I do not work in a local government organisation, but am aware of the services delivered as a citizen and also as someone who has worked as a business improvement consultant in a couple of organisations, and am also aware of the phenomenal work that Vanguard Consulting have achieved in many organisations throughout the UK. Therefore, I will address each of the questions in brief.

1. What are local authorities doing in terms of alternative delivery methods?
   a. I am aware of and indeed know there are many case studies written up in two books of the work that many local government organisations have achieved with the assistance of Vanguard Consulting and their Systems Thinking method. In all the examples quoted the results have been spectacular – improved service, reduced costs and increased employee morale! In each case I believe that the support came from within the organisations and senior leaders concerned, but little from Government in terms of driving the right kind of change, i.e. a change in thinking.

2. How are opportunities for sharing services being identified?
   a. From all the books, articles and reports I’ve read recently, I would suggest that there are more examples of where shared services are NOT working, and therefore I would be inclined to suggest that rather than going for shared services (they cost more and don’t really work), local government organisations should go for systemic improvement to their current design. In a service type of organisation, what matters is the economy of flow, i.e. how the demand for a service flows through the system, rather than the economy of scale. The economy of scale approach no longer works.

3. What is hindering moves toward developing shared and innovative service delivery models?
   a. As I indicated above already, I would recommend organisations to avoid the waste of pursuing shared services at the outset, and rather change the design of the service delivery and deliver better service first. Then, and only once the service is far better, consider whether or not some services, e.g. finance, HR, can be shared.

4. How are the tensions being resolved?
a. As the Christie report suggests, about 40% of the costs of local and national government are currently waste in the form of failure demand (i.e. failure of the system to deliver or deliver the right service). Therefore, the savings could easily be ploughed back into better and desirable new services – there’s plenty need out there!

5. What legislative barriers are there?
   a. On the basis that I object to the blind development of shared services unless innovative and improved service delivery models have been explored and delivered first, then I would prefer that legislation be enacted to enable local government organisations to more readily and easily obtain the support of external organisations that can show the people what to do. The current legislation places a huge burden in terms of tendering procedures onto both parties that neither can afford.

6. Scope for national shared services?
   a. See my comments above. First improve the system and deliver the service the clients and customers want and in the way they want it, then and only then explore whether a limited shared service model might work. But do not assume automatically that shared services deliver better and less expensive services. Too many examples of where they don’t.

7. What has been learned from elsewhere?
   a. In terms of what can be learned from elsewhere about shared services, go and ask the local authorities in the south west of England and now rue the day they went with SW1 – they are now locked into a contract that is costing them more and would cost even more to break! In terms of what can be learned from elsewhere regarding delivering a better system, there are examples in City of Edinburgh Council Roads Dept, Dundee City Council, Aberdeen City Council, West Lothian Council, Stockport Metropolitan Council, Lincoln City Council, and many others.

8. Innovative delivery methods?
   a. Dundee City Council introduced an innovative way of delivering services across three serviced providers for adult care. Other councils have developed a different way of delivering housing repairs, food standards and hygiene, etc.

In general Vanguard can show committee members and the local authorities how an implementation would work, how many people would do it, how many people it would affect, how evidence of its success would be apparent, how to quantify the ROI to satisfy those that need to know this, how the implementation would become sustainable, how it would spread, how it would become self supporting and how little
it would cost and how little it would disrupt current practices and how the measurable benefits, evident from day one of the implementation would continue to accrue in real terms for the foreseeable future. The committee just need to ask for or read the case studies.

Andy Lippok