



# news update

Welcome to the latest edition of the best value consultancy news update. This issue specifically deals with recent APSE consultancy work

## APSE reviews identify £28 million savings this year

- Value for money • Efficiency savings • Economic footprint • Shared services • Renewable energy • Work study • Coaching and mentoring • Charging and trading • Process benchmarking • Diagnostic workshops • Lean thinking • Service transformation • Interim management

With the severe cuts to local government affecting all APSE members, this year the consultancy has focused on developing its offer around service redesign based on efficient and effective service delivery. This allows APSE to meet the needs of member authorities and play a constructive part in maintaining public services during the period of austerity. The consultancy team have consequently helped APSE member authorities to achieve even greater value for money by tackling inefficiencies and productivity.

A number of projects are utilising the consultancy expertise, ranging from single service redesign to large 20 service projects. In total the consultancy has undertaken 98 consultancy projects this year and, where the onus is on efficiency savings, anticipates saving authorities on average 20% on their budgets.

The consultancy has undertaken work in England, Northern Ireland, Scotland and Wales, as well as a two day seminar in Malaysia, delivered by Principal Consultant Andy Mudd. Although our primary focus has

been on frontline services, we are also undertaking work in health, education, finance, laundry, HR, careers and member services.

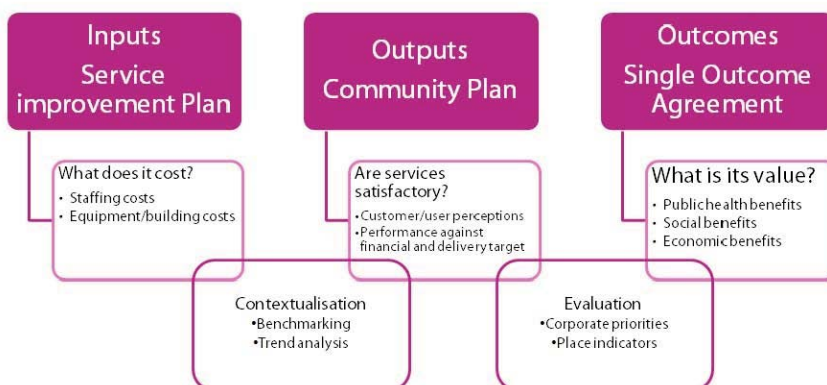
APSE has been working to adapt Lean Six Sigma tools and techniques for the public sector environment. The consultancy uses lean tools and techniques because they work but it is APSE's extensive knowledge of public service delivery that marks its approach out from private consultancies. It is imperative that we never forget the fact that the main driver behind public service delivery is social policy.

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.

Most projects now start with a diagnostic workshop. This has been one way in which the consultancy has successfully been able to work with councils to identify effective ways to improve processes within services, identify benefits of holistic working and realise efficiency savings. A diagnostic workshop is undertaken using the principles of lean thinking that APSE has adapted for local authorities.

Another significant area of development has been in terms of





## Further information

Earlier in the year APSE produced a booklet 'Efficiency and Service Transformation Case Studies' highlighting the savings realised for member authorities. In addition to this APSE interim solutions has produced a guide to interim management in local government. Please contact Alex Gardiner if you would like a free copy of either booklet.



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

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<http://www.apse.org.uk/interim.asp>

renewable energy projects and

APSE is working with a range of councils to progress Solar PV projects. This has ranged from delivering workshops, to assessing tenders, to assisting with councils' business plans. In another authority APSE is developing wind turbine technology.

The consultancy has continued to deliver process benchmarking in a large number of authorities in Scotland. This includes Building Maintenance project (now 19 authorities); Parks, Grounds and Street Cleansing group (14 authorities participating); Roads and Street Lighting group (11 authorities participating); and Waste Management and Recycling Group (10 authorities participating).

In the coming year APSE anticipates that authorities will have to look to ever more resourceful solutions to save money.

## What options are you looking at?

APSE has spent the past year helping local authorities to deliver high quality services for less money. 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.

We are proud to have identified about £28 million of savings in projects through service transformation in the past year. By looking at a process from end to end APSE is able to draw out the key processes and procedure, and eliminate the unnecessary.

In our survey earlier this year, APSE asked local authorities 'What options will you consider if the service fails to meet demand in the coming months?'

8. What options will you consider if the service fails to meet demand in the coming months? Please tick as many as apply.

Option	Response Percent
Use of overtime	32.1%
Reduction in service	67.9%
Use of agency staff	30.8%
Outsourcing	41.0%
Management Buy Out / Mutual or Cooperative	10.3%
Remaining staff to work harder and smarter	73.1%
Find further service efficiencies through redesign/shared services etc	84.6%
Different/improved methods of procurement	39.7%

The results are copied below, and about 85% believe that they will need to find further service efficiencies through redesign, shared services etc. 41% of respondents identified outsourcing. Whatever solution councils adopt, APSE will be able to help ensure that the impact on vital public services is minimised.