

Report to: Resources and Governance Overview and Scrutiny
Committee

Date: 6 March 2008

Author: City Solicitor

Title: Information and Overview Report

1. Purpose of Report

1.1 To provide information about relevant issues affecting the Committee's remit to aid Members to manage their work programmes.

2. Recommendation

2.1 The Committee is requested to consider the topics highlighted in the report and either:

- Note the information
- Request a briefing note to provide further details
- Add the item to the Committee's Work Programme

3. Contact Officer:

Kate Brown, Scrutiny Support Officer

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4. Suggestions for the Work Programme

No suggestions have been received this month. A copy of the latest Work Programme is attached for information.

5. Forward Planning

Relevant extracts from the Executive Forward Plan are attached to this report.

6. Monitoring Previous Recommendations

Date	Item	Recommendation	Action	Contact Officer
7 February 2008	RG/08/8 Local Area Agreement	To agree that the Committee should consider performance information on a quarterly basis, including the performance of partners.	Quarterly performance information report to be considered by the Committee on 6 March. Further reports will be incorporated into the Committee's Work Programme for 2008/9	Kate Brown
	RG/08/9 Manchester Improvement Programme	To request a similar report monitoring progress in February 2009. To note that a report in relation to the Town Hall is due to be considered by the Committee early in the 2008/9 Municipal Year, and to request also a report on the approach to procurement for which the Council is taking an AGMA lead.	A report will be submitted to the first meeting of the next municipal year setting out further issues identified by the Committee as items for further investigation.	Elaine Bowker

7. Items for Information Only

Information requested by the Committee in relation to the following items is attached:

- A) Manchester Working
- B) Procurement
- C) Cash Grants

Subject Manchester Working Limited Joint Venture
Contact Officer Richard Paver, City Treasurer 234 3564
Paul Castle, Corporate Services 219 6711

Purpose of Report

To update members on the issues identified above following previous reports to the Committee in September and October 2007, RG/07/20.

- Planned programmed maintenance
- Complaints received and the impact of Civica

Planned Programmed Maintenance

Background

In October 2007, Manchester Working Limited (MWL) reported on the joint development of a new approach to the maintenance of the Council's public buildings portfolio. This approach recommended the move from a reactive maintenance strategy to a planned programmed maintenance strategy. Which, as a minimum satisfied the statutory requirements within each building and which could be extended to include reactive and minor improvement works required.

Progress

The planned programmed maintenance regime has been fully operation for the last 4 months. All 22 libraries are 100% statutory compliant during the period. Performance in February 08 is on target to maintain 100% compliance. A comprehensive Log Book held on site, records all statutory maintenance completed, providing assurance to occupiers and users of the building that all the legal requirements have been met.

Morrison Facilities Services has authorised the capital expenditure to purchase FSI Concept¹, the selected Computer Aided Facility Management system. Procurement will commence when a clearer programme of works is generated that would produce the required return on this investment. The next identified properties are those within the Early Years and Play portfolio.

Complaints Received and the Impact of Civica

Background

The Housing Department introduced the Civica Housing Management System in April 2006. Civica provides integrated housing management functionality designed to meet the comprehensive requirements of the 4 new local housing companies and PFI contractors in addition to Northwards Housing.

¹ As recommended in October 07 report as stage 6 of the introduction of the planned programme maintenance regime.

Complaints Received

The Civica System interfaces with MWL's Uniclass Enterprise System (UE) and is used by Northwards Housing to order response repairs through Housing On Call. In the report to Committee in September 07, a spike in June 07 in the complaints associated with the completion of response repairs work for Northwards Housing was recorded. This was shortly after the Civica system was implemented. A contributing and coincidental factor to the system implementation had been the improvements made by MWL and Housing On Call to monitor complaints and capture feedback from customers.

Resolution

Further investigation identified that the main cause of the spike in June 07, was an increase in the number of missed appointments. A number of these appointments had not set up in the UE system, but had existed on the Civica system. The issue was caused by the interface between the two systems. When the interface error was corrected the number of missed appointments fell. The complaints level has returned to levels concurrent with those enjoyed prior to June 07 and within the contractual tolerances.

Civica Impact

Once the initial appointment issues were resolved the system has provided a stable platform for the ordering of repairs.

A separate issue was raised in the July 07 report around performance reporting. Key performance information has been produced from the System since December 07 and the need to use "work arounds" has now almost been eliminated. Service performance indicators remain on target and quality indicators are within contractual tolerances.

Subject Procurement Savings
Contact Officer Richard Paver City Treasurer 234 3564
Ian Brown Head of Corporate Procurement 234 3255

PURPOSE OF REPORT

To provide a short report on the savings achieved through the centralised procurement service.

RECOMMENDATIONS

Members are asked to note the progress made to-date on savings against the targets set.

BACKGROUND DOCUMENTS

Procurement Detailed Design Report – October 2007



MANCHESTER
CITY COUNCIL

PROCUREMENT SAVINGS



Richard Paver

February 18 2008

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1.0 INTRODUCTION

The role of the City Council's corporate procurement function changed radically following the internal Best Value Review in 2001 and has continued to evolve in response to the national and local agendas and a local Audit Commission Value for Money review undertaken during 2002.

Subsequently, a project mandate was approved in October 2005 detailing a procurement Service Improvement Project (SIP) under the governance of the Manchester Improvement Programme (MIP). This mandate for change would ensure the Council's new approach to procurement would result in a more effective and efficient operation.

2.0 BACKGROUND

The Procurement Service Improvement Project formed part of the portfolio of projects that make up the Manchester Improvement Programme and sits in the wider back office key programme area.

The overall vision and purpose of the project is to provide best value in procuring the goods and services required by the Council, ensuring the right products are provided at the right time for the right price, whilst operating in a way which is consistent with promoting wider Council policies, aims and objectives. In achieving this vision the procurement process will consider environmental issues and sustainable procurement as well as promoting the local economy.

3.0 PROGRESS ON SAVINGS

The target savings set by the Manchester Improvement Programme for 2007/8 is £10.20 million.

Good progress has been made during the last twelve months and currently the projected savings for 2007/8 is £12.9 million.

The improved procurement process has been applied across all departments and the detail regarding the areas of savings is shown in Appendix 1 to this report.

4.0 SUMMARY

The Service Improvement Programme for procurement recognised that significant benefits can be gained through harnessing the controls within our integrated back office system (SAP) with smarter, more efficient procurement methods and the progress made so far indicates that the benefits are achievable.

Recognising the continued pressure to reduce costs and ensure value for money is obtained in all our procurement activities following the completion of the SIP in December 2007, a procurement board has been established to oversee the procurement function within the Council.

The board is chaired by the City Treasurer and includes the Director of Capital Programmes, the Head of Financial Management, the Head of Regeneration (Legal) and the Head of Corporate Procurement.

5.0 **RECOMMENDATIONS**

Members are asked to note the progress made to-date on savings.

A detailed report on the full outcomes of the procurement service improvement programme will be submitted to the Committee to be held in May.

formal note will be circulated to all members outlining the changes to the programme and any material affects on their involvement. However, as well as a note, a briefing session for members could be arranged and the views of Committee would be welcomed.

Relevant Extracts from the Executive Forward Plan March – July 2008

Corporate Services			
Cor. S. 1	Daisy Works Refurbishment (inc lift renewals)	March 08 – July 08	City Treasurer
Cor. S. 2	Corporate Disability Discrimination Act Works	March 08 – July 08	City Treasurer
Cor. S. 3	Beswick Housing Renewal	March 08 – July 08	City Treasurer
Cor. S. 4	Corporate Asset Management	March 08 – July 08	City Treasurer
Cor. S. 5	Spend and Save Schemes	March 08 – July 08	City Treasurer
Cor. S. 6	Surestart Children's Centre Programme	March 08 – July 08	City Treasurer
Cor. S. 7	Building Schools for the Future including Academies	March 08 – July 08	City Treasurer
Cor. S. 8	NDS Devolved Capital 2007/08	March 08 – July 08	City Treasurer
Cor. S. 9	Housing Market Renewal	March 08 – July 08	City Treasurer
Cor. S. 10	Heaton Park Regeneration	March 08 – July 08	City Treasurer
Cor. S. 11	Fire Safety	March 08 – July 08	City Treasurer
Cor. S. 12	Primary School Re-building Programme 2007/08 to 2009/10	March 08 – July 08	City Treasurer
Cor. S. 13	Investment in Manchester Central	March 08 – July 08	City Treasurer
Cor. S. 14	Civica IT Project – formerly Comino (Housing)	March 08 – July 08	City Treasurer
Cor. S. 15	Wythenshawe Town Centre	March 08 – July 08	City Treasurer
Cor. S. 16	Maine Road Remediation	March 08 – July 08	City Treasurer
Cor. S. 17	Retained HRA and Northwards Housing Programmes 2008 / 09	March 08 – July 08	City Treasurer
Cor. S. 18	Manchester Partnership Programme	March 08 – July 08	City Treasurer
Cor. S. 19	Any recent additions to the Capital Budget that may require Capital Expenditure Approval Key Decision	March 08 – July 08	City Treasurer
Cor. S. 20	Allocations from Central Contingency	March 08 – July 08	Executive
Cor. S. 21	Requests for Funding from the Development Fund	March 08 – July 08	Executive

Cor. S. 22	Allocations from the Service Improvement Fund	March 08 – July 08	Chief Executive/ City Treasurer
Cor. S. 23	Setting the Revenue/Capital Budgets for 2008/09, the Council's borrowing/investment strategies and the level of Council Tax for 2008/09	March 2008	Council
Cor. S. 24	Contributions to reserves/treatment of over and underspends for 2007/08 financial year.	June 2008	Executive
Cor. S. 25	Capital Funding Determination for 2007/08	June 2008	Council
Cor. S. 26	Approval of draft annual accounts for 2007/08 for submission to external audit	June 2008	Audit Committee – 26/6/2008
Cor. S. 27	Property 68-70 Newton Street, Manchester	March 08 – July 08	Chief Executive
Cor. S. 28	Land at Wastdale Road, Wythenshawe	March 08 – July 08	Chief Executive
Cor. S. 29	Land at Bury New Road, Cheetham	March 08 – July 08	Chief Executive
Cor. S. 30	Ossington Court	March 08 – July 08	Chief Executive
Cor. S. 31	Land at Altrincham Road, Baguley	March 08 – July 08	Chief Executive
Cor. S. 32	K2, Ashton Old Road/Pottery Lane, West Gorton	March 08 – July 08	Chief Executive
Cor. S. 33	Land at Dean Lane, Newton Heath	March 08 – July 08	Chief Executive
Cor. S. 34	Land at Wayland Road, Gorton	March 08 – July 08	Chief Executive
Cor. S. 35	Five sites in Moston/Harpurhey	March 08 – July 08	Chief Executive
Cor. S. 36	Grey Mare Lane/Raglan Close/Albert St., Beswick	March 08 – July 08	Chief Executive
Cor. S. 37	Parrs Wood Lane/Kingsway, Didsbury	March 08 – July 08	Chief Executive
Cor. S. 38	Dean Lane/Dixon Street Former Sharp Office and Warehouse, Oldham Road, Newton Heath	March 08 – July 08	Chief Executive
Cor. S. 39	Part disposal of Longley Lane Depot, Sharston	March 08 – July 08	Chief Executive
Cor. S. 40	Land at Wythenshawe Road/Woodwise Lane, Brooklands	March 08 – July 08	Chief Executive
Cor. S. 41	Alpine Street/Irk Street	March 08 – July 08	Chief Executive
Cor. S. 42	Viola Street	March 08 – July 08	Chief Executive

Cor. S. 43	Proposed disposal of land at Water Street/Regent Road to Towergate Developments	March 08 – July 08	Chief Executive
Cor. S. 44	Manchester Industrial Estate	March 08 – July 08	Chief Executive
Cor. S. 45	Lower Medlock Valley/Ashton Old Road/Great Ancoats Street	March 08 – July 08	City Treasurer
Cor. S. 46	Gorton West at Hyde Road and Pottery Lane	March 08 – July 08	Chief Executive
Cor. S. 47	Building materials	March 08 – July 08	City Treasurer
Cor. S. 48	ICT equipment, software and maintenance	March 08 – July 08	City Treasurer
Cor. S. 49	Hire of excavators	March 08 – July 08	City Treasurer
Cor. S. 50	Supply and delivery of flags and kerbs	March 08 – July 08	City Treasurer
Cor. S. 51	Highway maintenance – sub contract	March 08 – July 08	City Treasurer
Cor. S. 52	Temporary accommodation for the homeless	March 08 – July 08	City Treasurer
Cor. S. 53	Child Care Legal Services	March 08 – July 08	City Treasurer / City Solicitor
Cor. S. 54	Insolvency and Bankruptcy Legal Services	March 08 – July 08	City Treasurer / City Solicitor
Cor. S. 55	Neighbourhood Legal Services	March 08 – July 08	City Treasurer / City Solicitor
Cor. S. 56	Regeneration Legal Services	March 08 – July 08	City Treasurer / City Solicitor
Cor. S. 57	Outsource of Elements of Service Provided by Valuation and Property	March 08 – July 08	Executive
Cor. S. 58	Taxi Service for Officers and Members	March 08 – July 08	City Treasurer
Cor. S. 59	On-Street Pay and Display Machines	March 08 – July 08	City Treasurer
Cor. S. 60	Postal Services	March 08 – July 08	City Treasurer
Cor. S. 61	Programme and Project Management Framework	March 08 – July 08	City Treasurer
Cor. S. 62	Maintenance of IT circuits	March 08 – July 08	City Treasurer

Cor. S. 63	Quantity Surveying Consultants – Procurement of services via 'Lot 8' of the NWDA Regeneration Panel	March 08 – July 08	City Treasurer / Chief Executive
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MANCHESTER
CITY COUNCIL

Resources and Governance Overview and Scrutiny Committee Work Programme 2007/08 March 2008

Meeting Date	Item	Purpose	Evidence Required	Lead Officer/Executive Member	Comments
26 February 2008	Budget Review	To comment on the Executive's proposals for the Budget 2008/9	Invitation to be issued to Executive Members and Directors of Finance from each Directorate	Richard Paver	
	Housing Revenue Account	To receive and make comment on the HRA 2008/9		Councillor Eddie Newman Deborah McLaughlin	

Meeting Date	Item	Purpose	Evidence Required	Lead Officer/Executive Member	Comments
	School Governance	To revisit the issue of School Governance and the implementation of the review focusing particularly upon the role on support services available to schools and to consider governance arrangements for new Academies		John Edwards Annette Hartley Councillor Sheila Newman	
	Review of Governance	Progress report on the review of the Council's governance arrangements focusing upon: <ul style="list-style-type: none"> 1) the development of ethical standards 2) Governance Statement and Governance Framework 3) Specific Products for Staff and Partners 		Geoff Little Michelle Chard Councillor Priest	
	Valuation and Property: Partial Externalisation			Helen Jones Richard Paver Councillor Priest	

2008/9					
May 2008	Procurement			Ian Brown	
	Capital Programme				

	Work Programme 2008/9			Kate Brown	
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Items to be Scheduled:

Manchester Markets

June: Revenues and benefits

Local Area Agreement: Commissioning

Local Area Agreement: Governance

Local Area Agreement: Area Based Grant: September

Performance Monitoring Information: To be scheduled quarterly

City of Manchester Stadium: Financial overview

HR Sub-Group

Sickness Absence: HR Sub-Group

Leadership Development Programme: Referred to the HR Sub-Group