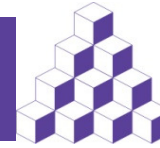


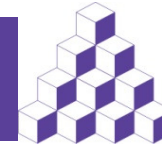
Achieving Efficiencies and Effectiveness

***Theresa Grant
Acting Chief Executive, Trafford Council***



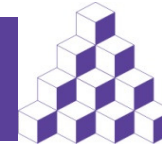
- Current challenges for local government
- Transformation activity in Gtr Manchester
- Achieving efficiencies and effectiveness via AGMA's Improvement and Efficiency Programme
 - Collaborative improvement
 - Smarter Procurement
- How supply chain organisations can support local authorities to achieve efficiencies and effectiveness

Current challenges facing local government

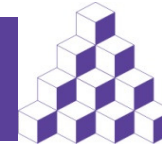


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- Delivering more for less – increasing expectations –v- reducing budgets
- Retaining key staff – whilst reducing headcount
- Maintaining staff morale and motivation
- Drive Public Service Reform – pan public service integration
- Demographics – planning for future demand in a changing population



- Affordable housing
- Localisation – move decision making closer to the Community
- Ensuring real local employment opportunities for local people
- Providing strong & appropriate Leadership in turbulent times



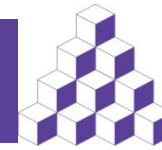
- Good track record of working collaboratively to achieve transformation in AGMA:
 - Combined Authority
 - Manchester Airport
 - GM Waste Disposal Authority
 - Total Place Pilots
 - Community Budgets
 - Improvement and Efficiency Programme
- Increased partnership and cluster working across authorities
 - Manchester/Salford
 - Trafford/Wigan/Stockport – HR & Payroll system
 - Bolton/Wigan – ICT system



LOCAL AUTHORITY CLUSTERS

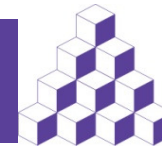
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Customer Care, Procurement processes, Legal, SAP, Training (Manchester / Salford)	GMRAPS – Collaborative Permit Scheme which will have a central TfGM administrative team and 10 LA operational teams – permit system progressing (self funding)	Blackpool Council Payroll Shared Service – Chorley and Fylde District Councils are utilising this.	Salford CC / Manchester CC – Review of depots and sharing agile space methodologies.	Occupational Health Services – Tameside, Trafford and Wigan exploring opportunities for joint working.
HR /Payroll – ‘SWiTh Project’ (Wigan, Trafford, Stockport)				
Payroll (Tameside / Bolton and Bury)				
Asset Management Joint Venture (Stockport, Wigan – Trafford currently reviewing business case)	Traffic Signal Maintenance Collaborative procurement of a 15 year traffic signal maintenance contract undertaken by Manchester as Lead District for AGMA – contract started June 2011	Oldham/Rochdale (Contact Centre, ICT, Channel Shift, Legal, Highways, Out of Hours, Environmental Health, Libraries, Audit).	Occupational Health Outsource – shared provider between Trafford and Wigan (Health Management)	Treasury: Resource Management (Oldham / Tameside) Fraud work (Manchester, Rochdale and Warrington)
Strategic Alliance – Construction Framework (Trafford / Stockport)		School Admissions survey initiated by Bury Council.	Wigan Council / Salford CC – to provide a joint ICT support to a Joint Schools Management Service.	AGMA; as part of the Chief Internal Auditors Fraud Group looking to join together to improve computer aided proactive work.
facilities and sundry environmental services	unding). Not yet approved by AGMA Authorities.	Salford CC / Salford Royal NHS Foundation Trust – Discussions have taken place about establishing a shared Occupational Health Service.	Norfolk Property Services (NPS) Partnership Group (i.e. estates and facilities management) – Wigan, Trafford and Stockport.	Tripartite Child Death Overview Panel (CDOP)
Animal Health & Welfare (Oldham / Trafford / Tameside)	Building Schools for the Future (BSF) – Collaborative work on BSF / Asset Development / Admissions and Pupil Place Planning (Salford/ Wigan)	Salford CC / Manchester CC – partnership re ICT and Legal Service	Oldham and Rochdale share a strategic partner (Mouchele) who deliver transactional back-office services, plus contact centres.	ICT Shared Data (Manchester / Tameside)
Pest Control (Bury / Rossendale)	Computer Audit Services – led by Salford CC – accessed by authorities across NW.	Salford CC / Salford Royal NHS Foundation Trust – opportunities to use the Salford CC’s call centre and/or underpinning technology, shared approach to IT helpdesk.	Pest Control (Oldham / Tameside)	Drug and Alcohol Managers Collaboration – discussions around joint procurement opportunities
Joint Procurement of ICT Managed Service (Bolton and Wigan)	Audit, Insurance, Legal, Accounting Systems Lead Authority Services (Wigan/GM Fire)	Salford CC / Salford Royal NHS Foundation Trust / Manchester CC – Salford CC’s ICT Services planning collaboration projects directly with Manchester CC and Salford Royal NHS Foundation Trust.	Demolition Expertise (Tameside / Bolton)	LGIU – Cluster of authorities discussing discounted membership deal
Shared Procurement Team (Manchester & Bolton)			SAP Review (Trafford, Stockport, Manchester and Salford)	Cashless Catering for Schools for NW Authorities – Warrington Lead/Wigan
GM Highways Efficiency Programme and The National Pilot Programme	Street Lighting Connections – collaborative procurement to provide electrical service connections led by Wigan involving Bury, Oldham, Rochdale and Tameside. Warrington have responded positively to this opportunity.	Salford CC / Salford Royal NHS Foundation Trust – investigation of opportunities to align locality model and community services	Wigan Council and Ashton, Leigh & Wigan PCT sharing a Chief Executive Officer	Salt Barn (winter gritting) -Trafford/ Manchester
DataGM – Data observatory bringing together public data in one place			Back Office Benchmarking on Key Indicators (Oldham, Wigan, Stockport, Trafford)	GM Authorities’ Health & Wellbeing Board Co-ordinators sharing best practice on establishing Health & Wellbeing Boards



- Launched in October 2008 to secure 'substantial efficiencies through collaboration in service improvement and procurement' across 10 priority areas
- Programme revised and re-prioritised programme in March 2011 - demanding new targets of **£60 - £120m** savings
 - Adults
 - Childrens
 - Corporate Support Services
 - Procurement and Commissioning
 - ICT
- £37m potential savings identified in first tranche of business cases

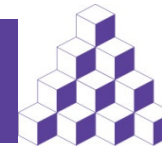
Achievements



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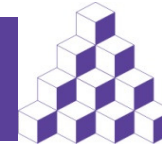
- Established dedicated programme office – funded collectively
- **£5.74 m** of efficiency savings in first two years of programme
- **250%** return on authority investment to date
- A further **£7.266m** efficiency savings identified for delivery this year
- Over **470** senior managers involved in collaborative activity across 10 service areas
- Adoption of Smarter Procurement techniques
 - Contracts Re-let
 - Consolidate Best Deals & negotiate with common suppliers
 - Aggregate fragmented spend
 - Support local suppliers
- **£25m** savings target for Procurement over next 3 years

Smarter Procurement Achievements



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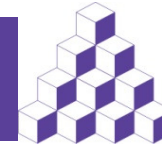
- Agency Staff Contract **£7.2m** to date
- Mobile phone contract secured **£1.36m** savings
- AGMA food contract achieved **£1.55m** savings
- **£5.02m** procurement savings identified in first 6 months of 2011/12 (for delivery in 11/12)
- 48 Collaborative Procurement Frameworks in place - recent activity includes:
 - **Street Lighting Connections** - 12 authorities committed to utilising framework with anticipated savings of **£600k** per year and **£2.4m** over 4 year timeframe
 - **NW Audit and Overpayments Recovery Services** – 42 authorities can utilise framework with anticipated savings of **£5.2m** over 4 year timeframe
 - **Community Equipment (Simple Aids)** - development of a standard catalogue with 7 authorities committed. **25%** savings (**£250k**) per annum projected
 - **CPC Driver Training** – 9 authorities committed with 36% savings secured



Pace and scale of benefits is wholly dependant on ‘buy in’ and delivery

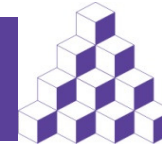
Critical Success Factors:

- pace of delivery
- coalitions of the willing – clarity of participation / clustering
- strong leadership
- scale – benefits need to be big enough to create an appetite for collaboration
- delivery models to be a mix of transactional, transformational and public service reform
- ‘buy in’ from within each organisation – Leaders; CE’s; Service Directors



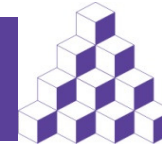
- Understand and align with the vision and objectives of the organisation you wish to partner with
- Think partnership - not leverage of your current market position
- Think medium/long term in tailoring solutions
- Promote radical effective solutions
- Take short term hits if needs be – loss leaders

Adding Value contd/....



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- Be honest - tell the customer things they may not like - what they do wrong
- Allow your expertise to be deployed by your customer to transform solutions
- Look at your own supply chain and adapt it to meet the objectives of your customer
- Plan for long term cost down, value engineering solutions - more for less
- Look for innovative means to promote localism (SMEs, apprentice schemes) in the supply chain
- Look at workable and cost efficient outsource arrangements



- Continually review your contract performance honestly
- Adapt to socio-political - economic developments - e.g. Big Society, Personalisation
- Supply partners who look for long-term and continuous improvements will be the survivors going forward

Finally.....

- Never assume that you can do it better than the Local Authority

THANK YOU