

## Surviving in the local government 'Hurt Locker'

Reading press reports about Kathryn Bigelow's film 'The Hurt Locker' scooping six Oscars at the 82<sup>nd</sup> Academy Awards ceremony set me wondering what the term actually means. A quick check on Google gave me the following definition 'a period of immense, inescapable physical or emotional pain'. What an appropriate analogy then for the next few years in local government.

With Treasury figures suggesting public expenditure is likely to represent a 49% share of gross domestic product by the end of 2010, whoever wins the general election will be faced with some dramatic choices on public finances - ironically in order to help claw back the £176b deficit created by bankers.

Depending on who you listen to, this could mean cuts to local government budgets of up to 30%. But for arguments sake let's say 15%. How are we going to achieve this? Well again it depends on who you listen to.

The CBI would suggest the answer is in outsourcing more services. Although having sat on the Government's Strategic Partnership Taskforce for two years, reviewed Deloitte's 2005 report on why so many American 'Blue Chip' companies were insourcing after outsourcing firms failed to deliver their promises and seen compelling evidence in APSE's own research on why over 50 local authorities had brought services back in-house, I have yet to see tangible evidence to support this strategy.

Some are looking at arm's length companies, shared services and joint working and certainly the evidence from the 'Total Place' pilots suggests 15% savings could be achieved by this approach. I would, however, like to see more detailed evaluation of the findings completed prior to any roll-out en masse.

Others argue that systems and lean thinking are the route to transforming services. This has some merit. But it has to be placed in the context of the need for openness and transparency in local government and therefore has to be evidence-based through robust local performance management frameworks. It has to be part of a wider on-going improvement framework led by elected members, such as that outlined in APSE's 'competitiveness continuum' model.

Local government is also likely to raise more in future through trading and charging than the £11b reported at present in the Audit Commission's 'Positively Charged'.

The Government-appointed 'Frontline First Taskforce' has called for a combination of most of these approaches and ultimately local politicians will look at their local context and make policy decisions of where to make savings to suit their own local circumstances.

Bringing this back to the 'Hurt Locker', the parallels with a story about an explosive ordnance disposal unit are not lost on me.

Paul O'Brien is Chief Executive of the Association for Public Service Excellence (APSE)