



news update

Welcome to the 26th edition of the best value consultancy news update. A monthly news sheet to keep clients and associate consultants informed of what we are undertaking and also our future projects

Drive for efficiency

Andy Mudd is the principal consultant at APSE. As Principal Consultant Andy heads up the APSE Best Value Consultancy and regularly undertakes consultancy work for local authorities and trade unions. Sample projects include Critical friend support to large Highways PFI scheme, reviews of environmental services and leisure service options appraisals.

APSE has a long history of belief in and promotion of continual improvement in local government service delivery. The consultancy side of APSE reflects this and has always adopted an evidence based, business case driven approach to its service review projects. This has typically involved the use of robust performance and cost data to help identify opportunities for improvement.

Now when Local Government is facing its biggest challenge in a generation this approach is more relevant than ever. Budgets are set to shrink but demand for services will remain. This may mean that councils could be forced into withdrawing from some service areas, but the core direct services that APSE has traditionally supported will be expected to continue to perform to a high standard.

Residents and their elected members will expect the streets to remain clean, the bins to be

emptied and their children's schools to be cleaned. Local authority leisure centres will still play a vital role in the health of our nation



whilst businesses will rely upon a properly maintained road network to get their goods to market. The state of local green spaces and the cleanliness of our streets come out near the top whenever people are asked to rank their priorities. This will not change as budget cuts bite.

Many of the private sector consultancies seem to think that outsourcing is the way to lower costs. But all things being equal it is difficult to see how a private company can save councils money whilst also making a profit for their shareholders. This is not to say that there is no role for private companies in public services but they are not a panacea and are not a substitute for effective performance management.

In fact if councils do not have a proper understanding of how well they are doing and, more importantly, how they can improve they cannot possibly know whether letting a contract with an external provider can deliver real savings. This is where the APSE consultancy can add real value. A typical service focussed review might involve

about 20 days work and cost a little over £10,000 but in most cases it will generate potential savings to the base budget many times greater than the consultancy fee.

APSE understands the value of public services, but because of its background in direct service delivery, it also understands the need for operational efficiency. The consultancy draws on the expertise of a large network of former practitioners who can often identify potential for saving that would be simply missed by the typical 'high level' analysis that underpins many so called transformation projects.



True transformation needs to build up from an operational level rather than be imposed from above but those working at that level also need to understand how what they do links to the delivery of high end objectives. Business planning in the public sector must ensure operational competitiveness but can never lose sight of the fact that the main driver behind it is social policy, not the pursuit of profit. This is what marks public service delivery out from the private service sector and why we must continue to measure the effectiveness of the services we provide by the extent to which they make a difference to the



lives of the people whose interest we ultimately serve. Yes we must be able to measure and minimise cost at an operational level but this will only contribute to the overall cost effectiveness of public service if it is done with a full appreciation of the public value of what we do.

Catering services review

APSE have just completed a value for money review of a member northern authority's catering services. The report aims to inform the decisions to be made regarding the ongoing delivery and



development of Catering Services currently provided by the Council's Internal Service Provider. This involved the longer term review of aspirations, planning for, strategic and procurement decisions to be made about the nature of catering environments and delivery required under the Council's agenda.

Whilst predominantly commissioned to inform the short term decisions (value for money in the current service) for all stakeholders, the review touched upon issues which may impact upon the 'capacity' of the internal provider, to meet the future service requirements of the Council. It seeks to measure the direct service delivery offer by the internal provider against national benchmarks / best practice in this area, set against direct observation of service delivery standards and consultation with key stakeholders and service users.

Housing maintenance contract – health check

A northern authority has engaged



an APSE consultant to carry out a review of their procurement to ensure that the model adopted ensures a well run and efficient model of delivery.

This will include:

- Performance analysis
- Business process analysis
- Comparative information
- Report and presentation

Streetscene and parks interim manager

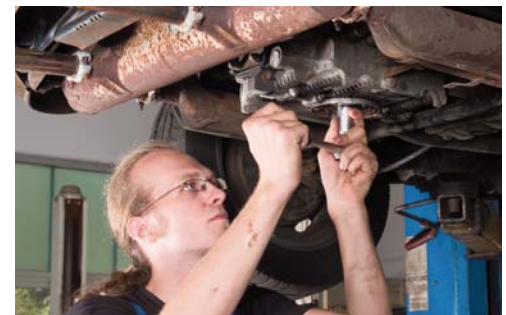
An APSE interim manager has been working at a member authority to transform their streetscene service. This has been very successful, and is now coming to an end. The interim manager has recruited three new transport managers who are due to start by the end of September. He is also writing a Service Improvement Plan for the future. There has already been improvement in the service with lots of positive feedback from the communitiy.

Vehicle maintenance review

APSE have recently completed a review of a London Borough's in-house Vehicle Maintenance Services. Most of the work was conducted as a desk top exercise from information provided by the

Council and the primary objectives of the review were to assess the competitiveness, service performance and management of the Council's vehicle maintenance services.

Based upon a benchmarking exercise using a range of vehicle maintenance performance indicators, APSE assessed that a high level of performance is being achieved but that vehicle maintenance staffing levels are under resourced.



Procurement support

APSE have been appointed by a London Borough to provide procurement and contract review support during the procurement process in street scene. The authority has noted that they have a skill gap in this area and are using APSE's expertise to review contract documents and assist in our procurement process.

To find out more about how the consultancy can help you, contact:

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