



**2007 Comprehensive Spending Review**  
Meeting the long-term challenges facing the UK

## Reviewing asset management

Following the successful delivery of the 3 year target in the 2004 Comprehensive Spending Review (CSR04) after just two years the public sector may be asked to deliver savings well in excess of this for CSR07 for the years 2008-11. The Review will include:

- an examination of the key long-term trends and challenges that will shape the next decade - including demographic and socio-economic change, globalisation, climate and environmental change, global uncertainty and technological change;
- a national debate to build a shared understanding of how the UK and public services need to respond to these challenges;
- detailed studies of key areas where cross-cutting, innovative policy responses are required to meet these long-term challenges;
- an ambitious and far-reaching value for money programme to release the resources needed to address the challenges, involving both further development of the efficiency areas developed in the Gershon review, and a set of zero-based reviews of departments' baseline expenditure to assess its effectiveness in delivering the Government's long-term objectives; and
- a more strategic approach to asset management and investment decisions, ensuring the UK is equipped with the infrastructure needed to support both public service delivery and the productivity and flexibility of the wider economy.

Capital expenditure is included in the baseline calculation and local authorities will be expected to release lots of resources (cash!) through improved asset management regimes as well as across a range of revenue purchases.

It is important that authorities continue to build on the good asset management planning processes that have been developed over recent years. Effective capital investment in public buildings - so that they are sufficient, suitable and in good repair for the needs of the 21st century - will raise standards and improve the delivery of public services.



For further information go to:

[www.hm-treasury.gov.uk/spending\\_review/spend\\_csr07/spend\\_csr07\\_index.cfm](http://www.hm-treasury.gov.uk/spending_review/spend_csr07/spend_csr07_index.cfm)

[www.ipfproperty.net/ampnetwork](http://www.ipfproperty.net/ampnetwork)

[www.publicarchitecture.co.uk/knowledge-base/articles.php](http://www.publicarchitecture.co.uk/knowledge-base/articles.php) & click on asset management

[www.teachernet.gov.uk/management](http://www.teachernet.gov.uk/management) & click on finance and building

# The UK construction industry Key Performance Indicators

Recently launched for 2007 this unique KPI management tool takes you through a straight forward step-by-step process to help you choose your KPIs, and benchmark your performance quickly and efficiently.

The 'KPI Builder' feature and the easy-to-follow tutorial help you find the KPIs you need to measure from the full range of DTI UK Construction Industry data.

**KPIZone** makes benchmarking easy, helping you create your own KPI Handbook, store and retrieve your data and produce and print a comprehensive report of your performance results.

A comprehensive source of benchmarking data including:

- 2007 Construction Industry KPIs;
- Comprehensive database of previous years' KPIs;
- Many additional performance indicators.

The KPI "Builder" feature allows you to:

- Easily find KPIs most likely to be of value to your organisation;

- Store them in your unique 'My KPIs' folder;
- Analyse your performance;
- Produce your own 'My KPIs Handbook'.

KPI graphs are produced for all the major industry sectors with a comprehensive range of supporting information including trend graphs, tutorials, case studies, a best practice guide, software, consultancy services and masterclass information.

The cost is £285 + vat for an annual licence. View on-line at [www.kpizone.com](http://www.kpizone.com)

**For further information:**

**E:** [helpdesk@constructingexcellence.org.uk](mailto:helpdesk@constructingexcellence.org.uk) or

**T:** 01702 393200

## KPIZone



In partnership with



## Common Minimum Standards

### For the procurement of built environments in the public sector

Ministers are committed to obtaining value for money through improvements to the procurement of built environments that provide facilities for the public sector. They are conscious that public sector procurers are subjected to a range of policy initiatives of differing levels of importance and considered it was essential to adopt a consistent benchmark to delivering value for money and to provide a coherent approach to the market.



A group of cross-government senior policy officials (SOPG) was set up to identify and promulgate a set of key minimum procurement standards, which would improve the coherence and integration between the different policy agenda impacting in this area. First published in 2005 but not yet mandatory for local government the LGTF Board commended them to local authorities, subject to amendments allowing greater flexibility across the wide range of local government contracts since incorporated in the local authority version.

The aim is to achieve value for money in public sector procurement by adopting a consistent benchmark and coherent approach to the market. The common standards adopted are not new and some are already mandatory. Application should be considered on a project specific basis, within the context of practicality, achievability and value for money, defined as the optimum combination of whole life

cost and quality to meet user requirements. Procurers will be expected to comply with these standards unless it can be clearly demonstrated that one or more of them fall outside the above criteria.

OGC are looking to revise and improve the CMS and has recently carried out an internal consultation under the six main headings. The LGTF will continue to assist the OGC in this process with Mike Foy taking the lead who will be pleased to receive your comments. The original document is available on the publications page at [www.lgtf.org.uk](http://www.lgtf.org.uk) or the Knowledge Base at [www.publicarchitecture.co.uk](http://www.publicarchitecture.co.uk)

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# The Simms Report on Sustainable Procurement



Councils in England spend over £40bn pa undertaking capital projects and buying in goods and services. Across the public sector as a whole the figure is closer to £150bn. There is a compelling business case for making this business more sustainable.

The action plan published in March 2007, initially reported on in the LGTF newsletter NY 2006 edition, has been drawn up in response to the June 2006 recommendations of the Sustainable Procurement Task Force and the response of the Government.

The shared goal is for the UK to become a leader in the EU on sustainable procurement by 2009. In order to move forward councils are encouraged to commit to the following actions:

- Councils, working with local partners, will pursue the achievement of social, economical and environmental benefits through the Sustainable Community Strategy, Local Strategic Partnership and Local Area Agreement;
- We will award contracts on the basis of whole life costs and benefits;
- By April 2008 we will review and, where necessary, reset our strategies, policies, priorities and targets for sustainable procurement and asset management against the Flexible Framework and we will measure progress through the council's performance management system;
- We will encourage ownership of our commitment by the political and managerial leadership of the council and engage scrutiny in the search for more sustainable solutions;

- We will secure appropriate training and development for councillors, senior managers, procurement, asset management and other professionals, and service managers;
- We will mainstream sustainable procurement and asset management into all of our activities including those carried out at arm's length and through strategic partnerships.

Our commitment is to finalise our response by this Summer incorporating the feedback from our local authority colleagues.



**Roger Latham, Chief Executive, Nottinghamshire County Council Chair, Local Authority Group (Sustainable Procurement Action Plan)**

To view the Simms Report go to the LGTF section of [www.constructingexcellence.org.uk](http://www.constructingexcellence.org.uk)

# A movement for change and innovation in the construction industry



The Housing Forum has established itself as the only cross sector organisation covering all aspects of housing construction: private, public, and social sectors and their supply chains. It provides a member network of innovators who share knowledge and experience through its demonstrations portfolio and its ad hoc working groups.

## The Housing Forum Regional Conferences 2007-08

Following on from the success of The Housing Forum National Conference on 18th April, The Housing Forum has commenced its 2007-2008 series of Regional Conferences. The conferences will include:

- keynote speeches from leading housing figures in your region;
- a workshop on the challenges involved in delivering sustainable housing from the perspective of your region;

- pilot testing of an exciting new toolkit concerning modern methods of construction on behalf of The Housing Corporation;
- A lively question and answer session with a panel of local experts.

The first three conferences are in the North East (23rd May, Chester-le-Street), the East Midlands (6th June, Leicester) and Yorkshire and Humberside (18th July, Wakefield), but rest assured we will be visiting ALL nine English regions.

If you want to join us in helping to move the housing industry forward in your region book your place by going to the news section at [www.constructingexcellence.gov.uk](http://www.constructingexcellence.gov.uk)

