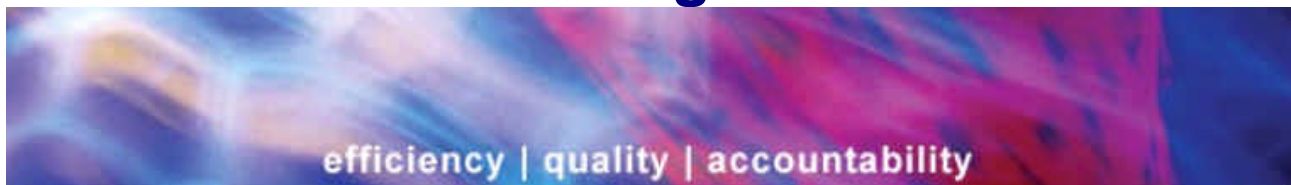


Improvement Service Design Authority

DA6.0 Benefits Management Framework



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1 Context, overview and issues

1.1 Strategic Context

The 'Efficient Government' fund was established as a bid fund at the launch of the Efficient Government Plan in November 2004. Councils and other public bodies were invited to submit bids on a competitive basis, for support for projects and initiatives that fell under the broad ambit of 'efficient government'. From the outset, COSLA, Solace and the IS argued that it would be better to have a strategic fund that focussed support on a small number of collaborative pathfinder projects with high impact, than a bid fund that operated on a competitive basis.

In practice, the fund operated as a bid fund until Spring 2006 but with emphasis on collaboration/partnership and 'scalability' in designing proposals. On a competitive basis, 70 out of 90 LG proposals were rejected at outline proposal stage (December 2005) and 20 were invited to develop their proposals further. At this point 3 things came together that reshaped thinking about the fund:

- All the remaining bids clustered round a small number of key themes: Procurement, shared services or shared capacity; collaborative workforce planning and development, and shared specification/convergence in ICT.
- The publication of John McClelland's Report, and the creation of 'The National Procurement Reform Board', created the possibility of a more strategic focus on procurement and its development.
- Finally, the publication of the 'National Shared Services Strategy' which was led and chaired by local government has created a stronger framework for assessing shared services development proposals.

These factors led to an agreement between the Scottish Executive, COSLA, Solace and IS that a board should be created to oversee the use of what had been the 'Efficient Government' Fund as a strategic resource to support key developments in shared services and shared capacity. The clear agreement was that it should be focussed on a small number of key themes and adopts a pathfinder approach to developing new practice. The overall objective remains supporting improvement in the efficiency of local government corporate and service functions. The National Shared Services Board was created in April 2006 and has representation from COSLA, Solace, The Scottish Executive and IS, which will provide programme and knowledge management support. The national board is keen that a more strategic approach is adopted to shared service development and that commissioned projects are developed in such a way to benefit the wider local government community. As such the IS will manage and co-ordinate a light governance structure and programme support to ensure knowledge from the "pathfinder" programme is shared across all Local Government and that there is an appropriate input especially into areas such as joined-up procurement.

This is in alignment with the core objectives of the IS who are devoted to improving the efficiency, quality and accountability of public services in Scotland through learning, sharing knowledge and delivering improvement solutions. The design team is tasked with supporting the IS in its enabling role for national design with the pathfinders as well as helping it to deliver against its key objectives, which include;

- promoting a learning culture and support collaborative working across local authorities and partners;
- building capacity within local government to improve the skills of officers and elected members;
- promoting good practice across Scottish local government;
- promoting the use of knowledge management within local authorities to support sharing and learning, e-governance and business re-design; and
- identifying good practice and learning from outside Scotland and other areas of the public, private and voluntary sector to share with Scottish local government.

Improvement Service Benefits Framework

1.2 Purpose of this document

This document explains the approach and principles of the benefits management framework which provides a simple and consistent classification system and a view of the proposed benefits management approach and protocols for the national projects to follow. It categorises the major benefits or impacts which these projects are seeking to achieve collectively as part of the Shared Services work stream and the contribution this will make to efficient Government. It also defines a mechanism of linkages through which the investment of funding, staff time and other resource 'inputs' in these initiatives lead to the anticipated 'outputs', how these outputs translate into the 'outcomes' and in turn how these outcomes can be categorised as 'impacts' or 'benefits'. These relationships and their linkage are sometimes termed the 'Benefits Dependency Network'.

"Between 2007 and 2011 the priority for technology investment and business change must be transforming delivery into public services centred round citizens and businesses, and transforming support into a shared services framework. During this period it will also be important to realise the financial and service benefits of current and planned investments. The goal should be to have made the key changes, to have embedded the new cultures, and to have made the process irreversible, by 2011." Transformational Government, Cabinet Office, 2005, <http://www.cio.gov.uk/documents/pdf/transgov/transgov-strategy.pdf>

1.3 Purpose of the benefits framework

The benefits framework provides an outcome based classification system which supports the National Shared Services Board in its decision making. These are four major motivations for attempting to define a framework which will allow information on benefits realisation to be collected and monitored:

- **Measuring progress.** This information will indicate how well the initiative is performing against the anticipated benefits it is seeking to realise, allowing potential barriers and issues to be identified early and solutions to be developed.
- **Best use of resources.** Good information on performance and benefits achieved would help stakeholders to identify what programmes and activities are working and why. This allows resources to be focussed on those activities which promise to deliver the best value against the strategic objectives. The effective use of available data and knowledge is critical to improving the performance of government as a whole and performance information is key to effective management, including business planning, monitoring and evaluation. Establishing a benefits framework in the context of identifying the best use of resources follows OGC best practise guidance which emphasises that the sixth most common cause of project failure is when the 'Evaluation of proposals (is) driven by initial price rather than long-term value for money (especially securing delivery of business benefits)¹. Providing an outcome based classification system at the outset of the programme therefore allows resource to be committed to those projects which offer the greatest return of benefits rather than simply the lowest price.
- **Accountability.** Externally, this information provides effective accountability. With appropriate information, MSPs, members of the public and other stakeholders can better understand the progress made and the issues involved.
- **Guidance.** The framework provides guidance to the national projects on the definition and categorisation of benefits and the reporting arrangements associated with those benefits.

The benefit categories developed within the framework are connected to the current work that is being undertaken to develop a set of Statutory Performance Indicators (SPI's) for Efficient Government.

¹ Common causes of project failure, OGC Best Practise, 2005: <http://www.ogc.gov.uk/documents/cp0015.pdf>

Improvement Service Benefits Framework

“Analysis of our case studies identified three key and recurring themes in successful programmes and projects:

- *the level of engagement by senior decision makers of the organisations concerned;*
- *organisations’ understanding of what they needed to do to be an “intelligent client”;*
and
- *their **understanding of the importance of determining at the outset what benefits they were aiming to achieve and, importantly, how programmes and projects could be actively managed to ensure these benefits were optimised.**”*

Delivering Successful IT Enabled Business Change, National Audit Office, 2006.

1.4 Overview

The framework’s classification system allows the outputs and outcomes arising from each of these projects to be linked to a set of agreed benefits. Guiding principles are provided on how performance measures should be set which underpin these categories and also a checklist of those items which should be explicitly considered when developing an approach to benefits tracking for each of the projects. However, since the final objectives or benefits for these initiatives will need to be defined and evidenced by each of their individual business cases and because these business cases are, in many cases, yet to be fully developed it would not be prudent at this point to prescribe what these metrics and monitoring approaches should be. This should be agreed with the individual projects at a later date once their business cases are fully ratified. Currently work is underway to develop a set of Statutory Performance Indicators (SPI’s) which will allow measurement of efficient government these will feed into the benefits framework and its benefit categories.

The benefits capture template discussed later will allow this process to develop more effectively by providing a formal template of information requirements and considerations within which each of the projects can identify their benefits and how these relate to the overall shared services programme. Once collected the information from these templates will be inputted into a formal benefits register which will detail:

- what the benefit is;
- how it is to be measured;
- who is responsible for measuring it;
- who is accountable for verifying that measurement; and
- the profile of the benefit in terms of its overall relative scale and timeframe.

In addition, this register will be in the form of a linked spreadsheet whose functionality will allow progress to be tracked against the benefit targets over time, in line with projections. This supports strategic planning and allows progress to be tracked by the NSSB.

Finally, the framework also includes an overview of the governance and accountability arrangements for those involved in the process of monitoring performance and also in the ratification of that monitoring.

Importantly, the benefits realisation process takes place within the ‘operational lifecycle’, which commences with the business case and the project initiation, continues throughout the project and remains in place after the project’s completion to monitor the delivery of the anticipated benefits over the full time period they may take to fully materialise. Benefits management addressed in this way becomes ‘business as usual’ within the common monitoring and performance measurement process rather than just a technique for investment justification. Rigour in tracking and reporting benefits streams tends to encourage staff activity towards achieving targets – what gets measured gets done.

1.5 Issues

1.5.1 Flexibility

In order to accommodate the wide variety of both quantitative and qualitative benefits, we have developed a simple and flexible categorisation which is based around HM Treasury's three core values as benefits. These values are often viewed as largely financial but we believe that they offer an appropriate blend of the quantitative and qualitative or the financial and non-financial. The three benefit categories are:

- **Economy**, primarily related to reducing the cost of inputs for direct cash savings;
- **Efficiency** or productivity improvements getting more outputs for a specified set of inputs, for example providing time savings; and
- **Effectiveness** or the quality and relevance of the outputs for the audience receiving them, which might include a wide variety of measures related to quality of service and staff satisfaction.

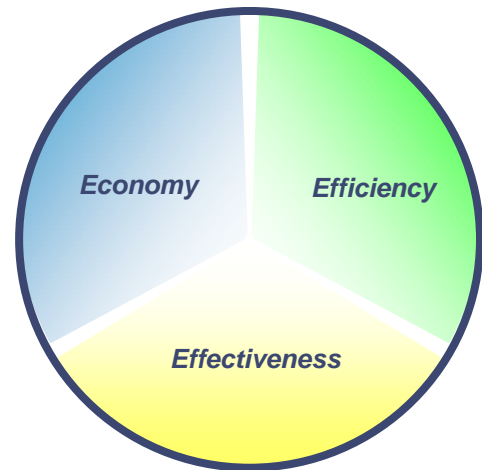


Figure 1: The Benefits Scorecard:

Since each of the projects involved are undertaking substantially different activities (although there is consistency in some areas) the areas of benefit and the resulting measurement and monitoring activities need to be set at an appropriately high altitude.

1.5.2 Avoiding duplication of existing efforts

A further issue relates to the duplication of existing activities seeking to measure performance against benefits. Local Authorities and other public bodies are already subject to substantial performance measurement activity as part of their 'Best Value' requirements. In addition, the 'Customer First' programme has also undertaken a similar exercise to measure and track benefits. The Customer First initiatives relate to front office customer interaction activities in the first instance but in the case of the national projects in question the activity is much more widely spread. However, there are nonetheless likely to be some measurement approaches and tools which could be used.

Where sufficient measurement tools and approaches already exist these should be adopted within the framework to both increase external consistency and minimise additional burdens on those charged with collecting this information.

1.5.3 Interaction and interplay with different benefits

Project outcomes will rarely relate to impacts and benefits in isolation and in many cases there will be strong interrelationships to consider. Sometimes outcomes might contribute to more than one benefit category or two outcomes might combine to create benefits, each dependant on the other, on other occasions and outcome that generates benefits in one area of the framework might have a perverse effect on other areas and all these interrelationships will need to be carefully considered to ensure benefits are clearly categorised within the framework and there is no double counting. In other instances focussing activity on benefits in one area might lead to perverse activity in other areas and thus a 'balanced' approach should be adopted within the organisations themselves.

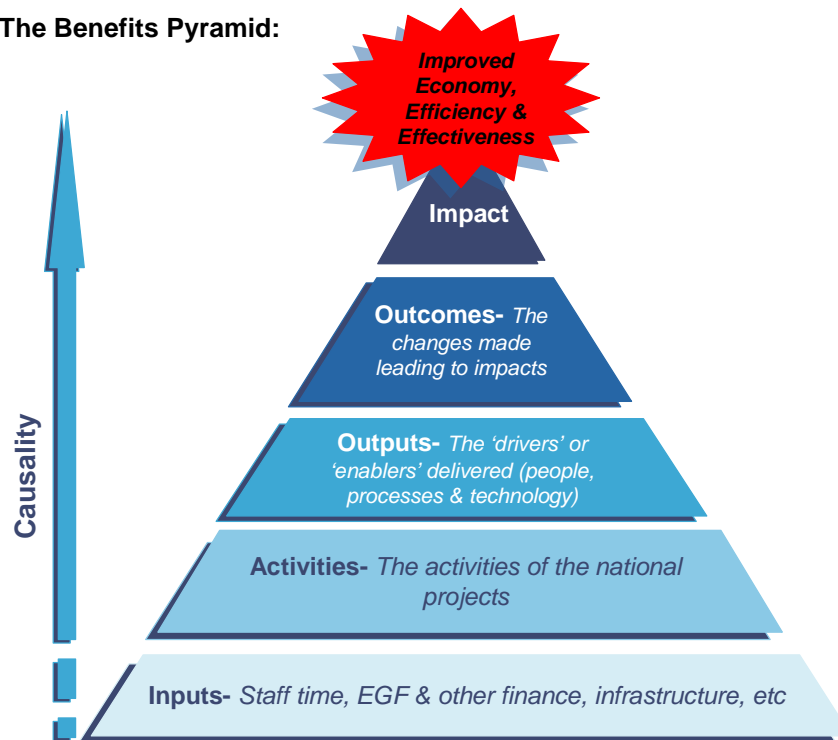
2 The Benefits Dependency Network

2.1 The Benefits Dependency Network

2.1.1 Linking inputs to outcomes and impacts

In attempting to establish the ‘golden thread’ of linkage it is important to define at the outset what is meant by each of the different categories. In developing this chain, we have used the categorisation set out in the pyramid in figure 1 below.

Figure 2: The Benefits Pyramid:



This chain demonstrates the progress from inputs through to activities supported by those inputs, the outputs and drivers generated by those activities and the outcomes or changes that produce impacts in the three key categories of economy, efficiency and effectiveness. An example of how this process might work and the linkages within it is provided overleaf.

Improvement Service Benefits Framework

Setting up a shared service centre, an example of the progress from inputs to outcomes:

Inputs: The total 'cost' of setting up the centre. Including inter alia the funding required to purchase support to develop the business case, purchase any new technology, purchase any new training, pay for the recruitment of staff and any relocation costs and also the value of any staff time which was used and is not already covered within these costs.

Activities: The activities involved in establishing the shared service centre. Usually these are outlined in the project or programme's work plan and its milestones. This might include for example the consultation with the public sector partners involved in the centre, the procurement activities associated with purchasing any new technologies or support, the activities involved in recruiting new staff or re-training and any other activities involved in the assessment, design, construction and implementation of the Shared Service Centre.

Outputs: The delivery of Shared Service Centre itself, up and running.

Outcomes or Impacts: The changes the centre has made to the status quo, in benefit terms this would relate to economy, efficiency and effectiveness:

- *Economy*- the shared service centre is located out of town where lower property and land prices allow the same space to be purchased or rented for less, similarly the combined purchasing power allows the partners to negotiate better procurement deals and they are able to realise cash savings.
- *Efficiency*- the new training for staff (people) the streamlining of call handling procedures (processes) and the use of a new IT system (technology) allows a much higher volume of calls to be dealt with by each individual thereby freeing up staff time which would previously have been taken up dealing with calls.
- *Effectiveness*- the creation of a single telephone number and point of access for the customer reduces customer confusion and the introduction of a new Customer Relationship Management system (CRM) allows every caller's details to be provided to staff allowing them to deal with customer requests more effectively and improving customer satisfaction.

2.1.2 Benefits and impacts

The high level view of benefits assumed allows sufficient flexibility to accommodate any differences between the national projects. The categories chosen relate to HM Treasury's the three E's of Economy, Efficiency and Effectiveness. Economy, efficiency and effectiveness in this context look at the relationships between inputs, outputs, outcomes. Each of these three categories is discussed below.

- An **economy** measure looks at the costs of acquiring inputs. For example from a local government perspective, this might include costs savings through improved procurement and scale economies, it might also include cost reductions through removing duplication and overlap of activities that are undertaken elsewhere by alternative organisations and it might include maximising income by charging market prices for goods and services, or maximising debt recovery. Primarily these savings involve direct reductions in cash outlays or direct increases in cash revenues.
- An **efficiency** measure looks at whether the maximum output is being generated for the inputs that go into the process. For example, increasing the volume of calls taken by a given number of customer service staff or maximising the number of council tax payments processed. Typically this

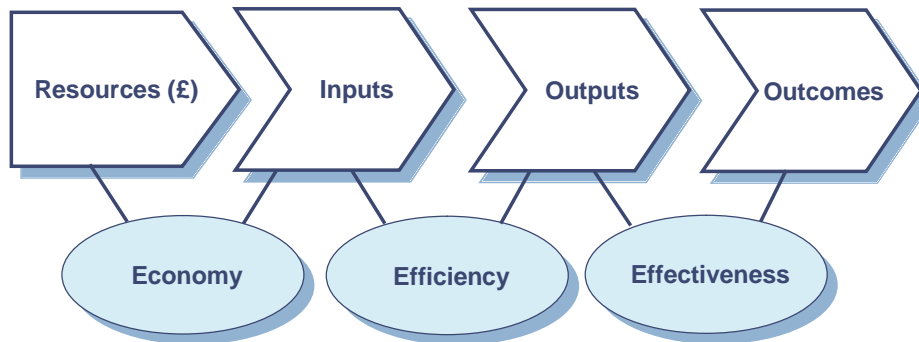
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involves saving time or improving efficiency through changes to **people** and **processes** or investment in **technology**.

- Finally an **effectiveness** measure looks at whether the outputs of the activity lead to the most effective outcomes or give the best results for the customer or audience. This might include reducing the time taken to respond to an enquiry, increasing the choice of modes by which to access services, increasing the quality of customer services or increasing the flexibility and range of services within the confinements of public demand.

Each of the categories can be seen in the diagram below as they relate to the process of delivering public sector activities, where 'economy' relates to maximising the amount of resources gained for a given payment, efficiency involves maximising the amount of output you gain from those resources and a fixed set of other inputs and effectiveness requires the outputs created to lead to outcomes which most effectively meet the original objectives of the process, for example the fastest council tax payments, the best quality customer services, etc.


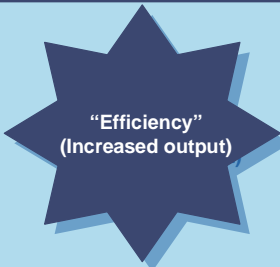

Figure 3: Economy, Efficiency and Effectiveness within Public sector activities:



Broadly the first two of these benefits can be expected to be predominantly quantitative whilst the third will be more qualitative. Amongst these quantitative measures, the economy benefits will primarily relate to cash releasing savings and the efficiency benefits relate to time releasing savings. These cash releasing savings relate to savings where an outcome generates tangible cash saving because the public sector delivers the same service with less money. A time releasing saving relates to savings which do not release cash but allow delivery of more services for the same cost. These benefits and the outcomes or changes which represent them can be seen within the diagram overleaf.

Improvement Service Benefits Framework

Figure 4: High level benefits and example outcomes

<i>High level: Benefits and Impacts</i>		
 <p>“Economy” (Reduced cost)</p>	 <p>“Efficiency” (Increased output)</p>	 <p>“Effectiveness” (Improved quality)</p>
<i>Example Outcomes/Changes</i>		
<ul style="list-style-type: none"> • Duplication & overlap of service delivery removed; <ul style="list-style-type: none"> • Services delivered by appropriate organisation; • Scale economies increased/maximised; • Revenues & incomes maximised; <ul style="list-style-type: none"> • Increased income streams; • Debt recovery improved. 	<ul style="list-style-type: none"> • Increased productivity/time saved: <ul style="list-style-type: none"> • People: <ul style="list-style-type: none"> • Improve staff training; and • Improve staff retention. • Process: <ul style="list-style-type: none"> • Streamlined business processes; and • Improved Knowledge Management. • Technology: <ul style="list-style-type: none"> • Maximise the benefits from new technology e.g. customisation, self service and longer operating hours. 	<ul style="list-style-type: none"> • Improved customer awareness & understanding of services; • Increased customer satisfaction; • Improved service quality: <ul style="list-style-type: none"> • Reduction in transaction times; • Increase in choice of access mode; • Increase in quality of customer service; and • Increase in flexibility and appropriateness.

A further point worthy of note is that benefits need to be measured consistently. This is especially critical for those quantitative benefits which are set in monetary terms these benefits should be clearly defined over an agreed time period making consistent assumptions for indexes including inflation and/or discount rates and reported in a common method, for example, Net Present Value, Present Value, Internal Rate of Return, Payback period or a similar robust financial model. Information and guidance in this area shall be provided on the Programme’s website.

2.2 Linking programme outputs to outcomes

2.2.1 Programme measures

One of the key challenges will be to link the outputs or drivers to be delivered by each of the national projects to the outcomes or changes via effective measures which demonstrate this causal chain. In some cases the metrics required to track these linkages and the progress of benefits realisation may already exist and be used to measure benefits either for a different purpose or in a different context. Where possible existing approaches which are adequate should be used and these approaches and the information sources which underpin them might be found within ‘Best Value’ protocols or the work which has already been undertaken as part of the Customer First programme, even though this is based primarily on front office activity, there are still substantial opportunities for learning.

2.2.2 Constructing measures

In seeking to establish a robust set of measures which meet requirements, the following represents guidance on any measures that should be adopted by the national projects. Similarly, these considerations will be those made by the Design Team and the National Shared Services Board when deciding to ratify the benefits identified and the measures to be adopted. Our guidance on these measures has been developed from the 2001 good practise literature ‘Choosing the right FABRIC, a framework for performance information’ which was developed jointly by the National Audit Office, HM Treasury, the Audit Commission, the Cabinet Office and the Office of National Statistics. We therefore propose that measures should be:

- **Relevant** to what the project is aiming to achieve;
- able to **Avoid perverse incentives** - not encourage unwanted or wasteful behaviour;

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- **Appropriate** to, and useful for the Improvement Service, NSSB and the wider stakeholders who are likely to use it;
- **Attributable**. The activity measured must be capable of being influenced by actions which can be attributed to the project; and it should be clear where accountability lies;
- **Well-defined**, with a clear, unambiguous definition so that data will be collected consistently, and the measure is easy to understand and use;
- **Timely**, producing data regularly enough to track progress and, and quickly enough for the data to still be useful;
- **Robust** in order to withstand changes in staff and organisation;
- **Reliable** - accurate enough for its intended use, and responsive to change;
- **Comparable** with either past periods or similar projects elsewhere; and
- **Verifiable**, with clear documentation behind it, so that the processes which produce the measure can be validated.
- **Integrated** into the organisations and projects themselves; and
- **Cost effective**, matching the importance of collecting the information with the effort in doing so.

With reference to the reliability and verifiability of the results, the Design Team in its assurance role will verify the quality of the monitoring data and results collected but we have considered the lessons and experiences of the Customer First programme and the issues encountered in the verification and audit of data in this area.

2.2.3 Benefits capture template

To address this key challenge a benefits capture template will be developed which attempts to define the benefits generated by each of the programmes and link these back to the outcomes identified previously. A copy of the template is attached in appendix A but a description of the elements is given below, the numbers correspond to those in the template. Specifically the template will include the following.

1. **Project and organisation name**- The name of the national project to which the benefit is attached and the organisation receiving that benefit.
2. **Benefit number**- An assigned sequential number.
3. **Benefit title**- A specified title of the benefit.
4. **Benefit owner**- The name of the individual who owns the benefit.
5. **Benefit description and characteristics**- A description of the benefit and its key characteristics (e.g., quantitative/qualitative, financial/non-financial and linked to economy, efficiency and/or effectiveness).
6. **Benefit measure definition**- A description of the measure and its purpose.
7. **Benefit source and capture mechanisms**- The source from which the benefit measure data is to be obtained and the means to be used to capture the data.
8. **Frequency of benefit measurement** - The frequency with which the benefit is to be measured should be defined.

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9. **How Computed-** A defined formulae and the method of calculation to be used for the benefit measure.
10. **Linked project and post-implementation milestones-** A list of the milestones to which the benefit is linked both during and following completion of the project.
11. **Linked risks-** A list of the risks to which the benefit is linked.
12. **Linked assumptions-** A list of the assumptions to which the benefit is linked.
13. **Linked dependencies-** A list of the dependencies to which the benefit is linked.
14. **Date approved-** The date when the benefit is approved after checks have been performed for appropriateness, relevance and completeness by the Design Team.
15. **Notes-** Provides an opportunity for any additional information.

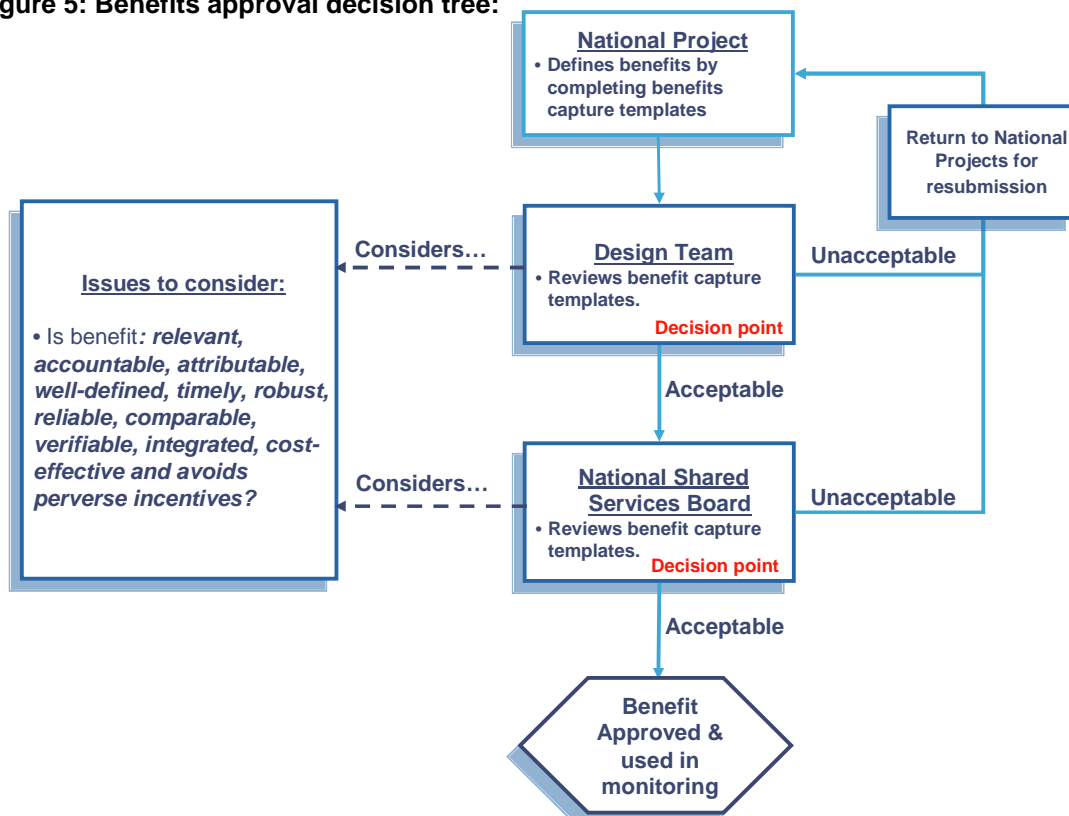
Once complete the information in these benefits capture templates can then be ratified through an approval process involving both the Design Team and the National Shared Services Board before being entered into the benefits register where they will then become part of the formal monitoring process of these programmes.

2.3 Approval and reporting

2.3.1 The approval process

The benefits capture templates will be passed to each of the national projects, formally requiring them to articulate their benefits in a format that fits within the broad benefit categories outlined in the framework. They will be encouraged to discuss these more widely in their development with stakeholders. Once these templates have been completed they will be approved through a two stage ratification process involving first the Design Team and then the National Shared Services Board. At each stage the benefits will be considered against the points mentioned in 2.2.2 above. The formal approval process is shown in the decision tree diagram below.

Figure 5: Benefits approval decision tree:



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2.3.2 The reporting process

The formal monitoring of these benefits will take place periodically as agreed in the benefit capture template but at a minimum benefits should be tracked quarterly. The chain of reporting will begin with each of the national projects who will be responsible for providing this information to the Design Team who will, in turn, be responsible for reporting this information to the National Shared Services Board.

The effort required for these reporting procedures should be minimised and the tools used to report against this progress will depend on what outcomes and benefits the projects are reporting against. As maturity and competency evolves the Design Team will look to consider and develop standard tools and electronic and/or on-line reporting processes, building on the tools which have been developed as part of the Customer First programme.

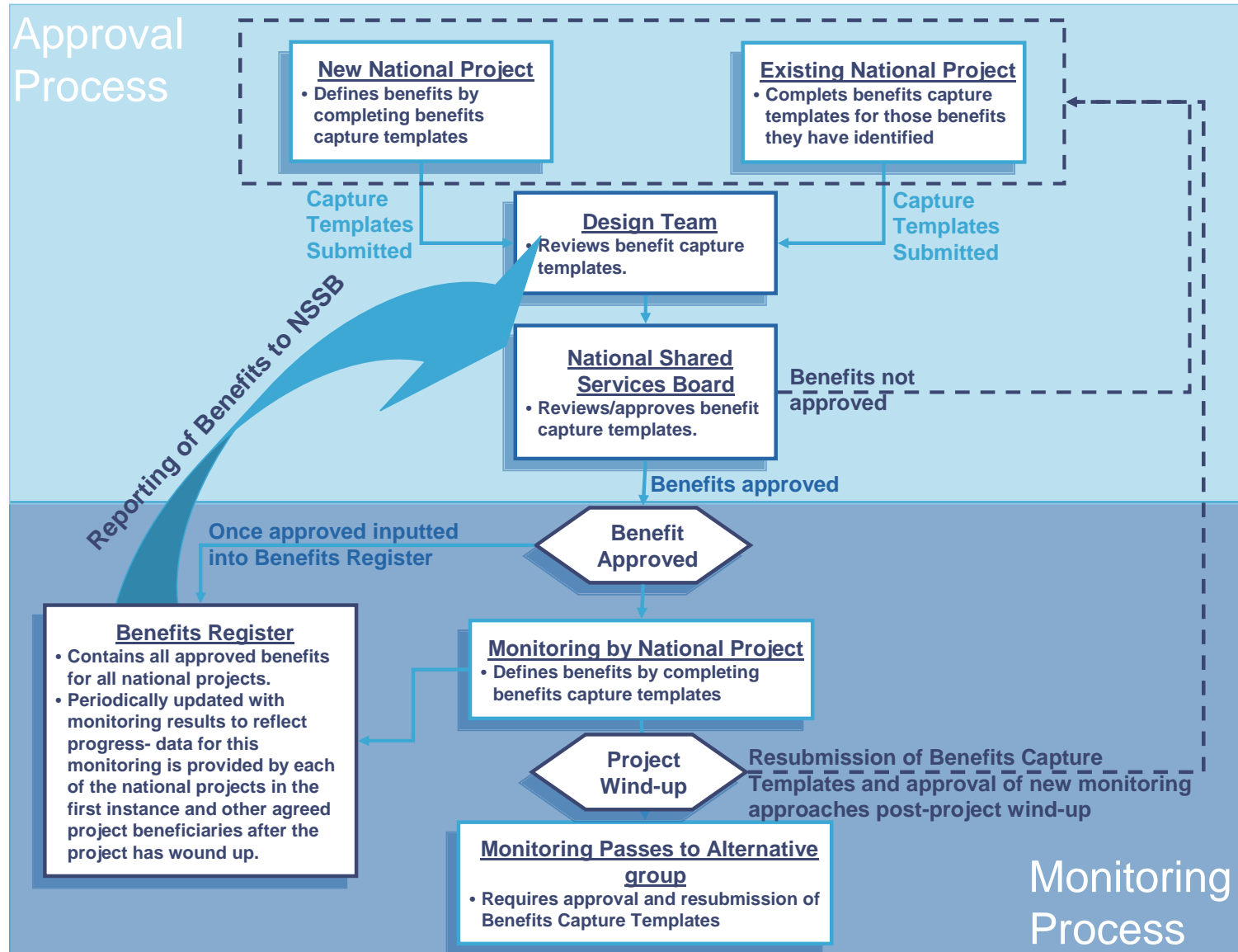
As noted previously, the timeframe for these benefits to be fully realised could be substantially longer than the timeframe of the project and in these instances it will be necessary for the benefits monitoring process to be passed on to individuals within the local authorities and other public sector institutions. This changeover process should be undertaken and managed by the individual projects as part of a formal project close down process. As with benefits approval, the migration of responsibility for these benefits will need to be approved through a two stage process involving the Design Team and the Board in a similar process to that identified above.

2.4 Benefits realisation in practice

In practise the benefits realisation process will begin with the approval process discussed in 2.3.1 above. All National projects will be required to submit Benefit Capture Templates for those benefits that they have identified and these will be ratified through this process. Once ratified the information in these templates will pass into a central Benefits Register which will not only provide a central repository of these Benefits, but also allow the monitoring of the progress of these benefits against the anticipated levels outlined in the business case and benefits capture templates. A representation of the Benefits Register can be seen in Appendix 3. The register will be maintained by the Design Team, but the information and monitoring information for each of these benefits will be undertaken by each of the National Projects in the first instance. Once each of the National Projects are completed the monitoring of benefits my still be required and this monitoring will pass to an agreed alternative. This transfer process will involve the formal resubmission of the benefits capture templates to identify who the responsibility for measuring these benefits will pass to and ensure that consistency in the monitoring process is maintained. Once these projects are completed and at the appropriate agreed milestones the knowledge and learning will be captured within the knowledge base and these submissions will be a necessary prerequisite for funding approval.

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Figure 6: Benefits realisation in process:



3 Governance and accountability

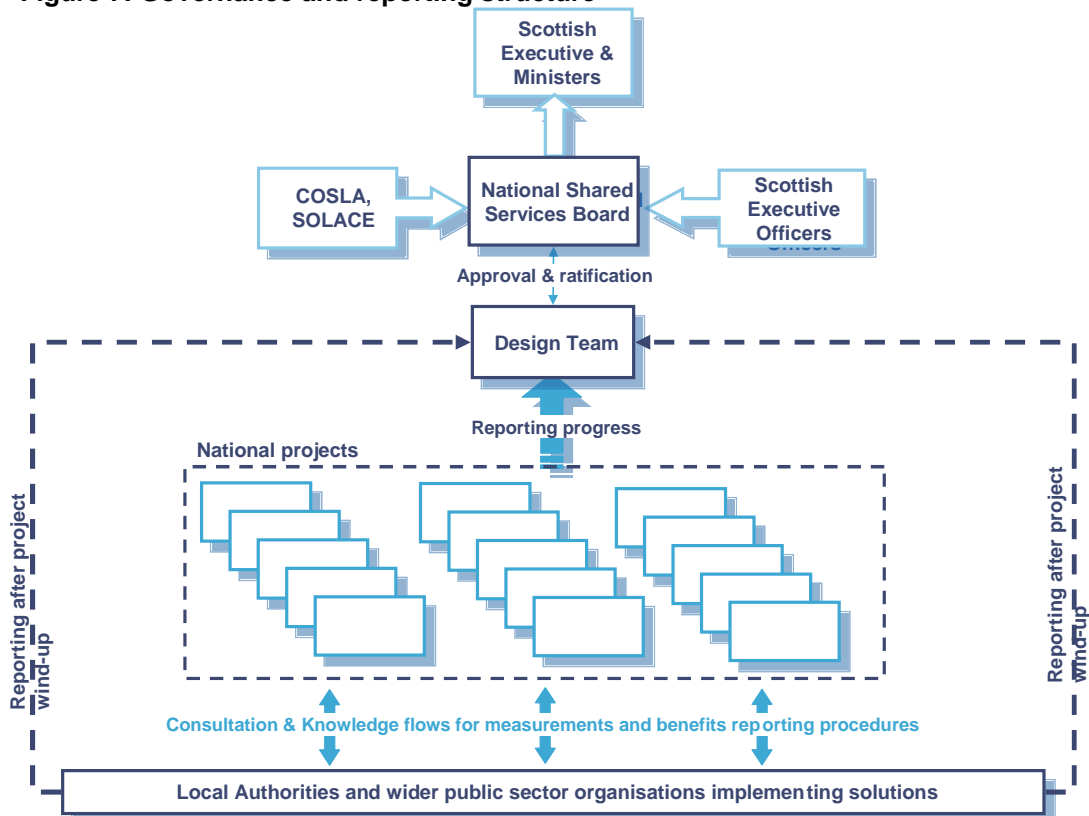
3.1 Governance structure

Ultimately the overall accountability for both the measures adopted and the reporting of those measures rests with the National Shared Services Board, on which representation is made of the Scottish Executive, COSLA and SOLACE. The Board will approve and ratify the measures to be adopted by each of the programmes and inspect these measurements.

This approval and monitoring process will involve two stages, as discussed previously, with the initial stage being undertaken by the Design Team who will form the primary point of contact for each of the programmes and distribute the benefits capture templates and provide first stage approval for the measures to be used before they are finally signed off by the NSSB. It will also act as the main point of contact for each of the national projects and will provide a national perspective for the Local Authorities and public sector agencies who are engaged in these projects, providing general assistance to each of the projects in their monitoring and benefits tracking procedures. In addition, the Design Team will have responsibility of reporting this progress to the National Shared Services Board and also for Quality Assurance of the measurements reported by these organisations. Ensuring correct and robust data is provided against these measures is paramount to the tracking of benefits and therefore a system of random checks against statistically significant samples with reasonable confidence levels will be introduced by the Design Team.

In the first instance the responsibility for tracking benefits will rest with each of the national projects who will also be responsible for providing the initial benefits directly through the benefit capture templates and linking these through a fully robust and defensible business case. Where these national projects are wound up before these benefits are fully realised a requirement of that winding up process will involve the transfer of this reporting responsibility to the local authorities and wider public sector organisations by the national projects. In addition, the national projects themselves will need to consider Best Value and other measurement arrangements within Local Authorities and ensure that the correct approach is taken both allowing effective measurement of these benefits through new methods and not creating unnecessary burdens for those involved by ensuring that wherever possible opportunities to use existing approaches in Best Value or other arrangements are fully utilised. The structure can be seen in the diagram below.

Figure 7: Governance and reporting structure



Apx. 1 Appendix 1- Benefits Capture Template

Benefit Id:	Project
Owner	Organisation
Classification	Economy
Title	
Description	
Benefit Measure Definition	
Benefit Source and Capture Mechanism	
Frequency of Benefit Capture	How Computed

Linked project & post implementation milestones:

Linked risks:

Linked assumptions:

Linked Dependencies:

Date Reviewed:

Notes:

Apx. 2 Appendix 2- Example Measures

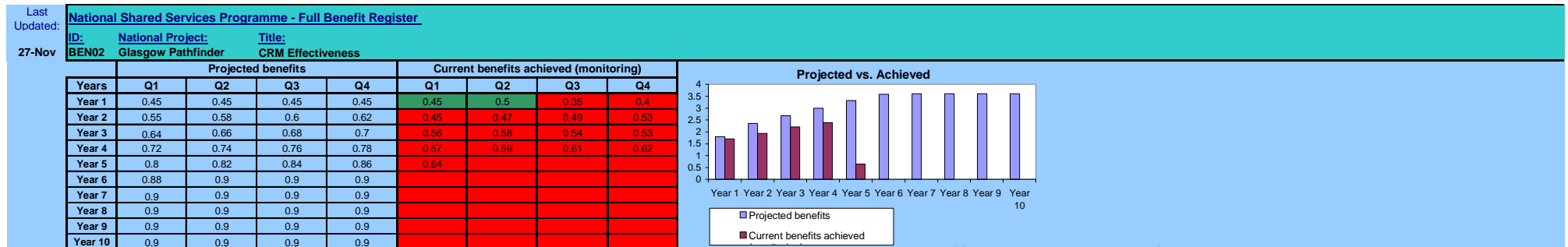
This appendix presents some example measures for tracking benefits which are amongst the Statutory Performance Indicators (SPIs) which are currently under development for efficient government. It also presents how they might fit into the three broad categories of economy, efficiency and effectiveness.

Table 1: Example benefit measures and how they might link to the broader benefit categories	
Benefit category	Example measures
'Economy'	TBC
'Efficiency'	<ul style="list-style-type: none"> • Unit cost of delivering services to Children; ▪ cost of “corporate management” as a percentage of total revenue budget; and ▪ average unit cost of repairs and maintenance per house.
'Effectiveness'	TBC

Improvement Service Benefits Framework

Apx. 3 Appendix 3- Benefits Register

Below is a visual representation of the Benefits Register.



ID	National Project	Benefit Title	Organisation	Benefit Description	3 E's identifier	Benefit Owner	Measure definition for benefit	Source data and capture mechanisms	Frequency of measurement	How computed/Calculation methodology	Linked project and post-implementation milestones	Linked risks	Linked assumptions
(Example) BEN01	Care Procurement	Procurement scale economies	Scottish Executive	Amount of cash saved through collective procurement (£'s)	Economy	Mr X	£'s saved from scale economies	Comparison with previous procurement data from all partners to identify the cost savings gained by pooling purchasing power for given purchases. Also	Monthly	X= (Total cost of procuring those activities in the Care sector which are now covered by the project amongst all project partners - New procurement costs of these things collectively) - Total cost of introducing the new procurement solution		State aid rules in relation to new joint procurement vehicle structure.	5% of costs can be saved overall through joint procurement.
(Example) BEN02	Glasgow Pathfinder	CRM Effectiveness	Glasgow	Satisfaction rating with their contact with local government via CRM.	Effectiveness	Mr Y	% of survey respondents stating that they are 'very' satisfied. (Contingent valuation).	Quarterly survey of customers.	Semi-Annually	Statistically significant survey of respondents in terms of quality of experience.			Assumption is that customers will have a more positive experience through the availability of information on one CRM system.
(Example) BEN03	Multi-Agency Shared Services	CRM Efficiencies	Clackmannanshire, Stirling, Falkirk, Fife & Perth & Kinross	Amount of time saved represented in £'s from the introduction of a CRM system	Efficiency	Project Manager	Amount of time saved through the introduction of CRM systems. In £'s.	Quarterly analysis of staff time and activity.	Quarterly	Analysis of staff time compared to a baseline.		The analysis of staff time needs to be robust.	Assumed that CRM systems provide information which allows customer issues to be resolved more quickly.