key player in Scotland's public procurement landscape, shaping innovation in collaborative procurement and leading practice within our sector.

Over 10 years, our national contracts have helped to develop and shape supply chains, creating many opportunities for Scottish SMEs and the third sector.

Community benefits embedded in our contracts have delivered work experience, jobs and apprenticeships.

In fact, everything we do is shaped by our commitment to delivering better outcomes for Scotland, its communities and its people.



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