

Procurement Efficiency Workstreams
Procurement Approach and Projected Savings

1. Common Use Goods & Services
(corporate contracts)

Year	2010/11	2011/12	2012/13	2013/14	Total
Target	£150,000	£325,000	£185,000	£0	£660,000

- Continued aggregation and leverage of spend through collaborative framework arrangements with the Central Buying Consortium (CBC), Pro5 and other authorities, leading to price reductions or no price inflation.
- Increasing the scale of existing contracts & build the uptake of new & existing contracts by exploiting new business opportunities with external customers. This will be achieved by working with OGC, DCSF, Pro5, & IESE through joint initiatives.

2. Purchase to Pay Process and Transactional Efficiencies
(corporate and departmental contracts)

Year	2010/11	2011/12	2012/13	2013/14	Total
Target	£50,000	£950,000	£0	£0	£1,000,000

- Working smarter through deployment of key transactional based projects to deliver cashable process savings from our internal organisation and management of transactional processes (e.g. invoice handling) through headcount reduction. Projects which will be implemented include:
 - Procurement cards
 - Electronic batch payment
 - Electronic / automated processing
 - Self-authorisation processes.
 - Transactional process reviews.

3. ICT Equipment & Services
(corporate and departmental contracts)

Year	2010/11	2011/12	2012/13	2013/14	Total
Target	£20,000	£250,000	£50,000	£0	£320,000

- Identify & examine specific areas of activity whereby the target savings can be met. Initial investigations have identified:
 - Consolidation of software spend
 - Reduction of hardware spend / price per unit
 - Aggregation of departmental systems into corporate IT.
- Clearly define IT spend, centrally and departmentally so as to collate a true picture and breakdown of the total HCC spend. This will contribute to the forthcoming IT Category Plan.
- Improve communication and relationships between IT and Service areas to maximise purchasing benefits for the County Council.

4. Specialist, Technical & Consultancy (corporate and departmental contracts)

Year	2010/11	2011/12	2012/13	2013/14	Total
Target	£50,000	£650,000	£600,000	£600,000	£1.900,000

- Targeting specific areas of corporate and departmental spend for procurement efficiencies.
 - e.g. Public Notice Advertising, Interim Management, Consultancy, Recruitment, Postal Services & Insurance
 - Obtain a better understanding and analysis of current spending profiles for the areas of spend identified above to maximise aggregation and leverage
 - Particular focus on understanding and defining ‘Consultancy’
 - Re-write procurement processes for consultancy once defined.

5. Property Services Procurement

Year	2010/11	2011/12	2012/13	2013/14	Total
Target	£0	£500,000	£0	£0	£500,000

- Aim to deliver Property Procurement Services in a more effective & efficient way and build on current initiatives and processes to maximise capacity and work more collaboratively. Specific activities being targeted:
 - Electronic Tendering
 - Supply Chain Development
 - Procurement Process Improvements (standardisation of specification).

**6. Learning and Development
(corporate and departmental contracts)**

Year	2010/11	2011/12	2012/13	2013/14	Total
Target	£0	£0	£100,000	£300,000	£400,000

- Following research, analysis and consultation, recommendations for the proactive management of spend in the most cost effective manner and with greater ease, which will maximise aggregation and leverage, increase compliance and enable cost-effective procurement processes.

7. Home To School & Social Care Taxi Transport &

**8. Home To School & Social Care Bus Transport
(Children's Services / Environment Departments)**

Year	2010/11	2011/12	2012/13	2013/14	Total
Target Taxi	£50,000	£600,000	£450,000	£0	£1,100,000
Target Bus	£0	£0	£100,000	£150,000	£250,000

- Implement Hampshire-wide framework contracts for client Home to School and Social Care Taxi transport (HTST) and client Home to School and Social Care bus transport (HTSB).
 - To improve contract & performance management, sustain savings and ensure routes are delivered as required.
 - Simplify cost structures.
 - Streamline procurement processes.
 - Release PTG staff time from the coordination & administration of contracts.
 - Actively engage community transport third sector operators to cross over into new markets.
 - Increase compliance.

**9. Domiciliary Care Services
(Adult Services)**

Year	2010/11	2011/12	2012/13	2013/14	Total
Target	£0	£100,000	£900,000	£1,500,000	£2,500,000

- Establish a Domiciliary Care framework across the county, with the objectives of:
 - Transitioning from the current ‘output based’ service to ‘outcomes based’ contractual arrangements that meet the personalisation agenda
 - Addressing the current geographic gaps in service provision
 - Incremental migration for the existing contract arrangements
 - Minimal disruption to service users during the transition.

10. Learning Disability Services

(Adult Services)

Year	2010/11	2011/12	2012/13	2013/14	Total
Target	£300,000	£900,000	£0	£0	£1,200,000

- Full implementation of a range of commissioning and procurement processes to ensure:
 - delivery of the £1.2M cashable efficiency savings.
 - appropriate cost of residential provision informed by client need (application of the SE Region Cost Model)
 - joint work with providers to identify areas of increased efficiency through review of cost, volume or model of service
 - undertake reviews of individual support packages (both residential and domiciliary packages) to ensure that they are appropriate in scale and type for client need
 - commission bespoke services for individuals, or groups of individuals that offer better outcomes
 - develop more supported living options.

11. Independent Fostering Agencies and Education & Inclusion Services

(Children’s Services)

Year	2010/11	2011/12	2012/13	2013/14	Total
Target	£0	£125,000	£175,000	£0	£300,000

- Continued focus on driving all contractual savings from the Independent Fostering Agencies contract
- Review of high cost placements, short & long term including Emergency Placements and B&B accommodation
- Review ad-hoc spend areas to explore opportunities for leverage, aggregation and demand management

- Review procurement for each strand of the recently brought in-house LSC (learning & skills council) arrangements (14-19 Programmes) for potential savings.

12. Services for Children in Transition

(Adult Services)

Year	2010/11	2011/12	2012/13	2013/14	Total
Target	£40,000	£0	£0	£0	£40,000

- Focusing on improving processes, the main objectives being:
 - Develop a clear pathway for young people in transition to adulthood
 - Better informed decision making, commissioning and budget forecasting through more effective early information gathering
 - Implementation of self directed support for young people in transition across Hampshire promoting individual choice and control.