

APPENDIX 1 – COMMERCIAL TRADING SERVICES

EIT REVIEW PROGRESS REPORT

EIT REVIEW	CURRENT STATUS	PREVIOUS STATUS
	ON TRACK	ON TRACK
REVIEW NAME: Commercial Trading Services		
LEAD OFFICER: Jamie McCann		
MONTH ENDED: October 2009		

Progress this period (September - October 2009)

Good progress has been made with the Project Team working well together as the EIT Review nears completion.

The Commercial Trading Services EIT Review Project Team consists of:

- 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);
- Michelle Burnett (Care For Your Area) and
- Craig Willows (Care For Your Area).

The Project Team met regularly from May to September 2009, which allowed the collation of detailed baseline and service challenge information and the development of a number of options for the services.

The EIT Review is currently at the stage of appraising the options developed for their impact on service delivery, determining which options are likely to generate the greatest level of efficiencies, and developing an action plan for the effective implementation of these options.

It is intended that the final report of the Commercial Trading Services EIT Review and Equality Impact Assessment will be presented to CMT in January 2010 and then to Cabinet in February/March 2010.

Summary of Work Undertaken

The Project Team have undertaken the following key pieces of work to inform the EIT Review:

Analysis of key current clients – collation of information on companies and organisations that currently use the Commercial Trading Services, including data on their expenditure with Commercial Trading Services during 2008-09 and qualitative data on their satisfaction with the services.

Analysis of key potential clients – qualitative data on companies and organisations that do not currently use the Commercial Trading Services (narrowed down to previous clients and those similar in nature to key current clients).

Analysis of SBC procurement of external Commercial Trading Services – collation of SBC procurement of Commercial Trading Services from external sources, with data on their expenditure during 2008-09.

Analysis of Non-productive costs – analysis of the costs non fee-earning activities in each Commercial Trading Service. Productive costs are those for a member of staff working directly on the service provided. 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.

Planned next period

November/December 2009: Options Appraisal Stage December 2009/January 2010: Report Writing Stage

The EIT Review is currently in its options appraisal stage, with work ongoing on a number of options developed as a result of the EIT Review.

A long list of possible options has been reduced to 12 – 15 different efficiency proposals, which are currently being fully analysed. This analysis will involve the financial appraisal of each option, as well as assessments of the potential impact of each option on the quality of service provided.

Amongst the efficiency proposals being considered are:

- Reduction in commercial waste collections from two rounds to one (estimated savings £40k per annum);
- Use of re-useable waste sacks rather than disposable (estimated savings £50k per annum);
- Dedicated procurement/contracts officer to generate savings through improved buying of materials and negotiation of contracts.

As a reporting-in review, a progress update and emerging findings will be reported to Executive Scrutiny Committee on 17th November 2009, with the draft final report, options and action plan being written-up in December and early January, ahead of discussions at CMT on 25th January 2010 and Cabinet in February/March 2010.

I&DeA Assistance

The I&DeA had been tasked in July 2009 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.

A reasonable response was received on 30th October 2009, which contains links to several web-documents that the I&DeA consultant feels would be of benefit to the EIT Review. Given the stage of the review, this information will now be used to inform the final report and action plan, rather than the undertaking of the EIT review itself.

Problems or Concerns

None – the Project Team has been well-led, motivated and focussed throughout the EIT Review process.

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