



news update

Welcome to the 22nd 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

APSE consultancy and transformation

Andy Mudd is the principal consultant at APSE. As Principal Consultant Andy heads up the APSE Best Value Consultancy and is responsible for the overall management and strategic direction of the service. In addition he is the Association's main direct consultancy resource.



APSE's background in helping service deliverers handle competition goes right back to the days of CCT. This experience has never been more relevant than it is today. Local Government along with the rest of the public sector is expected to face unprecedented pressure to deliver more for the same or most likely more for less.

In the face of this pressure many Councils are adopting strategies aimed at 'transforming' the way they deliver services. In many cases this also means examining whether private sector providers can offer savings over in-house provision. All too often this is a 'high level' exercise based on a handful of crude performance indicators and a general assumption that externalisation = cost savings.

APSE believes that in-house services can always be improved and in most cases should be more cost effective than private contractors. This is not to say that there is no place for contractors

but it is difficult to see how, all other things being equal, a service delivered for profit can work out cheaper than direct provision. The difficulty of course is being certain that all other things are equal and that services are as efficient and cost effective as possible.

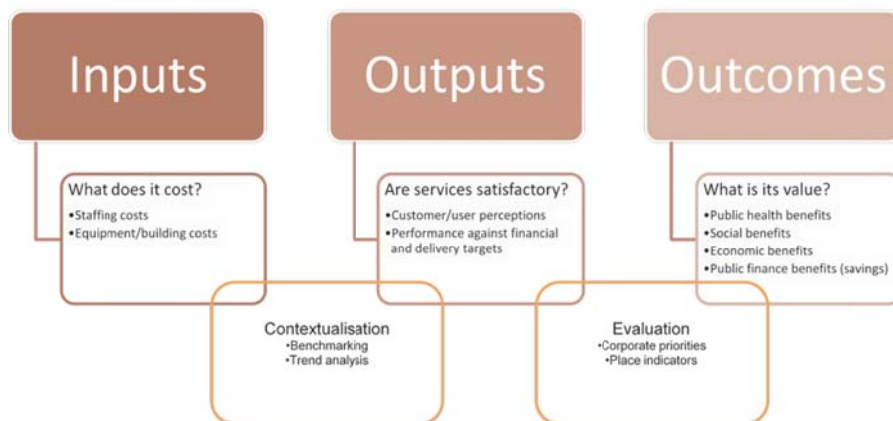
This is where the best value consultancy comes in. We have carried out hundreds of service reviews over the past few years and in virtually all cases have been able to recommend changes that will deliver both service improvement and cost savings. This is valuable in itself but what we have also been able to do is to feed useful data into high level option appraisals to ensure that when the comparison is made with alternative providers it is done on the basis of a proper understanding of current performance and cost effectiveness. Elected members who have to make a final decision about how to provide services must have access to robust information about actual performance and cost. Where they are not given such data the decision they make will inevitably be a leap in the dark.

Even whilst local government is facing up to post recession budget pressure it

is vital that it does not lose sight of the fact that the services it provides are part of overall social policy provision. To view individual service areas as simple cost centres that can be cut without considering wider issues of public value could be counterproductive.

This is something that goes well beyond Council services themselves. It is for example not difficult to establish a more or less direct relationship between street lighting and crime levels. Switching off the lights to save money would be a false economy if it led to an increase in crime, especially since the costs of the criminal justice system far outweigh those of street lighting. Similarly, increasing the price of a school meal might help balance the school catering budget but if it deters children from eating healthily the long term costs to health and the economy would make this a poor choice in terms of public value.

The diagram below shows how cost, price and value all need to be taken into account in our ongoing efforts to square the circle of reducing budgets and maintaining vital services.





Member services review

APSE have just been appointed to conduct a review in Northern Ireland of two councils' member services in preparation for their merger under reorganisation. As part of preparing for merger the authorities need to develop a detailed picture of how the two councils currently operate from which it will be possible to begin to plan how the new authority will build upon current performance to deliver best value under the new arrangements. This review will identify and evaluate current models of best practice in the provision of support services for elected members, providing case study evidence as appropriate. APSE will identify a proposed model of best practice to be introduced in the coming months.

In house catering review

APSE have been appointed by a member Welsh authority and is undertaking a review of its in-house catering services. The main aim of the review is to consider if the service could be better provided externally. The review is covering all aspects of the catering service and is



utilising a range of APSE resources, including performance networks benchmarking data and online survey collection. The review is evaluating existing provision against established and identifiable service objectives and exploring options for the future. An action

plan and risk register will developed in relation to preferred options.

Housing association cleaning specification

APSE are currently working with a housing association to develop a detailed specification to allow the Housing Association to undertake an options appraisal for a full block and communal area cleaning contract. APSE are benchmarking the existing service with other organisations through performance network benchmarking data. This week APSE consultants will be on site to undertake consultation with tenants through user groups



together elected members, officers and local authority trade unions in an equal relationship. This has a knock on benefit to the consultancy in that it is able to add value to projects from its understanding of trade union concerns. In many cases it has been called upon by councils undertaking complex procurement to aid with effective consultation through the provision of advice to trade unions and critical friend support to the procuring authority.

If you would like to find out more about how the consultancy can help you please contact Andy Mudd on 0161 772 1810 or amudd@apse.org.uk

Superloos procurement interim management

An APSE interim manager has just successfully completed a project where he project managed changes to the authority's public toilet provisions. This has included finalising and advising on the scope of the facilities to be provided in the superloos and the operational / maintenance services, creating the specification, reviewing the tender documents, and evaluating the tenders.

APSE report analysis

APSE has been asked by UNISON to examine and comment on a report from private consultancy firm written for a Borough Council into the options for the Council's Direct Labour Organisation. The analysis contained within this short report is intended to assist local UNISON members to engage constructively with the options appraisal process. It is not intended as a critique of the work undertaken.

APSE is unique in that it brings

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

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