

HAMPSHIRE COUNTY COUNCIL

Committee/Panel:	Buildings, Land and Procurement Panel
Date:	11 January 2011
Title:	Procurement Initiatives - Regional and National Programmes for the Built Environment
Reference:	2358
Report From:	Director of Property, Business and Regulatory Services

Contact name: Steve Clow

Tel: 01962 847858

Email: steve.clow@hants.gov.uk

1. Summary

1.1. This report provides an update on the developments of the Regional and National Programmes for the Built Environment currently being progressed that relate to:

- Improvement and Efficiency South East (IESE) - Hampshire Local Construction Framework
- National Improvement and Efficiency Partnership (NIEP)
- Procurement, Capital and Shared Assets Productivity Workstreams

2. Improvement and Efficiency South East (IESE) - Hampshire Local Construction Framework

2.1. It is proposed that Hampshire County Council hosts the procurement for the next generation local construction framework for the public sector in the Hampshire area.

2.2. The new framework would be promoted under the IESE brand to a wide range of external authorities within Hampshire and potentially neighbouring authorities and will replace the IESE Tier 2 and Tier 3 frameworks on their expiry in late 2011.

2.3. It is envisaged that the framework will be for four years.

3. National Improvement and Efficiency Partnership for the Built Environment (NIEP)

3.1. Background

Building on the success of Hampshire County Council's leadership of IESE, Hampshire's Chief Executive is leading the National Improvement and Efficiency Partnership for the Built Environment (NIEP).

The NIEP forms part of a wider role for Hampshire's Chief Executive in leading the new national Procurement, Capital and Shared Assets Productivity Workstream for local government (see paragraph 4.1).

3.2. General

The NIEP Conference was held on 28 September 2010, and was well attended with 103 senior delegates from across the country. The objectives of the Conference were firstly, to promote the achievements to date and potential of the NIEP model in delivering efficiencies for local government and secondly, to facilitate stakeholder engagement in Workstream proposals. Positive feedback was received with particular interest expressed in the presentations by Treasury, the Department of Communities and Local Government (DCLG) and Department of Business, Innovation and Skills (BIS). The challenge now is to use this momentum to complete the Business Model Recommendations (BMRs). A Board meeting was also held on 16 December 2010, at which BMRs for Workstreams 1 and 3 will be presented for Peer Review, following review by the NIEP Private Sector Forum.

3.3. Workstream 1 - Procurement and Supply Chains

This Workstream is the most developed and acts as a pilot for other workstreams. The core BMRs are being adopted by the IESE Tier 1 construction framework renewal. This should act as a practical vehicle for developing the next generation procurement model for adoption by others, such as the North East IEP whom IESE are actively supporting. CLG have also recently requested the NIEP provide support on the procurement aspects of the Capital and Asset Pathfinders (CAPs).

3.4. Workstream 2 - Client Leadership

Three key themes are agreed and currently being developed:

- A Top 10 Good Client attributes toolkit – jointly developed with the Commission for Architecture and the Built Environment (CABE)
- An integrated Training Finder tool
- Active support to the 11 Capital and Asset Pathfinders.

3.5. Workstream 3 - Asset Management

Three key themes are agreed and are currently being developed:

- Improvement and Efficiency Partnerships best practice sharing – The Local Government Improvement and Development (LGI&D) Community of Practice interactive portal has been adopted to provide this facility for sharing.
- Practical guidance for clients – The initial guide covers Facilities Management for shared services; this is due to be completed later on this year.
- NIEP expert assistance to the Department of Communities and Local Government (DCLG) in the management of the CAPs continues successfully with DCLG requesting increased help.

Intensive support is being provided to the Wigan Pathfinder by Hampshire County Council staff.

A part time secondment of the Property Services Senior Programme Manager - Asset Management to DCLG is proving valuable in strengthening this key relationship.

3.6. Workstream 4 - Skills, Apprenticeships and Learning

This workstream has completed its research and is now working with the Government Office of the West Midlands in developing a charter to be incorporated into the new construction framework model highlighted above.

3.7. Workstream 5 – Highways

A national efficiency strategy funding proposal is being developed in conjunction with Department for Transport (DfT). This has been approved by Central Government and the NIEP are currently working with DfT to maximise this opportunity.

4. **Procurement, Capital and Shared Assets Productivity Workstream**

4.1. Background

As referred to in paragraph 3.1, the success of the NIEP has in turn led to the County Council's leadership of a wider local government sector efficiency body – the Procurement, Capital and Shared Assets Productivity Workstream.

A Place Based Productivity Programme has been created by Local Government Improvement and Development (LGI&D) to provide the framework for a local government led response to the Comprehensive Spending Review reductions. The outcomes from this will be threefold:

- Councils, and partners will be supported to use existing good practice to greater scale to deliver further gains.
- With the abolition of the Comprehensive Area Assessment and reduced reporting arrangements to government, councils and their partners will develop the benchmarking and unit cost information needed to deliver greater efficiency.
- Develop areas such as workforce flexibility between agencies, new models of service provision in areas such as services to children and adults; new models of service transformation and productivity gains.

The workstreams will demonstrate ways of working and develop tools for councils to use. They will be reporting to the Local Government Group Improvement Programme Board so that recommendations can be made by local government to Ministers about barriers which they could remove that currently stand in the way of councils and their partners delivering greater efficiencies. The workstreams are:

- Procurement, capital and shared assets
- Shared services across areas, tiers and partnerships

- Data and transparency
- Adult social care
- Children's services
- Shaping markets and new models for service delivery
- Democratic leadership
- Workforce and skills
- Tackling Central Government Barriers and Burdens.

4.2. Workstream Overview

The Procurement, Capital and Shared Assets Workstream scope covers the procurement of all spend category areas across local government, including construction and asset management, social care, waste and corporate services.

The Workstream aims to delivery both short term tools to assist local government in delivering savings, together with longer term new service models.

The Workstream includes cross-sector representation and is led by Hampshire's Chief Executive.

4.3. Workstream Achievements to date

A response to the Spending Review in the form of a Quick Wins Strategy has been delivered and has been well received.

A Collaborative Education Partnership (CEP) proposal has been made to the Department for Education James Review. This built on the previous work done in conjunction with Partnership for Schools (PfS) to develop a Regional Education Partnership for construction, procurement and delivery in response to the, now halted, Building Schools for the Future (BSF) programme.

Due to the NIEP it has been possible to make quick progress on the Capital and Asset Pathfinders in providing project support on behalf of DCLG, including LGI&D funded specialist support for the Wigan Pathfinder.

The first Workstream meeting took place on 23 November 2010.

5. **Recommendations**

5.1. **That the Panel advises the Executive Member for Policy and Resources:**

- a) That the progress with the Hampshire Local Construction Framework, be noted.
- b) That the progress with National Improvement and Efficiency Partnership for the Built Environment (NIEP), be noted.
- c) That the progress with Procurement, Capital and Shared Assets Productivity Workstream, be noted.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	No
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	No
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	Yes
Corporate Improvement plan link number (if appropriate):	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Procurement Initiatives	1619	12.10.10
Procurement Initiatives, Performance Assessment and Building Cost Trends	1618	10.06.10
Procurement Initiatives	1103	14.04.10
Procurement Initiatives	998	21.01.10
Procurement Initiatives	765	19.10.09
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1. Race and equality impact assessment has been considered in the development of this report and no adverse impact has been identified.

2. Impact on Crime and Disorder:

- 2.1. The County Council has a legal obligation under Section 17 of the Crime and Disorder Act 1998 to consider the impact of all the decisions it makes on the prevention of crime. The proposals in this report have no impact on the prevention of crime.

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

The current Regional and National Programmes for the Built Environment do not have direct impacts on our carbon footprint and energy consumption, but they aim to improve the County Council's performance on sustainable procurement.

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

No impact identified.