

## CONFIRMATION OF EFFICIENCIES DELIVERED IN 2011-12

1	Organisation Name	Forth Estuary Transport Authority
2	Responsible Director General	Chief Engineer & Bridgemaster
3	Total cash efficiency achieved	£200,000 (revenue)
4	Efficiency achieved as percentage of 2010-11 DEL baseline (or 2010-11 Grant in Aid)	3.51% (revenue)
5	<p>Summary of efficiency activity e.g.</p> <ul style="list-style-type: none"> <li>the main initiatives the organisation has taken over the year to ensure a strategic approach to increased efficiency and productivity and the improvements achieved in these areas.</li> <li>the main information that the organisation uses to assess productivity, service quality and performance and how the scope, usefulness or reliability has been improved during the year.</li> <li>specific steps the organisation has taken during the year to improve collaboration and joint working to deliver efficient and user-focussed services and the improvements achieved.</li> </ul>	<p>A review of all areas of administration, operations and maintenance has been carried out with regard to revenue costs and the following efficiency activities have been identified.</p> <ul style="list-style-type: none"> <li>Utilising shared services with City of Edinburgh Council with lower resultant costs.</li> <li>Reviewing and reducing external insurance costs.</li> <li>In addition, a reduction in Capital Expenditure of £1 million has been implemented and will be achieved by efficiency savings, re programming and utilising reserves.</li> </ul>
6	How have savings been applied?	To maintain outputs/outcomes
7	<p>Breakdown of efficiency saving by Procurement, Shared Services or Asset Management</p> <p>(only where relevant – not all efficiencies will fall into these categories, so the figures here do not have to match the overall total.</p>	Procurement = -
		Shared Services = £16,000
		Asset Management = £150,000
8	Evidence: What performance measures and/or quality indicators are used to ensure that efficiencies were achieved without any detriment to services?	Reassessment of bridge insurance carried out resulting in reduction of premium. Quarterly review of cost and service delivery carried out.

**Signed .....** (Accountable Officer)

**Date .....**

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### Notes on completing template:

#### Measuring efficiencies

The baseline against which percentage efficiency savings will be measured is 2010-11 DEL (resource and capital). For public bodies, this equates to a percentage of total 2010-11 Scottish Government grant.

#### Breakdown of efficiency

While efficiencies may be generated through a variety of means, such as business process improvement, absence management, pay restraint, Ministers have made clear the importance that procurement, shared services and asset management have in delivering increased efficiencies (and public bodies listed in the Public Services Reform Act have a duty to report specifically on the first two categories). For clarity we have defined each term below:

Where it is not possible to provide a quantifiable cash saving attributable to shared services, asset management or procurement, bodies may wish to consider instead a short statement outlining the measures and steps they are taking to improve their effectiveness and to deliver maximum economy in these areas.

#### Shared Services

The convergence or streamlining of similar functions within or across organisations to ensure they are delivered as efficiently as possible. A shared service function would include a common set of agreed business processes, shared staff and common technology. Examples include the sharing of HR/Payroll functions, sharing office premises and facilities management across organisations, sharing of IT services, sharing customer contact through single contact centres and sharing through participating in collaborative contracts for service provision.

#### Asset Management

The more effective use of our estate, by which we largely mean physical assets such as land and buildings but also including IT and vehicles. Examples include efficiencies gained through asset disposals including subsequent reductions in ongoing maintenance, lease negotiation, improved asset maintenance including vehicle maintenance etc. Examples would *not* include savings from the running costs of an organisation whose primary purpose is the management of land or assets if the savings were not directly relating to a specific asset.

#### Procurement

The improvement in buying decisions and processes to reduce costs. Savings can be achieved through procurement activity, for instance collaborative contracts, eProcurement or bulk contracts and include savings made on large projects, e.g. major infrastructure projects. These could be negotiated by the organisation itself or by the relevant Centre of Procurement Expertise (e.g. CGCoPE, Procurement Scotland). Procurement savings can also, importantly, be delivered through buying less – such decisions fall to all those who make buying decisions. Centres of Procurement Expertise may be able to assist individual organisations in their identification of the level of savings collaborative contracts have delivered. Procurement savings can be generated in any part of the organisation, and the total claimed should be produced in conjunction with the organisation's head of procurement to ensure parity with the recording of savings as part of the procurement reform programme (Procurement teams report Best Practice Indicators (BPIs), including savings, into the Scottish Procurement Information Hub). Regardless of the source of a saving, the benefit counts against the budget holder's area of responsibility. You will be expected to confirm that the figures for procurement which you report have been cleared and agreed with those responsible for procurement on behalf of your respective organisation, and that the figures match those reported against procurement BPIs.

#### Quality & performance measures

It is recognised that public bodies will use a variety of methods to monitor their performance, such as KPI monitoring, customer satisfaction surveys, EFQM, etc. However, where possible performance should also be reported against National Outcomes.

- *Single Outcome Agreements (SOAs) embody how local partners across Scotland take forward our outcomes-based approach. In SOAs, Local Authorities and Community Planning Partnerships set out the local outcomes they plan to achieve, responding to local needs and priorities. These local outcomes contribute to the delivery of the Government's Purpose and National Outcomes*
- *Public bodies contribute directly to the Government's Purpose through the 15 National Outcomes, progress towards which is measured against the 11 High Level Purpose Targets and 45 National Indicators.*