



Efficiency

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NIC PATON SUPPLEMENT EDITOR

You don't need me to reiterate the scale of the efficiency and cost-control challenges facing local authorities between now and 2015-16; for anyone working at executive level within local government, December's Local Government Finance Settlement is probably by now seared into the brain.

To an extent this special supplement is straddling two, interconnected themes. It is, of course, branded 'efficiency' and, as such, the tools, processes and strategies councils are putting in place to become, and stay, more efficient are its key focus. As our reporter Mark Smulian has argued, while many techniques for driving efficiency are now 'tried and tested' and will undoubtedly continue to serve councils well, the ever-tougher choices having to be made as we move through the austerity cycle means local authorities are having to look at other approaches, such as demand management, co-production and, more fundamentally, revisiting the idea of unitaries.

Capita has highlighted in its chapter how there are a number of efficiency 'levers' that councils can still pull – even if they have pulled them before – that can be effective when it comes to achieving even deeper cost efficiencies. Northgate Public Services has shown how partnering, hardly of course a new solution when it comes to efficiency, still very much has a place and purpose in creating more efficient councils, but the relationship between private and public sector partners is now subtly evolving.

Technology company Upshot has focused in on the importance of data management – in effect if you can't follow and measure it you can't make it more efficient – and how its online tool created originally for the Football Foundation is now bringing value to local government. Last, but definitely not least, Scape has emphasised how its Major Works framework is helping local government, in particular in this supplement Liverpool City Council, transform its schools' estate.

And that brings me to what is arguably the second theme of this supplement: transformation. Technically of course, LGC is set to publish a transformation supplement later this year and there are, I appreciate, significant differences between effecting change through large-scale transformation programmes and effecting change through ongoing efficiency drives. But, for me certainly, one of the messages coming out of this supplement is how the edges between efficiency and transformation are increasingly blurring. The solutions councils are using to drive and achieve efficiency are more and more innovative and transformative, as they have to be. Efficiency is, and will remain, a distinct and important priority for local authorities going forward but, increasingly, the result is also transformational.

The chapters

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Mark Smulian says local authorities are having to look harder than ever to seek out alternative ways to drive efficiencies, including approaches such as demand management, co-production and revisiting the idea of unitaries *p4-5*



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Nic Paton explains how Scape's Major Works framework is helping Liverpool City Council to transform its schools' estate quicker and more cheaply than it could have done under the scrapped Building Schools for the Future programme *p18-19*

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Focus on the bigger

MARK SMULIAN says local authorities are having to look harder than ever to seek out alternative ways to drive efficiencies

Having gathered several entire orchards of low-hanging fruit, councils are now looking around for ways to keep driving efficiency savings in a financial climate where there seems no end in sight to their financial woes, no matter who wins next year's general election.

But now there is a feeling the techniques that have served local government well since cuts bit in 2010 are running out of road, and other approaches are needed.

One such approach – much discussed but little implemented – is to reduce demand for services through changing the behaviour of the general public.

Put simply, if people use public services less often because they can be encouraged to do more for themselves – or each other – the cost of providing services ought to fall.

And with residents having looked for decades to 'the council' to lay on a vast range of services it will be little use – and politically rather brave – to just announce their discontinuation.

Instead, public behaviour and expectations will have to be changed and some attempts are under way to work out how this might be done.

Another approach will have a familiar ring for anyone who was around local government in the mid-2000s.

Reorganisation of councils as unitary counties made some progress then but stalled amid controversy and then stopped when the coalition proved to have little enthusiasm for the idea.

Now it's back, coming not – as it did previously – from Whitehall but from some counties concluding that reorganisation would be a realistic route to large savings.

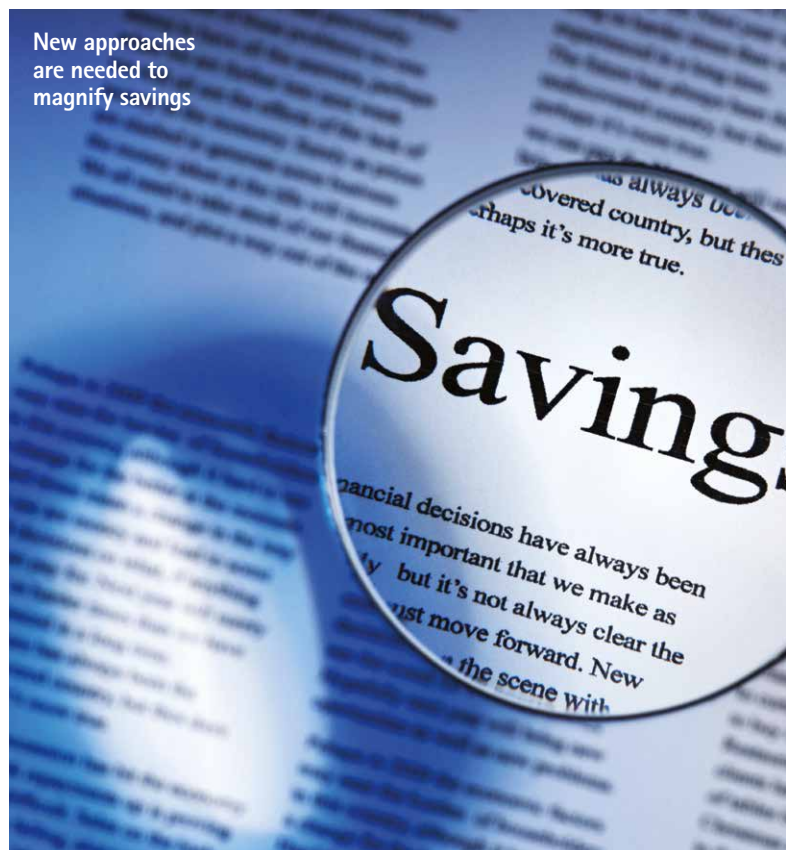
This summer's LGA conference is expected to see the launch of a 'how to' guide to demand management, building on work the organisation has done with the RSA think-tank and iMPOWER.

Their earlier report, *Managing Demand: Building Future Public Services*, argued that most politicians and senior officers are aware that current strategies aimed at reducing services or achieving greater efficiencies are not a long-term answer to the demands of an ageing society or the challenge of public sector austerity. Relatively few, though, had done a great deal about this.

It urged them to build a deeper insight into residents' and communities' "needs, wants and aspirations" and to apply 'nudge' techniques to change behaviour in areas as diverse as recycling, school transport and adoption.

Joe Simpson, director of the Local Government Leadership Centre, explains: "The real challenges do not lie in different parts of the

New approaches are needed to magnify savings



“It's not just a question of efficiency, it needs a hearts-and-minds strategy to win public support for the sort of efficiency measures that will be needed
Joe Simpson, director, Local Government Leadership Centre

public sector becoming a bit more efficient, but in how does the public sector reconfigure.

“It's not just a question of efficiency, it needs a hearts-and-minds strategy to win public support for the sort of efficiency measures that will be needed.

“The public needs to be shown the reasons for the changes needed to deliver efficiency, which will fail if they are not engaged.”

Mr Simpson says it was understandable that two years ago everyone in local government rushed to balance the books, but “belt-tightening does not solve things beyond that”.

As an illustration of the way demand for services

savings picture



could be reduced he suggests measures to stem the onset of disability as life expectancy grows.

“Could you improve quality of life by looking at diet and exercise among those in their 50s, which would help them avoid disability and demand for services later in life?” he asks.

“That has very little to do with adult social care or the NHS but could be tremendously important.”

Catherine Staite, director of the Institute of Local Government Studies (Inlogov) at the University of Birmingham, also thinks councils have largely exhausted the possibilities of efficiency drives and need to look to demand management.

But how? “The problem with most behaviour change is that it is a top-down exercise in manipulating people’s behaviour,” she says.

“It needs far more attention to the bigger picture and you cannot say that any one thing is the right answer.

“We need to create more space for thinking or you may end up cutting the wrong thing.”

In an Inlogov paper last autumn she concluded: “It may be possible to change people’s behaviours in the short term through some combination of ‘carrot’ and ‘stick’, [but] longer term sustainable attitudinal change requires some very different approaches, including public service providers understanding the potential of co-production.”

Co-production – the idea that professionals and residents should make better use of each other’s assets, resources and contributions to achieve better outcomes and improved efficiency – has been around a while and interest is now being driven by “the increasing realisation among policy makers and service providers that the production and consumption of many services are inseparable, as well as the need to build capacity and reduce dependency”, Ms Staite noted.

The unitary debate went quiet when communities and local government secretary Eric Pickles stopped the proposed unitary reorganisations in Devon and Norfolk in one of his first acts on taking office. It resurfaced when

Leicestershire CC leader Nick Rushton (Con) commissioned a report in February on the savings that would be offered by a county unitary operating in place of the existing seven districts.

This found some £31.4m a year could be saved by having a unitary council, though Cllr Rushton has said: “There is no agenda here; it’s just that we have a funding gap opening and the districts are not as badly off.

“I can cope with the spending pressures from highways and transport and the rest but not with adult social care, children’s services and public health.”

In Warwickshire, the county council’s unitary proposal has received a thumbs down from all but one of the five districts, despite predicting savings of £17m a year.

This report pointed to the £15.6m average annual savings achieved by the county unitaries created in the mid-2000s in Cornwall, Durham, Northumberland, Shropshire and Wiltshire.

Ms Staite says: “There are savings from unitaries but it is a very costly thing to do with redundancies and changes to terms in the short term, though it should lead to economies of scale.”

Shadow Treasury chief secretary Chris Leslie, who previously ran the New Local Government Network think-tank, has implied that a Labour government would revive the idea of unitary reorganisation.

He has praised the earlier generation of unitaries and told the Social Market Foundation: “The government and Whitehall

should be doing more to empower local councils, like Warwickshire or Leicestershire at county level, who see from the bottom up the benefits of collaboration and who are actively debating whether to come together.

“This should also include small district councils who are facing the greatest financial pressures of all.”

Mr Leslie’s remarks were instantly denounced by local government minister Brandon Lewis, who said he had no interest in top-down reorganisation.

But Leicestershire and Warwickshire would no doubt argue that their plans are bottom-up ones; nobody in Whitehall told them to explore the concept.

Local government commentator Tony Travers, of the London School of Economics, says: “Civil servants and ministers will think that fewer and larger councils will be more efficient though the evidence for that is rather thin.

“With the budget pressures on districts it is almost inevitable that somebody will suggest it.”

He warns though that a new generation of county unitaries would make some of the current urban unitaries look rather small, possibly encouraging further calls for reorganisation.

It’s possible that political inertia or public opposition will mean none of this happens, but would it be wise to bet against new unitaries attempting a few years from now to manage down demand and change public behaviour?



COMMENT

CARL BROOKS

Local government market director,
Capita's consulting business


Closing the gap – identifying the efficiency levers that councils need to be pulling

Our sector faces generation-defining challenges. By 2018, many organisations will have a third to a half of the resource base they had eight years ago, yet are still broadly expected to deliver the same range of services; they are needing to design new operating environments; they need to be creating and exploiting innovative alternative delivery models.

We're seeing commissioning councils, co-operative councils, commercial councils, spin outs, mutuals, local authority trading companies, flexible outsourcing, joint ventures, strategic partnerships, to name but a few. All of these are, quite rightly, now on the table for debate, almost irrespective of the history, heritage, culture or politics of any given council. Transformation and innovation are seen as the only games in town, albeit deadly serious ones given the scale of the challenges faced.

Local authorities have undoubtedly risen to the challenge of the government's efficiency and austerity agenda since 2010. But, with the spending climate set only to get tougher, alongside wider big ticket transformation programmes, councils need to re-evaluate what efficiency levers work best when pulled, and what actions will have the most effect in the medium to long term.

At Capita's consulting business we've been working alongside clients as varied as Nottinghamshire CC, States of Guernsey (as we highlight overleaf) and Hounslow LBC to identify the sorts of opportunities – the levers – that can be used to help close the looming budget challenge gap facing many councils beyond 2015. This is the gap between how to protect priority service levels while continuing to provide a

 It is more than likely that you will recognise some of the levers and have pulled them before, perhaps many times; it may simply be that in the coming years they need to be pulled harder or more frequently

level of assurance that current initiatives will deliver more immediate benefits. We are having really innovative conversations around how councils can better link customer insight to demand management to create alternative delivery models to better deliver social value.

Councils we work with recognise that, while they need to continue to look hard at run-of-the-mill, traditional cost reduction – and probably always will – this is no longer going to be enough; new income-enhancing techniques and more innovative solutions are going to be needed to meet the challenges of the years to come.

That, of course, is the wider theme of this supplement: the efficiency challenges councils are facing now, to 2015-16, and beyond. Against this backdrop, the lines between efficiency and transformation begin to blur; where does efficiency tip over into transformation and vice versa;

what are and what should be the connectives between the two?

There is a fascinating debate to be had here, but what this chapter is keener to focus on is pragmatism around efficiency – the things you can do, the levers you can pull to make your council more efficient – and then, in turn, stimulate debates around innovation and transformation.

What practical, no-nonsense things in the current climate will make a real difference when it comes to driving efficiency and change? What is going to help councils square the ever tighter circle of demand and community expectation versus budget squeeze? Is there, too, a combination of levers that can be pulled that will give you added momentum and help meet those eye-watering efficiency targets?

Some of our levers, we appreciate, will not be new; some may well verge on restating the obvious. We offer no apologies for this as, arguably, when it comes to efficiency, reiterating, reminding and constantly hammering home the obvious is often no bad thing.

It is more than likely that you will recognise some of the levers and have pulled them before, perhaps many times; it may simply be that in the coming years they need to be pulled harder or more frequently. Other levers may have been ruled out previously because they were deemed too hard or too unpalatable but, as the climate hardens, so too must the decision-making process.

Finally, like any 'top 10' our list this is not designed to be exhaustive and will probably (hopefully) spark some debate and discussion. We – and LGC – would love to hear your views.

FOREWORD SUPPLIED BY CAPITA

A helping hand to drive efficiencies

ANDREW THEEDOM and **DAN LORD** explain the top 10 efficiency levers that councils can pull to help them meet their efficiency targets



1 Just do it. It is time to dust off initiatives and projects that have been lying on shelves because they were in the 'too difficult' box. Obviously there might have been legitimate reasons why these were not pursued in the past, but times have changed and the change and economic arguments will have changed too. Given some of the difficult decisions now facing members, what was previously unpalatable may well be acceptable now.

In our experience, these initiatives often have the dual vision of being more economic while still delivering cost efficiencies. It is also worth considering whether some current projects can be pushed even harder to deliver benefits beyond what was originally envisaged?

2 Vacancy factors. In keeping with all the levers on this list, it is likely that finance directors will already have scoured the budget book for unfilled vacancies to withdraw the unused funding. However, in our experience without reviewing this every year, based on the previous year's out-turn, there

may still be room to trim. Changes on the ground, and in the priorities of each service area, will create new conditions each year that require further examination and action.

3 Decommission. Commissioning activities are becoming more effective and widespread. As commissioners focus on the outcomes sought from service interventions, one opportunity may be overlooked: the opportunity

to decommission, to stop services and activities that are no longer required or make questionable contributions to objectives.

These are likely to be areas of activity that attract greater attention than their cost or impact might justify, but in the 'age of austerity' – and when such activities are not priorities – can their continuation be justified?

4 Insight-led debt recovery. Councils, prudently and correctly, write off

huge amounts of apparently unrecoverable debt. But, just because it has been written off in the past doesn't mean you can't use the emerging insight and analytical tools to pursue some potentially recoverable debt from those who can and should be able to pay it.

Our experience is this debt is held in many and various unconnected systems and there is an investment case to be made

continued overleaf ▶



Pulling power: councils can still hit the savings jackpot

for connecting up the data to get a single view of debt at an individual level, matching it to economic circumstances and pursuing those who should pay.

Importantly, there can be a strong link in this area to the welfare agenda, potentially facilitating early intervention with debt advice and other preventative measures that can affect demand presenting to the council front door.

5 Performance management, particularly around cash expenditure.

Many councils are seeking to become more commercial. In our view this should not be just about looking at creating vehicles that can trade, finding more activities for which fees and charges

can be collected and increasing the income for those services that are already charged.

Becoming more commercial is about managing the internal operating model with a more commercial mindset. We know not all private sector thinking is easily transported across the sectoral divide, and that public sector balanced scorecards will always be more focused on people and place outcomes.

But the finance quadrant of the scorecard needs re-engineering in many places. Hold delivery units vigorously to account for their costs (as opposed to their budgets), but free them to do what it takes to deliver priority outcomes.

6 Understand your middle office. The middle office concept is not one we hear very often in the local government sector. This is all about professional administration, which is often conducted separately in the traditional service blocks. While this is done rightly in many cases, our experience is that there are many synergistic tasks – for example internal advisory functions (finance, HR), business support and administration, rules-driven assessment, inspection, and so on.

Many of these skills can be centralised and consolidated and often moved to a self-service-style or other technology enhanced approach. There is a potential benefit of

creating a professional esprit de corps for these important jobs in a centre of excellence that creates its own career paths. If the activity isn't in either your customer service centre or hasn't been centralised around efficiently run, common, repetitive tasks, ask yourself why not?

7 Take a close, objective look at the asset register. Often there can be political motivations to hold on to unused land, or vacant buildings; or a busy operational layout and lack of clear information can prevent service officers from understanding the true potential for consolidation. Our experience has shown there can sometimes be large

CASE STUDY: STATES OF GUERNSEY

EDDIE PINKARD explains how Capita is helping Guernsey to achieve significant savings



As an organisation, States of Guernsey is responsible for delivering all of the services provided by UK local and central government, with the exception of defence. The drive for efficient, effective and sustainable services, through the initiation of a financial transformation programme, affects all these services, increasing the complexity of change initiatives and requiring us to work across the full breadth of government.

Having successfully put in place the infrastructure for such a programme and setting up and staffing a project management office,

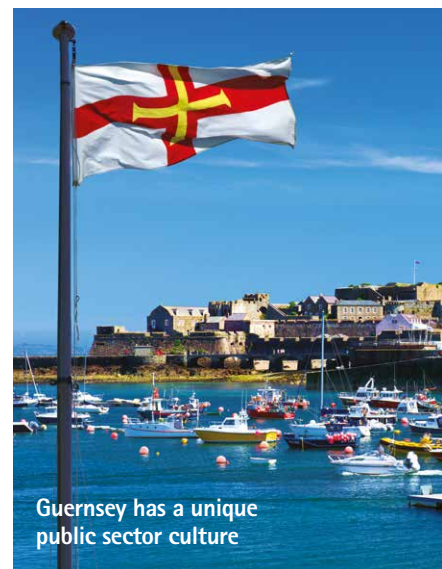
the joint Capita/States of Guernsey programme team has delivered a range of enabling projects that have improved financial rigour and performance. These teams have also completed a range of efficiency projects, releasing more than £24m of annually recurring revenue savings. With a further £8m of annually recurring savings forecast this year, the programme remains on track to exceed its recurring savings target of £31m by its conclusion in 2014.

Guernsey's history, traditions and sustained prosperity have created a unique public sector culture.

Our consultants quickly recognised that, with a different perspective from the UK public sector, the client teams did not have the same reference points and drivers regarding value for money and efficiency. In this environment we had to rethink many traditional approaches that take these concepts as their starting point. Working with the client teams, we had to break each approach down to its component parts and ask fundamental questions as to whether it could be made to work in Guernsey.

Initiating and driving a programme of this nature in an organisation as complex as States of Guernsey, with its unique operational environment and culture, has been particularly challenging.

Despite the clear need for



Guernsey has a unique public sector culture

action, political approval for the programme and sponsorship by key civil servants, the organisation was completely unprepared for the strain its

rewards to gain in understanding the full layout of assets across the region of an authority, and how they continue to be matched with ever-streamlined services.

A fresh perspective might also be to challenge the effective opportunity cost of the capital investments and the returns they yield versus the budget reductions and improvements – potentially leading to further savings – that could be made elsewhere in the system.

8 Regular review and refinement of direct payment under spend in social care.

Solid processes and good training are key to ensuring that unspent cash is reclaimed from citizens' accounts, enabling it to be

redeployed to more needy areas in the next period. We have often seen that dedicating a team to the task, and ensuring comprehensive cross-training and the sharing of best practice yields the best and most consistent results.

As an opportunity for further improvement, we are still yet to see an adaptive system that links repetitive underspending habits to an attenuation of personal budgets, solving the root cause and taking the excess out of circulation.

9 Reduce the lag to complete financial assessments and minimise lost income.

Taking the example of social care, delays in either the workflow of social

workers or the finance team can lead to prolonged periods before income is claimed for services that means-tested citizens should rightly pay for.

With the shadow of judicial review cast over a convoluted landscape of legislation and policy, the simplest way to minimise lost income in most cases is to reduce the lag rather than rely on back-charging for care. A streamlined team with a robust process that achieves this well can be the model for any accounts receivable payment.

10 Ensure technology enhancement follows through to benefit delivery.

Many councils have invested heavily

over recent years in mobile/agile working, electronic document and records management software and other hardware and software system improvements that are heralded to improve workflow and/or increase efficiency.

Yet few deliver the maximum potential of benefits they could release – either missing the full breadth of them during business case creation, or losing them in the complicated implementation of IT as timescales slip and original scopes expand. A decrease in footprint, headcount and middle and back office supply costs can all be valid expectations, with many other positive knock-on impacts.

Andrew Theedom and Dan Lord are local government directors at Capita's consulting business

implementation would place on it.

As a result, the early attempts to make progress were often frustrated by a lack of clarity around governance, a paucity of baseline information and resistance from staff. An assumption existed that there was a universal recognition of the need for change and an understanding of the change journey that had commenced.

Unfortunately this assumption was misplaced and this had a significant impact on the performance of the programme. It became clear that building and reinforcing the foundations required to successfully deliver the larger-scale transformation work would take longer than anticipated. As a result, most of the

savings from these cross-organisational initiatives would not be released before the programme finished at the end of 2014.

The organisation remained committed to its more ambitious, transformational activity, but accepted it wasn't going to release significant savings in the short term; a different approach was required.

The solution to this problem used several of the 'top 10 levers' described in this chapter but the biggest contributions came from 'Just do it'. The revised approach worked on the principle that the departments knew their business best and were best placed to rapidly deliver small to medium scale initiatives specific in their portfolios. Pre-determined savings targets were removed from

each department's budget and departments were challenged and empowered to identify the initiatives that would enable them to stay within their cash limits.

Departments were able to access external resources to support the delivery of these initiatives and the process has seen many dormant or previously discounted schemes successfully delivered. As a result savings have increased exponentially. In the first two years of the programme (2010 and 2011), departments delivered around £2m of savings. In the following two years (2012 and 2013), after this approach was introduced, they have delivered over £15.5m by just doing it.

A review of historic underspends showed that many areas of the organisation consistently

underspent their staffing budgets. Departments didn't reflect the inevitable periods of vacancy that would occur just as part of the normal turnover of staff. By working with departments we were able to model different vacancy level scenarios and introduce new or revised vacancy factors into the organisation's staff budgets, releasing more than £1.6m of savings as a result.

At the end of 2011, the programme had saved £5.6m of its £31m target. At the end of 2013, the programme has saved over £24m and is confident the remaining £7m will be achieved this year.

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FOREWORD
SUE HOLLOWAY
Director, services strategy,
Northgate Public Services

Efficiency through partnerships

Councils must be fed up to the back teeth with being told to reduce budgets (the latest figure is by 25%) and yet improve, improve and improve again services at the local level.

The public increasingly and, to be fair, rightfully on occasions is shouting louder for the same levels of service from its local authority that it receives and expects from the private sector: online, quick and efficient. Central government, too, is pushing hard to promote the digital agenda and encourage councils to look at transacting in this way.

It's perhaps therefore little surprise that secretly (and often not so secretly) councils complain they just want a period of stability, with some councils questioning whether they even need to invest in these 'brave new world' options to deliver better services.

Yet, against this pressured backdrop, maybe – just maybe – it's time to think a bit differently?

The issue, after all, is not just budget constraints. With capacity shrinking, economies of scale invariably become more attractive to any local authority. Fundamentally, all councils have a passion to deliver good services to their customers. It's just unfortunate the delivery model of the past is an expensive one and pressures to reduce costs just keep growing.

Partnering becomes an attractive option because, in effect, it can be an extension of existing best practice as well as sharing cost and risk. It stands to reason, too, that by removing resource-intensive processes and allowing services to be delivered through alternative models rather than directly by them, councils free staff to focus on more core priorities and workload.

But as Christopher Akers-Belcher from Hartlepool BC outlines opposite, and Kent CC and South Bucks DC highlight overleaf, that's just part of the picture. Innovation and partnering is not just about cost control and efficiency, although that will always remain an important element of it.

Ultimately, yes, partnering is about creating more efficient councils – but it's much, much more about creating more effective councils, too. The most effective partnerships allow councils to meet and even exceed the demands and expectations of their communities, even as the circle gets ever harder to square.

As we move through the cycles of austerity and look towards the challenges of 2015-16, the partnerships of the future will be about sharing, generating and maximising opportunities as much as they will be about sharing costs and risks. And that's precisely how it should be.

FOREWORD SUPPLIED
BY NORTHGATE
PUBLIC SERVICES



Hartlepool

CHRISTOPHER AKERS-BELCHER

explains how partnership working is helping Hartlepool's regeneration



Our partnership with Northgate Public Services goes back to 2001, but it is a sign of how local government has changed almost out of all recognition when it comes to partnerships and efficiency that, at that point, it was a completely different beast. It was essentially a traditional, solid ICT service contract designed to deliver savings through a modernised infrastructure.

About a year and a half ago we went back out to retest the market as part of a more comprehensive vision for the town. The resulting seven-year partnership we agreed with Northgate earlier this year is a much broader arrangement. It is one that fits with our Hartlepool Vision – our blueprint for the regeneration of Hartlepool – but is also, I feel, very much a model for the way councils will be needing to think about partnerships and efficiency in the future.

One of the keys, for me, has been Northgate's agreement to relocate 235 of its staff to Hartlepool, something that sends a very clear message about the nature of the partnership as well as Northgate's commitment to Hartlepool.

It's not just about the contract itself, which I shall come to in a moment, although that is of course important, it's the fact Northgate's presence in Hartlepool will, we estimate,

result in an extra £2.9m for our local economy through increased footfall and the boost to cafés and shops; in fact we calculate the income from these workers buying lunches, petrol and papers will be £150,000 a year alone. Given that we anticipate the numbers relocating to Hartlepool could grow to 300 over the next few years, we hope this contribution will increase still further.

Northgate has set up a Hartlepool Academy guaranteeing a minimum of 35 modern apprenticeship placements over the term of the contract and its employees have committed to spend 25 days a year on volunteering activities to help local initiatives and voluntary groups. Through the creation of a £1m business centre it will help to generate £2.9m in rents and rates; there is also a three-year facilities management and CCTV agreement that

Seaton Carew, Hartlepool



l's partnering vision



Heugh Gun Battery, Hartlepool

“ Councils need to be ambitious and recognise that, when they are entering into a dialogue with the private sector, it is not just about having robust, efficient services, although that is of course vital



Hartlepool Marina

retention, where we can, of frontline services.

Councils have to recognise, if they have not done so already, that gone are the days when they could go it alone. We have to drive forward, and focus on, bringing investment into the town; a partnership like this therefore needs to be as much about regenerating Hartlepool and making it a hub for further future investment as it does about automation or ICT.

Automation is important, and will continue to be an enabling tool when it comes to efficiency, but it is just one part of it. If, when considering ICT and efficiency, you just focus on the automation or technological side of things you risk losing sight of a bigger picture, a picture that is becoming increasingly important. We want efficiencies, but we also want businesses to come here to invest.

Councils undoubtedly are facing a tough climate between now and 2015-16 and, indeed, beyond. We have some huge budget cuts coming through in the next couple of years; there are

going to be big challenges around retaining services.

Against this backdrop, councils are increasingly going to need to look at digital solutions and mobile working. But it will also be about better, smarter, more collaborative ways of working; of working more closely with key partners to make the impact of cuts as minimal as possible; of ensuring communities and individuals do not feel or even see the full scale of what councils are having to manage.

Councils need to be ambitious and recognise that, when they are entering into a dialogue with the private sector, it is not just about having robust, efficient services, although that is of course vital. It is about wrapping 'efficiency' into your wider agendas and priorities around regeneration, the local economy, skills and so forth. Efficiency in this context needs to be something weaved into every aspect of how you work, and what you aspire to achieve, as a local authority.

Christopher Akers-Belcher (Lab) is leader of Hartlepool BC

will bring in more income for the council.

What of the contract itself? We expect the contract to deliver a minimum of almost £8m of savings over the seven-year term, with Northgate also investing £2m to modernise our ICT, including creating a virtual desktop and modernised server infrastructure, a new data centre, telephony system and new printer network. There will be an emphasis on encouraging flexible,

'anywhere' working, both through the virtual desktop and the offer of better technology to councillors.

At one level, a contract like this is simply about achieving additional efficiencies. But it is also about looking at how we as a council present ourselves, both internally and to the wider community. Digital, mobile and ICT innovation runs alongside, for example, the need to focus on community investment, income generation and the

CASE STUDIES: PARTNERING SUCCESSES

NICOLA SULLIVAN explains how outsourcing and partnership working is helping two local authorities to improve their efficiency

South Bucks DC

December's Local Government Finance Settlement made it all too grimly clear for councils that they will remain at the sharp end of public sector cuts until 2016, at least.

As the chairman of the LGA Merrick Cockell explained at the time, the funding the government gives to local authorities will fall by 8.5% in 2014-15 and, by the end of this parliament, local authorities will have had to make £20bn worth of savings.

This, unsurprisingly, has increased the urgency for local authorities to look for even more ways to create efficiency savings without impacting on frontline services.

Obvious solutions include improving administration processes, creating partnerships with neighbouring local authorities and fully exploiting the funding streams coming from central government.

One authority that has been doing all this and more is South Bucks DC.

Director of resources Jim Burness points out that managing this "hardest sustained period of cuts" has been compounded by rising to, and coping with, the added challenge of the government's wider reform agenda, such as welfare reforms.

"Resident expectations still have to be met around the core services that they value. Looking forward the next two or three years are going to be

very tough," he predicts.

However, the introduction of the Better Care Fund and the reversal of the government's decision to divert money away from the New Homes Bonus, which provides additional funding for each property that is brought back into use, do offer some reprieve for local authorities.

In the case of the latter, this last year generated £1.1m in additional revenue for the council, plus £30,000 from extra council tax, after working with Northgate Public Services to conduct a review of 650 domestic properties across the district that were registered empty.

Council tax records were matched against credit reference data to identify which properties were genuinely empty or potentially occupied. Letters seeking confirmation of occupancy could then be sent to 'high risk' properties.

Good response rates meant records could be updated and revised bills could be issued quickly. Where there was no response reminders were sent and inspections of the

“Resident expectations still have to be met around the core services that they value
Jim Burness, director of resources, Chiltern and South Bucks DCs



South Bucks DC created a joint senior management team with Chiltern DC

properties were carried out.

Mr Burness says: "We do have issues in the south-east around the availability of housing (particularly affordable housing), so this will have a beneficial effect on efforts to meet the housing need and demand in the area by bringing properties back into use."

The empty properties review was done alongside a similar-style investigation of residents claiming a single-person discount on their council tax.

This generated an additional £91,000 per annum, £10,000 of which the district council can use to offset funding shortfalls in other areas.

Another key way in which South Bucks is making efficiency savings is through its partnership with Chiltern DC, which in 2012 culminated in the creation of a joint senior management team – including chief executive, directors and heads of services – a move that saves £660,000 a year across the two authorities.

The two councils are now in the process of

implementing joint teams in areas such as housing and building control, before reviewing all major services to see whether there are further ways in which they can improve services, pool resources to increase resilience and reduce costs.

Mr Burness says: "At South Bucks we got to a point in 2011 where we had done a lot of the big stuff we could do on our own. We had moved down to a senior management team of three – a chief executive and two directors. We had reduced middle management and an aggressive degree of market testing and outsourcing had stripped back on a lot of the non-essential discretionary services.

"[The partnership] creates a larger team, which gives the council more capacity to maintain services, while responding to changes in technology and the changing demands of customers," he adds.

So far, the joined-up service approach to deliver services has generated £270,000, but this will rise in the coming years as more



Kent CC blue badge team

services are reviewed, and by the end of 2015 the councils will have reviewed all major services.

Kent CC

Kent CC is on track to shave hundreds of thousands of pounds off its families and social care bill after the successful adoption of the government's reforms to blue badges, which provide parking concessions to disabled people.

The council's introduction of a new independent mobility system and the government's Blue Badge Improvement Service (BBIS), managed by Northgate Public Services, has slashed application processing times, increased efficiency and customer service levels and is set to realise savings of more than £323,266 in the three years from 2012 and 2014.

The government introduced BBIS as part of efforts to improve efficiency and stamp out fraudulent use of badges, which in 2011 it estimated was costing the UK about £46m per year.

This service is one of a number of reforms, including amendments to legislation that require the wider use of independent mobility assessments to determine

eligibility for badges from April 2012 in England and Scotland. This brought an end to GP assessments.

Kent CC started to get to grips with the changes in 2011 when it introduced a new independent mobility assessment system in just six weeks.

This involved employing a team of occupational therapists and physiotherapists, who were then trained to assess the mobility of applicants who didn't automatically qualify for a blue badge, of which there are about 16,000 a year. Prior to the changes this group's eligibility was solely determined by GP reports.

Hannah Buckley, contact point supervisor, customer

“ We don't want to leave a disabled person housebound for any period of time – this is one of the big reasons behind improving efficiency **Hannah Buckley, contact point supervisor, customer and communities, Kent CC**

and communities at the council, says: “Because of the pressures on GPs' time there often wasn't enough information. We were either having to refuse applicants or go back to applicants and say please can you provide us with more information and that was putting extra strain on the GP.”

The efficiency of the new assessment system was further increased when the council introduced a three-pronged approach, which reduced the need for face-to-face assessments as, where appropriate, it allowed for eligibility to be determined over the phone or on the receipt of medical letters and documents.

In 2012, the council implemented BBIS, which has helped it for the most part remove resource-intensive manual processes, speed up the application process and reduce fraud. These issues are particularly pressing for the council, which has more than 77,000, blue badges in circulation and processes 23,000 applications a year.

The new system allows people to check their eligibility and make applications online, speeds up renewal processes for those whose circumstances have not changed and sends out automatic reminders when someone moves, transferring their records accordingly.

“We don't want to leave a disabled person housebound for any period of time – this is one of the big reasons behind improving efficiency,” says Ms Buckley.

All information relating to the individual is stored in one place, which means council staff can respond to enquiries

more quickly and track the application process at any stage.

Ms Buckley says: “It makes the customer experience a lot smoother. We can tell them instantly where their application is and who is dealing with it.”

The results speak for themselves. Previously, applications took between six to eight weeks to complete but since the introduction of the new system, 36% of blue badge applications are processed within 14 days. It is also anticipated that the improved service will save the council more than 40% in administration costs.

Other benefits include a national helpline to provide people with additional support and assistance should they require it. A credit and debit card payment system has also been introduced allowing people to pay for their badges online or over the phone.

The council's previous system, where information was filed and stored on spreadsheets, made it much more difficult to identify fraud and it had to rely solely on the findings of the National Fraud Audit, which runs every three years.

By contrast, the new system will flag up if an applicant has applied elsewhere. Also, the new badge, with its improved hologram and comprehensive number, is much harder to forge.

In the coming years as councils are forced to make cuts on top of cuts, they will continue to reinvent the ways in which they operate in order to draw out efficiency savings without unduly compromising the interests of the communities they serve.



FOREWORD
PETE FITZBOYDON
Chief operating officer,
Football Foundation

Get on the ball with efficient data capture

In these days of austerity, being able to demonstrate impact of investment is more important than ever. The simple reality is that evidence is paramount. Public bodies need good data to prove their investment is achieving results. However, too often the process of collecting evidence is complicated and time-consuming; it is difficult for commissioners to bring together data from different organisations, especially if it is incomplete or out of date.

This was exactly where the Football Foundation was four years ago. We set up a taskforce to look at how data capture could be modernised and made more efficient. We drew inspiration from modern applications such as Facebook, Twitter and Amazon, where people input data because they want to. Crucially, we sought to build a system that provides direct benefit to those delivering the work on the ground, thereby motivating them to use it rather than seeing it as a chore.

Following extensive research, Upshot launched in March 2012. We wanted to make it available outside the world of sport, and we are absolutely delighted that, two years later, more than 200 public and not-for-profit organisations have taken advantage.

The system records all activities an organisation delivers in a central online database. It stores data on people who attend sessions and how engaged they are and builds case notes on individuals and their progress over time, as well as testimonials, photos and videos.

This is classified against commissioners' strategic objectives, thereby making reporting simple and clear. At the other end of the spectrum project workers and 'deliverers' have an up-to-date picture of what is going on, and can receive reminders on their smartphone or tablet.

The system displays warnings where data is missing, and managers can see immediately where performance is lagging or where something is to be celebrated. Evidence can be amalgamated across projects, so deliverers and commissioners alike can analyse the bigger picture.

Aside from demonstrating impact of existing work, one of Upshot's smartest features is its ability to show the value of work and use this to secure future funding. This is because all evidence, activities and performance indicators are linked to common outcomes, such as improving community safety or tackling obesity.

As a result, gathering, reporting and analysing evidence is much easier for the organisations we fund. Stakeholders and commissioners have the data they need to evidence the impact on their community. Whether someone is a project manager or a chief executive, Upshot uses live accurately classified data to demonstrate what their funding is achieving and gives them the evidence to back it up. All at the touch of a button.

For more information please visit www.upshot.org.uk

FOREWORD SUPPLIED
BY UPSHOT



Evidence in

ANDREW POWER explains how Durham CC is benefiting from Upshot, an online tool created for the not-for-profit sector



County Durham Sport is one of 49 county sport partnerships nationally funded by Sport England, and other local partners, and hosted by Durham CC.

We have been going since 1996; in fact we were the first county sports partnership in the country. Our aim is simple: to help County Durham become the most active county in England.

To do this we have to work closely with a variety of national, regional and local organisations to ensure sport and physical activity are developed in a co-ordinated and effective way. We also have to work with a wide range of partners and, most recently, have been tasked with delivering a variety of Olympics legacy programmes.

Like most public sector organisations, we have not been immune to the austerity climate. For example, up until March last year we had received £4.5m of funding from NHS County Durham (Public Health) to support and promote physical activity for people who may have an increased risk of cardiovascular disease. When this funding ended, it naturally led to a sharp drop in the money we had available to us.

We are still involved with Public Health, which has now transferred to the local authority, including an extension on the previous



£4.5m investment programme called Move4Life, which delivers tailored projects for those who have sedentary lifestyles, are overweight or have a family history of cardiovascular disease and Type 2 diabetes.

Yet our activities have also evolved. We have, for example, been successful in securing funding to deliver one of the national physical activity pilot projects for Sport England through its Get Healthy, Get into Sport fund. The evaluation of these, which has included looking at their economic impact, in terms of their return on investment, has meant gathering robust physical activity data from more than 40 different

the age of austerity



Fighting fit:
Upshot is
providing
healthy returns

providers, meaning effective data management and interpretation has become more of a priority.

Our systems used to be very paper-based, with loads of spreadsheets. So our challenge has been how to develop a much more effective and efficient data collection and management infrastructure, one with much tighter processes, where we are not constantly having to chase clients for data, which is centralised and automated as far as possible and which has moved away from the paper-based approach – but all on a significantly reduced budget.

We looked at various options and there was a lot of

discussion internally. It was, fortuitously, at that point that we came across Upshot. Its tools had, of course, originally been developed for the sports sector, which instantly made it attractive.

Using it we can gather data directly from clients around the county. Upshot adds validity and robustness to our approach, which is important as there is a strong audit component to the programme, especially in ensuring data is accurate and, for example, being able to show it is about real people.

We have agreements in place with providers and customers to be able to share their baseline data and then

“ It used to take three or four months to get in all the data from around the country; now you just have to run the system once to get a snapshot view of where we are at any given time

use the Upshot tools to follow up; baseline physical activity measurement tools are in place to help show how active people have been over a three, six, nine and then 12-month period; we deploy measurement surveys digitally via the system; it is a fully automated process.

The result is that everything is much more transparent and streamlined; the variation in data, which used to be a particular headache, has also been massively reduced. It has become, in essence, a much more standardised approach, with good data and little or no variation, which also means you save time and money when it comes to analysis.

It used to take three to four months to get in all the data from around the county; now you just have to run the system once to get a snapshot view of where we are at any given time. It is also much easier and quicker in terms of follow-up, analysis and data mapping.

Ours is a much smaller programme than it was when we had NHS funding; but like-for-like we've experienced somewhere around a 50% to

60% reduction in the costs of gathering data, data entry, ongoing follow-up and analysis.

Nevertheless, some 15,000 people have been through our programmes over the past few years, all requiring a fairly intense level of monitoring and follow-up – in some cases weekly for up to 12 months at a time – so our monitoring systems are really important in demonstrating what's happening at a community and individual level.

The Upshot system has allowed us to achieve what we have – even with our budgetary constraints. And, of course, if we were ever to scale back up, having a system like this to hand would potentially save us tens of thousands of pounds a year. More widely, it allows the individual community organisations out there to do what they do best: delivering good programmes to encourage interest in sport and physical activity and allow us to do the rest in demonstrating impact.

Andrew Power is strategic manager (physical activity) at County Durham Sport. Contact Andrew.Power@durham.gov.uk

CASE STUDIES: THE MEASURE OF SUCCESS

Upshot is being used by a host of organisations and community projects to record, manage and report data more efficiently

Active Essex

Active Essex is the county sports partnership for Greater Essex, hosted by Essex CC and funded by Sport England.

Like other county sports partnerships, it works to promote sport and physical activities across the county, working with a wide range of partner organisations and stakeholders. This includes playing a lead role within PE and school sport, public health-related physical activity and the roll-out of key Sport England programmes such as Sportivate – the £56m National Lottery-funded London 2012 legacy project designed to give young people the chance to discover sport.

“The fact we work with a wide range of stakeholders and delivers means that access to intelligence is really important to support commissioning against outcomes,” says Rob Hayne, strategic lead for business operations at Active Essex.

“We have to have measurable and up-to-date intelligence to show impacts against outcomes. In the financial climate in which we are now operating, we need to be able to map against outcomes and show the deeper impacts. You can't just spend £10,000 doing x; you need to be showing you are spending that money because it has better outcomes than doing y,” he adds.

The organisation turned to Upshot just prior to

Christmas, meaning it is still early days when it comes to evaluating and quantifying the benefits of its tools, argues Mr Hayne.

“Our aim is to roll the tool out from April to our county network of local community sport network groups – called Active Networks. They will start to put in data and then throw out the numbers from there. I expect it will be about six months when we will be able to get a clear picture of what impact we are getting,” he says.

“We do not really see it as a cost-saving exercise, though we hope it will be; it is more about gaining intelligence and information so as to be better able to direct investment, join up the dots for other teams and influence what and how people are budgeting to ensure impact on shared outcomes.

“Our work cuts across a number of different agendas, it's not just about sport and

physical activity but its role in the community – education and schools, employability and skills, public health, crime agenda, disadvantaged groups but also opens spaces, parks and leisure – so being able to make clearer links is really valuable,” Mr Hayne adds.

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darts (Doncaster Community Arts)

As it candidly explains on its website, darts (or Doncaster Community Arts) works “with people who don't have much to do with the arts”. While this can, of course, be anyone within the community, its activities tend to focus on helping those with the least access to the arts, whether in health settings or schools, whether children and young people or individual adults.

With such a wide variety and range of activities to manage and monitor, data capture has always been important, says co-director Duncan Robertshaw.

“Back in 2006, we developed an intranet that we used to capture data from

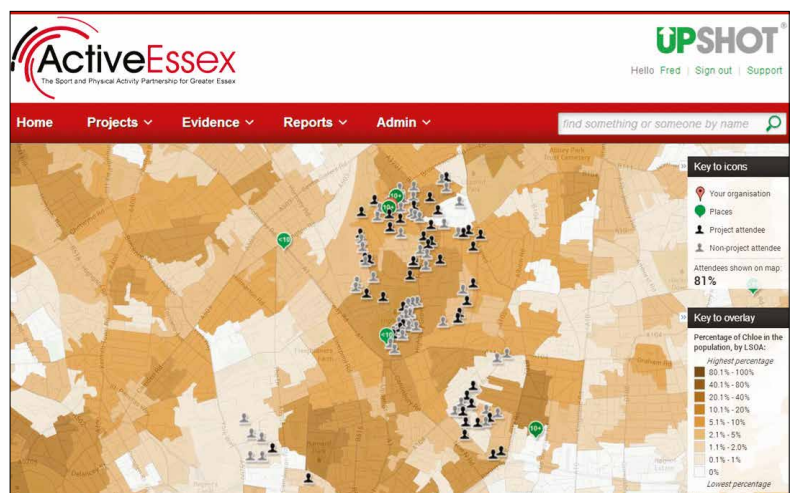
our participants, but it was very generalised – really just headcounts – and so there was no way to use it to look at people's journeys and communicate back out to them,” he argues.

“By late 2012, we felt the system we had was coming to the end of its lifetime and started to look at how we might replace and upgrade it. At the same time, we were the lead organisation in a consortium that successfully bid for Arts Council Creative People and Places funding.”

The Creative People and Places fund, much like darts itself, works to help those with the least access to the arts to experience them. “This has led us to work even more closely with the general public; it is a mass-market approach that focuses on changing behaviour across the whole local authority area,” says Mr Robertshaw.

“We needed to make sure we had data collection and management tools that could work well both with our original core activities, especially monitoring small groups of individuals as they moved through different

All mapped out: Upshot enables organisations to gather, report on and analyse data at the touch of a button



“Upshot gives us the ability to record individual engagement, to track people’s journeys and outcomes across lots of different projects. The reporting tool is also invaluable
Duncan Robertshaw, co-director, darts

phases of the programmes, but was also able to help us with all this new activity,” he adds.

The organisation looked at a number of options, including designing its own customer relationship management system, but in the spring of last year decided to go with Upshot, and since last September has been rolling its tools out across its programme of activities.

“What it gives us is the ability to record individual engagement, to track people’s journeys and outcomes across lots of different projects. The reporting tool is

also invaluable, as is the fact that we can map out participants against the mapping data, so looking at things such as social deprivation or market segmentation,” says Mr Robertshaw.

“For me the imperative has been less about efficiency and more about enhancing intelligence, although if you have better intelligence you do generally become more efficient anyway. It has been about savings in terms of time and streamlining of activities,” he adds.

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South Staffordshire Council

Since 2010, the austerity agenda has led to many councils across the country needing to make difficult decisions to implement savings. South Staffordshire Council has been no exception. In 2011, the authority embarked on a £2.5m efficiency drive that saw a move towards changing the way services were delivered, moving away from a traditional approach.

“There was a widespread

recognition that we would need to do things differently as an organisation moving forward, but we still wanted to provide the community with the best services possible,” says council leader Brian Edwards (Con).

“Our approach now is leaner and more efficient, yet implementing this new delivery model brought to light some challenges around the council’s continuing community health, wellbeing and physical activity programmes. Using Upshot means these contracts can be managed effectively,” he adds.

Mark Jenkinson, the council’s district public health development officer, explains: “For example, some of our staff have moved on to set up social enterprises promoting and encouraging physical activity and exercise, and the Upshot tool allows them to submit performance data online or from home or even while doing their exercise class.

“We have been using the system for just over a year and so we have now gone through a first-year cycle, but it is still very much in a trial

phase. Even so, the initial feedback is that people are really pleased with the system,” he adds.

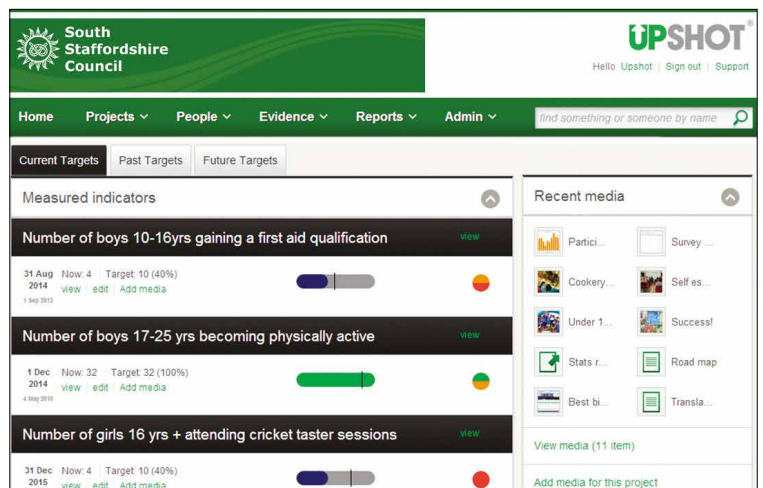
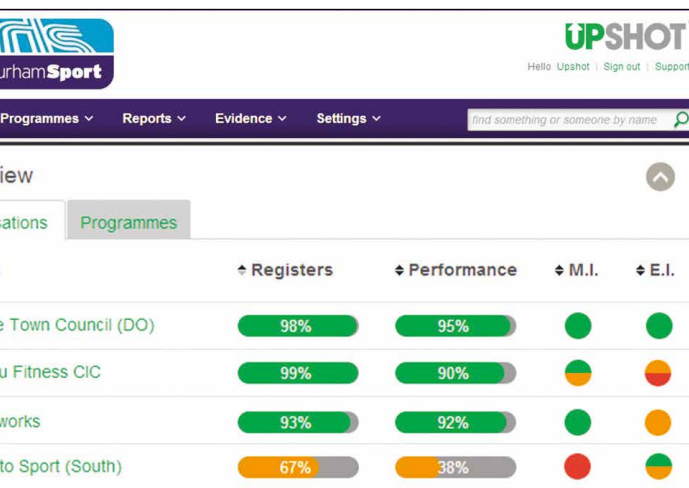
“It is a lot easier to report back data to commissioners. Contractors used to submit data on a quarterly basis, but the information is now captured in real time, and can now go to the commissioner straight away.

“In local government you get calls all the time from people wanting to sell you things, and you often just take down the details and do nothing more with them. With Upshot, I am glad I investigated it as I feel it is making a difference to the way we manage our contractors.

“We were looking to save money and it was an opportunity to manage these contracts in a way that was much more effective and efficient. By investing in this system it has freed a lot of capacity elsewhere within the department,” Mr Jenkinson says.

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For more information about Upshot visit www.upshot.org.uk





FOREWORD
STEVE ELKIN
Chief operations officer,
Scape

Delivering BSF quality quicker and cheaper

Whether the Building Schools for the Future (BSF) programme worked or not is debatable. Two things, though, are generally accepted. First, the processes that were created were protracted and resource heavy. The result was the programme did not deliver schools at the speed and cost needed. Second, what the programme tried to achieve was laudable and in some cases some fantastic new buildings were created that inspire young people and teachers alike.

Liverpool City Council was one of the losers when BSF was cancelled. It was at the precipice: a growing population (who doesn't have one?), with many schools in dire need of replacement. It had to continue somehow.

The big question was whether it had the capability to continue to try and innovate to create new, inspiring places for their young people to learn and start the process of becoming contributors to society.

As far as Joe Anderson, the mayor of Liverpool, was concerned he was taking on the mantle of the 'Liver Bird' to look after the city's people and its prosperity. So the answer was: "We have to". The need was clear; BSF quality at half the price.

Notre Dame School is simply stunning. If you saw the plans, you might think the designers and constructors had built a cave with acoustics to match. The reality is a truly calming environment. All day long there are groups of people doing their thing – traditional class teaching, break-out group classes, one-to-ones – all mixed into one space. It's brilliant.

The question is has it worked? It's an unequivocal "yes": "yes" it's BSF quality for half of the cost; "yes" it was quick, 18-months quicker, thanks to using a framework; "yes" as almost every education measure, including internal truancy is better than it used to be; "yes" local people built it (85% of the total cost was spent with local sub-contractors); "yes" it was resource light (Liverpool's BSF team was 33-strong, the current team has four people in it).

But the big thing is, and perhaps the real success of the scheme is that it is being repeated. No lessons 'learned' in a book but lessons 'applied' on the next scheme. Already another school – Archbishop Beck Catholic Sports College – is on site using the same team and the same principles. Another is being planned. Both being delivered quicker and cheaper (the trial project case study for Archbishop Beck, undertaken as part of the Government Construction Strategy, has identified savings of 26% against comparable 2009-10 projects). Now that's impressive.

FOREWORD SUPPLIED
BY SCAPE



Schools are

Scape's Major Works framework is helping Liverpool City Council transform its schools' estate. **NIC PATON** reports

When it was announced in the summer of 2010 by the then new education secretary Michael Gove that the Building Schools for the Future (BSF) programme was to be scrapped, Liverpool City Council was left frustrated and despondent.

"We had many schools on the verge of signing for BSF which were now facing no new developments despite years of planning. We had 12 schools in the city that urgently needed replacing and no programme to replace them with," explains Simon McEneny, assistant director, physical assets regeneration, at the council.

What happened next – the Liverpool Schools Improvement Plan – is an object lesson in how to turn adversity to advantage and, in the process, actually develop a model for regeneration that has proved more efficient, and more self-sufficient, than what had gone before.

"We set up a taskforce to examine how we could carry on the programme ourselves, and how we might be able to go about raising the capital to see through the necessary investment in our schools but also being able to link into a wider regeneration programme across the city," explains Mr McEneny.



"That ran for a year – to summer 2011 – and concluded we would be able to raise the necessary capital from a combination of capital receipts on the sale of the old schools, top slicing by 50% some of the capital maintenance programme funding for schools, raising money from old BSF land and by some borrowing," he adds.

In total the council raised £169m, of which £134m has been allocated to the 12 schools in most need by May 2016, with the remaining £35m allocated to a second phase programme for a number of further special schools and primary schools.

"As we were now doing it ourselves we added some clear stipulations, including that the programme had to



Sponsored by Scape, a local authority-controlled company offering innovative solutions for maintaining and developing public sector built assets. Scape seeks to deliver economy and efficiency to the whole building process, facilitated by best practice methodologies including standardised designs and consultancy services. The case study was agreed in partnership with LGC, which independently commissioned and edited the report.

‘not out’ in Liverpool



be heavily linked to local spend and local employment; that was a target we had to deliver on. Under BSF we calculated that only approximately 23% of the money spent on the construction projects was actually spent in the city; that was not nearly good enough for us,” says Mr McEneny.

Nevertheless, to deliver 12 schools by 2016 was an ambitious target. It was at that point the council turned to frameworks developed by both Scape and the North West Construction Hub, in the case of Scape making use of its Major Works framework.

“Under BSF probably the first 18 months would have been spent just talking. But we had Scape’s contractor, Willmott Dixon,

Class act: the Liverpool Schools Improvement Plan is an object lesson in how to turn adversity to advantage

“What works well, I find, is to give a handful of contractors work for four or five years, so ensuring a sustainable supply chain
Simon McEneny, assistant director, physical assets regeneration, Liverpool City Council

commissioned to start on the first of the schools by summer 2012, with the first new school – Notre Dame Catholic College – opened by September last year,” says Mr McEneny.

Three others are due to be completed this summer, Archbishop Beck Catholic Sports College (a new secondary school), Millstead Primary School, a new special educational needs school, and St John Bosco Arts College, another new secondary.

“Including the North West Construction Hub we have three contractors involved in delivering the programme. We made it very clear from the start we were not going to go the single contractor route because we did not want all our eggs in one basket,” says Mr McEneny.

“What works well, I find, is to give a handful of contractors work for four or five years, so ensuring a sustainable supply chain. But it also means you can encourage the contractors to work together for the benefit of the city; it is a very collaborative approach, and we look for a very open and honest relationship with subcontractors.

“Because it is a design and build contract, the contractor is working end-to-end rather than just carrying out schemes of work. Instead of BSF’s 23% local spend and labour we’ve significantly improved it to around 85%, which is clearly an added bonus for the community and businesses of Liverpool. It has been very much about keeping work and employment within Liverpool. And if, say, we’re now building a small primary school my target will be 100%

local spend. We have tailored our designs to suit the local market – local design – and where we haven’t got a local manufacturer, supplier or fabricator we have worked with the market to develop their offer. Two supply chain members have opened offices in Liverpool as a result of the programme.

“We make a point of ensuring all subcontractors are paid within 30 days, as payment terms can often be a barrier for SMEs participating in large-scale projects, and we insist on seeing evidence that the payment has been made within this timeframe. And we have targeted some of our most deprived wards with apprenticeship programmes; and have upwards of 30 apprentices working on the programme.

“With BSF, for about eight or nine schemes there was a team of 28 people, all working for the local authority on BSF schemes, and a budget of £300m. We’re now delivering on a budget of £169m with a team of four. As a result we have, of course, been able to save on staffing costs and reduce the cost of bringing the projects to market.

“To an extent, what we are doing is not innovative; it is what public sector construction should be. I am really proud we have been able to do this ourselves rather than having to fall back on central government. It has been a real partnership with our frameworks and contractors. In a partnership it is vital to explain to the contractors what your priorities are, to be open and honest and to understand and accept their priorities,” adds Mr McEneny.



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