

**Manchester City Council  
Report for Resolution**

**Report To:** Resources and Governance Overview and Scrutiny  
Committee – 4<sup>th</sup> March 2010

**Subject:** AGMA Improvement and Efficiency Commission

**Report of:** Elaine Bowker, Strategic Director, Transformation

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**Summary**

This report provides an overview of the AGMA Improvement and Efficiency Commission, and in particular focuses on the work being carried out as part of the Greater Manchester Collaborative Efficiency Plan.

**Recommendations**

That the scrutiny committee note the direction of travel in terms of the Improvement and Efficiency Commission.

That the scrutiny committee note the scale of the challenge and opportunities available to Manchester through collaborative working.

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**Wards Affected:**

All

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**Contact Officers:**

Name: Elaine Bowker  
Position: Strategic Director, Transformation  
Telephone: 0161 219 6958  
E-mail: [e.bowker@manchester.gov.uk](mailto:e.bowker@manchester.gov.uk)

**Background documents (available for public inspection):**

None

## **1.0 Background**

Councillor Priest is the nominated chair of the AGMA Improvement and Efficiency Commission for 2009/10. The Commission is made up of elected Members from each of the ten Greater Manchester Authorities and meets quarterly to:

- Lead the improvement of value for money public services, collectively and within individual councils and partners for the mutual benefit of our customers and communities;
- Support the City Region and regional agenda by developing collaborative ways of working, which are both ambitious and inclusive, realising efficiencies and transforming the way we do business;
- Create a culture within AGMA and our partners of openness, trust, generosity and support, to improve outcomes for our communities.

## **2.0 Aims and Objectives of the Commission:**

Over the next three years the goals of the Commission are to:

- Help enable the Executive and Commissions to deliver the MAA outcomes and objectives in the Greater Manchester Strategic Plan
- Secure an enduring capacity for improvement with a culture of mutual support, generosity and trust
- Work/collaborate together first
- Ensure smarter ways of working to achieve real outcomes
- Add value to the other Commissions and ensure any barriers are overcome
- Deliver the successes agreed in Year 1 (2009/10) e.g. efficiencies beyond 3% and added value service outcomes

The Improvement and Efficiency Commission works with the following Greater Manchester groups whose role it is to drive improvements and efficiencies in particular areas and report into the Commission:

- The Collaborative Services Group (CSG)
- Human Resources & Organisational Development Group
- Greater Manchester Association of Metropolitan Treasurers (GMAMT)
- Improvement and Efficiency Support Group

### 3.0 The Greater Manchester Collaborative Efficiency Plan

In October 2008, the CSG launched a three-year plan, the Greater Manchester Collaborative Efficiency Plan (GMCEP). The overall objective of the GMCEP is to achieve significant efficiencies through collaboration in service improvement and procurement across the AGMA region.

The plan focuses on ten priority areas:

- Adult Social Care;
- Transactional HR;
- Transactional Finance;
- Children's Services;
- IT Platform & Infrastructure;
- Customer Contact;
- Collaborative Insurance;
- Social Transport;
- Vehicle Procurement Management and Maintenance;
- Workforce Development.

Following the scope being defined for each priority, the area became subject to the following stages:

- Stage 0 – Assess viability of the programme
- Stage 1 – Identify improvement opportunities
- Stage 2a – Initiate Programme
- Stage 2b – Deliver Programme
- Stage 3 – Close Programme

Each project has a Senior Responsible Owner, Service Area Champion and a Change Manager and each of the participating Districts has a lead officer.

Progress in each of the 10 areas is as follows:

<b>Project</b>	<b>AGMA progress</b>	<b>Manchester</b>
Social Transport	Stage 2b	Full engagement.  Geoff Little, Ian Larkins, Simon Griffiths.
Workforce Development	Stage 0	Full engagement  Sally Hunter and Pam Moffat
Customer Contact	Stage 2a	Full engagement

		Mike Lewis and Sue Bozkurt in DOT
Collaborative Insurance	Stage 1	Full engagement  Tom Powell George Pinder John Gill
ICT platform and Infrastructure	Stage 0	Engagement  Steve Park Andy McBeath Bob Cunliffe  Benchmark data collection. ITP&I Group to reform March for next steps
Financial Transactions	Stage 1	Engaged fully within Creditors, Debtors, Payroll & Pensions and the overall Transactional Finance group. Engagement with cashiers was later in the project than with other service areas.  Lol Nugent Wendy Scott (Creditors) Paul Morrell (Debtors) Dec McMorrow (Pensions and Payroll) Clive Benson (Cashiers)
Transactional HR	Stage 1	Engaged  Jon Redfern and Caroline Powell  Benchmark data collection and dates for Vanguard visits.
Vehicle procurement	Stage 2a	Elaine Heggie and Gary Campin  Engaged in project during the development of the delivery options paper. Manchester is not participating in the next stage of the project.

Adult Services	Stage 0	Engaged, currently defining scope of the project
Children's Services	Stage 0	Engaged, currently defining the scope of the project

Manchester City Council has had a pivotal role in progressing the areas of Customer Contact and Social Transport. Children's Services and Adult Social Care are currently defining the scope and will report to CSG once completed. The other 6 areas have all had the scope defined and agreed.

Key contacts have been identified within MCC across other areas to work with the AGMA programme office. These do not all sit within the Directorate of Transformation (DoT), however for governance purposes within Manchester, and to ensure a joined up approach, a programme manager from DoT will be allocated to coordinate this work from 1<sup>st</sup> April 2010. Elaine Bowker, Strategic Director of DoT attends the Improvement and Efficiency Commission and Nicky Parker, Head of Transformation represents MCC at the Collaborative Services Group.

#### 4.0 Customer Contact and Social Transport

The Directorate of Transformation (DOT) was commissioned by the AGMA CSG to identify potential opportunities for improving the service offering in these two of the ten priority areas. DoT carried out two feasibility studies looking at the 'as-is' state of service delivery in these areas. Benchmarking of good practice in both public and private sector organisations took place to inform potential opportunities for improvements.

##### Social Transport

The Social Transport Delivery Options and Customer Contact Delivery Options reports summarised the findings of the two feasibility studies. They identified opportunities for improvements both within each local authority and collaboratively across AGMA. These opportunities were developed and associated benefits, savings and other efficiencies identified. The reports also identified where local authorities have improved the service offered through specific improvement initiatives.

Overall, authorities signed up to on average 80% of the opportunities relevant to their authority. High level delivery plans have been produced and CSG members are signing off which individual priorities will be taken forward in their authorities, and further work will be carried out to establish more detailed financial benefits.

In total 20 opportunities were identified for each area, varying in cost and complexity of implementation with high level savings and benefits for each. The number of opportunities varied in terms of local and collaborative working.

For Social Transport combined savings for the implementation of all quick win and longer term collaborative opportunities was estimated to be between £3m - £3.5m across AGMA. Through the implementation of the visionary opportunities, *circa* £7.6m could be saved across AGMA.

The opportunities identified will address issues such as:

- difficulty in managing service performance
- disjointed relationships between transport commissioners and service deliverers
- the pending impact of individual / personalised budgets within adults' services
- the transition from child to adult transport
- out of borough transport
- weak utilisation of fleet and drivers
- under-utilised technology

Additional grant funding has been received to resource a collaborative opportunity within Social Transport, "Shared Technology", looking at a joint scheduling system with GMPTE.

The first two projects to go live will be:

- a shared routing and scheduling project partially funded from NWIEP
- a taxi procurement project to look at best practice and common procurement models rather than one shared taxi contract.

### **Customer contact**

For Customer Contact combined savings for the implementation of all quick win and longer term collaborative opportunities were estimated to be between £2.5m - £3.5m across AGMA. Through the implementation of the visionary opportunities *circa* £11m could be saved across AGMA.

The opportunities identified will address issues such as:

- integration of CRM systems and reporting
- lack of customer profiling
- inefficient linking of customer complaints and feedback to service area business plans
- differing measures of performance across AGMA Contact Centres
- service specific business continuity plans not in place

A strategic customer contact group has been established and met in January to drive both the visionary work and pending future projects of this service area through to completion. They are working towards delivering a Customer Care Standards Policy for March 2010

A Customer Services Managers group has been established which is currently developing shared performance indicators, customer insight work and collaboration around IVR telephone technology.

## **5.0 Procurement**

A Procurement Hub has been established to improve purchasing operations in the Greater Manchester sub-region with objectives to drive forward improvement, efficiencies and the delivery of significant cashable savings through smarter procurement. Funding for the Hub has been through NWEIP, with a commitment to an annual budget of £300k p.a. for a 3 year period. In year 2 (2009/10) an additional £188k was allocated to the Hub in lieu of Year 3 funding. This funding has enabled the Hub to deliver the savings and has also produced a number of business cases to support further projects next year (July 2010 onwards).

The Hub has also developed the SpendPro tool which enables Local Authorities to analyse their spend and make more informed decisions on purchasing, thereby making savings. To access this information via a commercial provider would cost each LA approximately £20k per annum and would only provide a snap shot in time. The SpendPro tool provides up-to-date information on an ongoing basis. This is a well used and highly acclaimed tool, which has the potential to be rolled out on a commercial basis. In conjunction with Manchester City Council, the Hub has also been involved in Procurement Improvement Initiatives in Stockport, with a view to offering this approach to other LAs in a rolling programme.

Over the past 6 months, greater links have been made with the Collaborative Services Efficiency Programme Office through providing procurement expertise in a number of work streams such as Insurance and Social Transport.

The Hub has the potential to deliver a number of different work streams to support savings for individual Local Authorities and improve capacity and skills across AGMA.

These include:

- Continue to identify & deliver joint procurement contracts
- Development of SpendPro tool
- Management of existing AGMA contracts
- Delivery of procurement aspects of collaborative efficiencies
- Improve Procurement Services in Local Authorities and improve skills & capacity

An approach to Improvement was agreed by CSG in September 2009 and is currently being delivered in Stockport. This is being led by Manchester in conjunction with the Hub. The improvement approach adopted delivers the objectives of the Regional Development Plan, improving skills & capacity and helping services to make a step change in procurement management.

It is suggested that Manchester, through their Regional role, continue to lead this work and implement best practice, centralised structures within individual authorities as they have done in Bolton & Stockport whilst responsibility for the Hub rests with Trafford as the sponsoring authority. There is general recognition that this model is achieving the required outcomes and should be supported and rolled out to other 'willing' authorities. This programme of work would be reported as part of the Hub monitoring reports to CSG.

## 6.0 Quick wins

Work to date has identified a number of quick wins going forward, including:

- Delivery of £2.6m efficiency savings in 2010 across AGMA through adoption of individual authority improvements in social transport and customer contact.
- Baseline data collection undertaken in workforce development, transactional HR and ICT
- Joint work on the identification of processes for insurance claims handling, risk management and legal services
- A regional training procurement and administrative system for common learning and training
- Opportunities arising to develop a Training Academy for Customer Services and more joined up approach to the delivery of out of hours services.

## 7.0 Conclusion

AGMA are working hard to ensure that we secure enduring capacity to work across the City Region to:

- realise improvements to services for residents; eg. Improved access to out of hours customer services
- realise savings that would not be achieved without the collaboration of all 10 local authorities eg. Procurement savings
- bring about sustainable transformational change

As the programme rolls out across the stages, it will become clearer which projects will have an impact in Manchester. In some areas- Adult and Children's Services for example- it is early days, whilst other areas such as social transport, procurement and customer services, it is already clear where Manchester may benefit.

Collaborative working with AGMA colleagues will bring opportunities for Manchester where it is easier to achieve efficiencies and improvements by working together. This provides additional scope for improvement alongside Manchester's own Transformation Programme led by DOT. Going forward, wider success will require closer integration with the transformation programmes in each Local Authority and a revised methodology for capturing the global efficiencies from each of those programmes as well as any dedicated AGMA programme.

Elaine Bowker  
Director of Transformation  
February 2010