

EIT Reviews	CURRENT STATUS	PREVIOUS STATUS
	ON TRACK	ON TRACK
REVIEW NAME: Commercial Trading Services		
Lead Officer: Jamie McCann		
Month Ended: August 2009		
<p>Progress this period:</p> <p>Progress remains good, with the Project Team working well together.</p> <p>The Commercial Trading Services EIT Review Project Team consists of:</p> <ul style="list-style-type: none"> • Jamie McCann (EIT Lead Officer); • Esme Hall (EIT Independent Officer); • Paul Diggins (EIT Performance Support); • John Bailey (EIT Finance Support); • Anita Brown (Catering); • Darren Robinson (HV&E); • Maurice Stephenson (Fleet Management); and • Craig Willows (Care For Your Area). <p>The Project Team have met regularly since May 2009, with a further meeting planned for mid-September. After this meeting, time has been allocated to allow a comprehensive report to be written and efficiency proposals to be developed for discussion at Executive Scrutiny Select Committee and then at Cabinet.</p> <p>The Project Team's work has involved a comprehensive gathering of information relating to:</p> <p>Key current clients – companies and organisations that currently use the Commercial Trading Services with the amounts invoiced in 2008-09.</p> <p>Key current “non-clients” (or potential clients) – companies and organisations that do not currently use the Commercial Trading Services (narrowed down to previous clients and those similar in nature to current clients).</p> <p>SBC procurement of external Commercial Trading Services – SBC services procurement from external sources of services provided by the Commercial Trading Services, with the amounts invoiced in 2008-09.</p> <p>non-productive costs – listing of the costs of “unproductive” (non fee-earning) activities in each Commercial Trading Service. Productive costs are those for a member of staff working directly on the service provided, in HV&E's case this would be the heating engineers, electricians, etc. All other staff such as managers, office staff, supervisors who are not earning fees or resource allocation have been classed as non-productive as they are not directly providing a fee-earning service.</p>		

Planned next period:

September 2009: Analysis Phase

The EIT Review is currently in its analysis phase, with work ongoing on:

Comparison of costs of non-productive time from 2006-07 to 2009-10:

This analysis has been useful in identifying those service areas that have seen significant changes in non-productive costs over the past three years. Project Team members have been asked to closely examine these differences and explain the reasons behind them.

For example, HV&E has seen a 50% increase during this period which has been attributed to general salary increases and increased clerical support on invoicing and collection. Is that level of support still required?

SBC procurement of external Commercial Trading Services

This analysis has identified the financial values of the procurement by SBC services from external sources of services provided by the Commercial Trading Services. The amounts involved range from £37k spent on other catering suppliers to nearly £2 million spent on HV&E type services.

Contacts are being made with managers in these SBC services to find out why external services are being used over the internal supplier. Is it due to higher cost, previous poor experiences of quality of service, lack of knowledge of SBC's services, or other reasons?

The feedback from these contacts will be very useful in improving the services.

Other ongoing analyses of Commercial Trading Services

What do our current clients think of our services? What would make those clients use our services more?

Why do our current "non-clients" not use our services? What would make those potential clients use our services? (Example trade waste is not currently used by most firms in the key retail areas.)

Are there services being provided that we are not capable of providing in direct competition with other providers? If so, should we be providing those services?

I&DeA Assistance

I&DeA have been tasked with providing:

Research on the pros and cons of different delivery models - companies limited by guarantee, arms length companies, joint ventures, social enterprises, etc.

Examples of best practice in similar Commercial Trading Services elsewhere that we could look to for some advice and assistance, or what similar services have done to improve efficiency, which could provide some ideas we haven't thought of.

Problems or Concerns:

None at present – the Project Team are well-motivated, focussed and working strongly as a team.

Remedial action:

None required.

Key:

Green – on schedule with project plan

Amber – slipped but recoverable

Red – review slipped as a whole – original project end date not now achievable