

Lead Officer: TBA		Overall Progress Rating	
Code	Improvement Priority	Contributory Officer(s) (CO)	
VfM-2a	Improve the efficiency of our services including maximising savings delivered through procurement, ICT and asset management	ACE (Planning, Policy and Improvement) Finance Leads and CORS in Directorates Chief Procurement Officer Acting Chief ICT Officer Chief Asset Management Officer Chief Officer Resources Transformation	
VfM-2b	Embed value for money at all levels		
Overall Assessment of Progress on the Improvement Priority			
A Value for Money programme is being developed in conjunction with CORs and Procurement efficiency targets are being developed. Resources and Performance Board is monitoring both these programmes directly.			

Ref	Title	Base line	Target	Year to Date Result	Comments	Data Quality
BP-04	Use of Resources score	3	3	Annual Indicator	Result not available until Q3	No concerns with data
NI 179	% cash releasing efficiency savings (cumulative total over 3 yrs)	N/A	3%	£24.3m (predicted year end savings)	See detailed commentary above.	No concerns with data

Improvement Priority Key Activities and Progress to Date	Risks/Challenges	Key Actions (for next 6 months)	CO	Timescale	Other Information
<p>Delivery of efficiencies through procurement</p> <p>The Procurement Unit is developing work to maximise procurement efficiency within the council. The tools used to undertake this work include: spend analysis; collaboration and shared suppliers; contract conditions; demand management; standardisations; energy contracts; purchasing cards; eAuctions; producing income; the savings register; framework contracts; the approved list; selections; market analysis' high value spend; off contracts spend; non contract spend; grants to contracts and training.</p> <p>Examples of improved processes already implemented are:</p> <ul style="list-style-type: none"> ➤ Temporary staff contract extended on the proviso that Agencies took Purchasing Cards on board (April 08) (process saving) ➤ Trade Waste contract divided into five lots introducing recycling of paper/card and Plastic/cans and skips waste streams. Resulting in an efficiency saving. Contract offers 20% cost saving representing a saving of approx £29k pa. April 2008 ➤ Development of off-contract reports to identify who is not using the appropriate contract. ➤ Development of corporate contracts for high value areas of spend. ➤ Commercial Laundry equipment contract let on a whole life costing basis. June 08 ➤ Stationery contract let July 08 represents cashable saving of £76k. 	<p>Many of the efficiencies identified are only achievable if others across the council engage with this work</p> <p>Many of the efficiencies identified are at this stage potential figures and Resources and Performance Board need to work with Procurement on how these savings are realised in the Councils budgets</p>	<p>Whilst the review has identified these key initiatives much work is still to be done to implement and drive through change.</p> <p>Resources and Performance Board has agreed to take responsibility for regularly reviewing and challenging progress. As such a series papers will be reviewed by the board looking at these issues in more depth.</p>	CPO	On-going	Actions relating to these activities are embedded into the Procurement Unit's service plan

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<p>Development of the Council's Efficiency Programme</p> <p>Work is underway to develop and align efficiency /VFM activity across the council with the aim of providing a structured way to capture efficiencies and enable the targeting of improvement resources across the Council.</p> <p>Resources and Performance Board recently agreed templates which are currently being developed and populated by the CORS. The developing process aims to bring together improvement programmes with value for money reviews and benchmarking into a more systematic approach across the council</p>	<p>Failure to deliver planned efficiencies may result in difficulties in delivery of the budget and the medium term financial plan. It would also have an impact on the council's Use of Resources assessment and city's CAA judgement</p>	<p>Complete the population of VFM profiles and programmes for the next three years.</p> <p>Ensure coherence with other accountabilities and qualitative benefits realisation plans</p> <p>Align corporate and service resources to ensure programmes are completed on time</p> <p>Prioritise resource conflicts</p>	<p>CORT & CORS in directorates</p>	<p>Q3 activity</p>	<p>This reports to R&P Board</p>
<p>Asset Management</p> <ul style="list-style-type: none"> ➤ To optimise the use of council land and property resources for delivery of the council's strategic priorities, service needs and intended outcomes. ➤ Develop effective and sustainable asset management objectives to support the council's medium to long term strategic priorities ➤ Develop a criteria based evaluation framework to measure progress towards their delivery, upon which more detailed strategies will be based and for assessment of new proposals ➤ To optimise the council land and property resources for delivery of the council's strategic priorities, service needs and intended outcomes 		<p>The draft Corporate Asset Strategy objectives and evaluation criteria for developing Leeds as a sustainable community will be considered at the Asset Management Group on 5th December.</p> <p>The service asset management aspirations/ pressures will then be introduced into the Asset Management Plan.</p> <p>The Asset Management Plan and the will be combined with the revised Capital Investment Strategy, which will set out the capital prioritisation process.</p> <p>The Asset Management Strategy will include the City Centre office rationalisation proposal. This will support the business transformation agenda and Business Plan efficiency improvements through increased utilisation levels and reduction in office floor space requirements.</p>			
<p>Delivery of efficiency savings through use of ICT/new technology</p> <p>Examples (not exclusive) of recent actions/progress</p> <p>ICT Services initiated a detailed review and rationalisation of the use of printers across the Council and have now completed a thorough pilot exercise in one of the Council's largest, multi occupancy, administrative centres. This has saved £96,000 in 07/08 and is now moving to Council wide implementation based on the proven success of the pilot with estimated efficiencies in the region of £595,000 p.a. The pilot also tackled issues on security, privacy and green issues (best practice to reduce printing, waste and costs).</p> <p>Analysis of the costs and risk within the complete procurement to payment lifecycle (P2P) identified a number of areas which, with the assistance of better ICT systems and management information have demonstrated considerable efficiencies.</p> <ul style="list-style-type: none"> ➤ Streamlined the payments process by ensuring that invoices were paid on the optimum date (because too many invoices were being paid in advance of the due date). This alone saved £500,000 p.a. ➤ Implemented a Procurement Card (P-Card) system to replace paper based orders, low value purchases and petty cash. Process savings of over £435,000 Council wide has allowed staff reductions in central processing units (£195,000 cashable) as well as releasing capacity in departments. <p>Electronic interfaces with suppliers to place orders and receive invoices has saved a further £26,000 p.a.</p>	<p>The financial pressures of the Council are such that supporting the ICT budget to maintain services at the current levels may not be possible. The impact of this will mean a need to prioritise resources to minimise the operational impact on services that could be significant. This could impact on current work programmes and potential savings.</p> <p>Lack of awareness, within the business and ability to best exploit existing ICT investment to deliver business benefits.</p> <p>Significant risk is suppliers and external partners increasing costs of supplies and services.</p> <p>Risk of partners not having the required capabilities to meet our expectations and delivery of our outcomes to timescales.</p>	<p>Mobile and Fixed Line tender</p> <p>The replacement contract is being tendered by EU procurement route and will be a framework contract that enables the council to access more services and negotiate charges of each. There are four primary target outcomes we want to deliver. These are:</p> <ul style="list-style-type: none"> • A reduction in the existing spend: a target of 25% per year, or approximately £250k. • A reduction in the number and responsibilities of "Mobile Phone Administrators" working within the Directorates. • The introduction of field force enablement and field force automation services (medium to long term). These services will facilitate and enable the integration with council business processes and ICT systems. As the council has significant numbers of mobile staff these services will reduce delivery time, reduce costs and enhance engagement with customers of the council. E.g. Street Wardens, Social Workers, Single inspection services. • The delivery of the working from anywhere service offering to support the council drive to embrace more flexible ways of work, Work Life Balance and the City Centre Accommodation Project. <p>Strategically we will be looking to expand on mobile and reduce on fixed line. Additional benefits are the potential for schools to leverage from the contract and for small offices to use mobile phones that are integrated into the council's core telephony service. This will reduce the</p>	<p>COICT</p>	<p>Ongoing</p>	

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<p>The re-negotiation of our current contract with external suppliers for the desktop PC hardware estate yielded a cashable saving (cost avoidance in that this would have been spent by services) of over £483,000 per annum. Included in the contract are a number of 'green' efficiencies (incl. asset lifecycle management) which will also contribute to the Council's overall energy consumption and waste management targets.</p>	<p>If the necessary revenue budget support, as detailed in the business transformation business case, is not allocated to ICT, due to the constraints within the Council, then we will be unable to progress with this programme of work.</p>	<p>fixed line telephony spend and provide staff with more flexible services.</p> <p>Through this there will be significant cost avoidance in future as new sites are commissioned.</p> <p>Implementation of e-collaboration project will provide the Microsoft platform to enable better cross organisational team working, the delivery of document management and integrate electronic communications and identity with voice services.</p> <ul style="list-style-type: none"> Assuming approval of the Business Transformation Programme ' paper the following will be initiated which will lead to greater Return on Investment across the Council. 			

Lead Officer: Chief Officer Resources Transformation (CORT)		Overall Progress Rating
Code	Improvement Priority	Contributory Officer(s) (CO)
Vfm-6a	Improve quality and efficiency of support services	CO Human Resources Chief Procurement Officer Chief Officer Corporate Property Management Chief Officer Financial Management Chief Officer(s) Resources and Strategy
Overall Assessment of Progress on the Improvement Priority		
The Support Service Review is being tracked to individual services / workstreams with realised benefits reported to the project board. Q2 progress is provisionally set at 'Amber' due to the governance and benefits realisation considerations, which need close monitoring in current and next phase		

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BP-04	Use of Resources score	3	3	Annual Indicator	Result not available until Q3	No concerns with data
BP-32	Direction of Travel Score	Imp Well	Imp Well	Annual indicator	Result due Q4	No concerns with data

Improvement Priority Key Activities and Progress to Date	Risks/Challenges	Key Actions (for next 6 months)	CO	Timescale	Other Information
<p>Delivery of current support services efficiency programme is closely monitored and reported through its Benefits Realisation plan</p> <p>New organisation structures agreed and aligned (HR, Finance, CORs), with reduction in posts achieved through scale economies.</p> <p>Business Support Centre enacted and realising efficiencies through scale economies and more effective processes – eg e-recruitment and advertising</p> <p>More effective creditors function is assisting in identifying and realising efficiencies in ordering goods and services</p> <p>Streamlined procurement processes, including procure to pay and rollout of P-cards realising efficiencies and improved control of procurement</p>	<p>Interface with the Council Business Plan 'transformation of support services' workstream, is impacting on progress / investment priorities</p> <p>Investment in other priorities in the Council may impede progress,</p> <p>Business Transformation and other workstreams may double count efficiencies</p>	<p>Assessment of progress of transformation of support service workstream and its impact.</p> <p>Interface with other programmes and workstreams to be fully understood to avoid duplication and benefits being double counted</p>	<p>CORT</p> <p>All ROs</p>	<p>Q3 activity</p>	
<p>Governance arrangements in SSR being reviewed and re-aligned to ensure coherence</p>	<p>Decisions being taken outside current governance arrangements of the SSR may affect benefits realisation</p>	<p>Audit and Risk conducting review to bring back to Support Service Review Board for decision</p> <p>Health check review to be undertaken by Auditors, (KPMG) to assess progress and next steps</p>	<p>CO Audit & Risk</p> <p>CORT</p>	<p>To be concluded Q3</p>	
<p>Creation of Corporate Property Management Service and delivery of service improvement and efficiencies</p> <p>The new organisation structure for CPM has been successfully implemented. Good progress made on introducing the new corporate landlord arrangements working closely with Strategic Asset Management Unit. Improvements made in the coordination and planning of building maintenance projects.</p>	<p>Insufficient resources to deliver improved property maintenance and deal with backlog. Challenge to improve Facilities Management standards and deliver efficiencies. Changes to structures in Asset Management are being implemented to match new corporate landlord arrangements. A more corporate approach to changing the workplace is required and is starting to emerge through the office accommodation project.</p>	<p>Rationalising processes and procedures from old departments and consolidating on best practice using ISO Quality Assurance regime.</p> <p>Setting new performance management culture in CPM.</p> <p>Developing and delivering new corporate standards for property and facilities management with SAM.</p> <p>Development of new corporate asset management plan with SAM.</p> <p>Progressing the office accommodation review.</p>	<p>Chief Officer CPM</p>	<p>Q3/4</p>	

