

# Embedding Economic Assessment into wider service delivery



Mark Bramah, Assistant Chief Executive,  
APSE



# 1. WHO WE ARE AND WHAT WE DO

# About apse



- Excellence in public services
- Local authority front line services
- Networking, best practice, information sharing, lobbying
- Over 250 authorities involved and growing
- UK wide
- 7 regions
- Non-profit making
- Owned by its members
- Two offices – Manchester and Hamilton

# Apse services



- Advisory groups
- APSE south and south west region – 24 September 09, London
- Briefings
- Mass email queries
- Research and publications
- Seminars – Enviro 15&16 October, Stoke
- Lobbying
- Press and media
- Life long learning
- Best value consultancy
- Interim solutions
- Survey solutions
- Performance networks

# Performance networks



- The largest public sector benchmarking service in the UK
- 182 active local authorities
- Set up in 1998 and established
- Bath and North East Somerset involved since 2001
- 14 service areas
- Developed by practitioners
- Reviewed annually by the working group
- Review the indicators
- Like-for-like comparisons
- Training and support
- Benchmarking meetings
- Awards

[www.apse.org.uk](http://www.apse.org.uk)



## **2. PUBLIC SERVICES AND PUBLIC SPENDING**



***“The public sector helps us be a civilised society. In order to deal with short term financial crisis we end up cutting things that do long-term damage to society... There is a real danger that the combination of big cuts in the public sector mean inequalities could get even worse when we are pretty low down the international league table already. That is not a bleeding heart argument; it costs to have people unemployed and locked up. There is a real danger that we end up repeating what happened in the 1980s when a whole generation was unemployed long term.”***

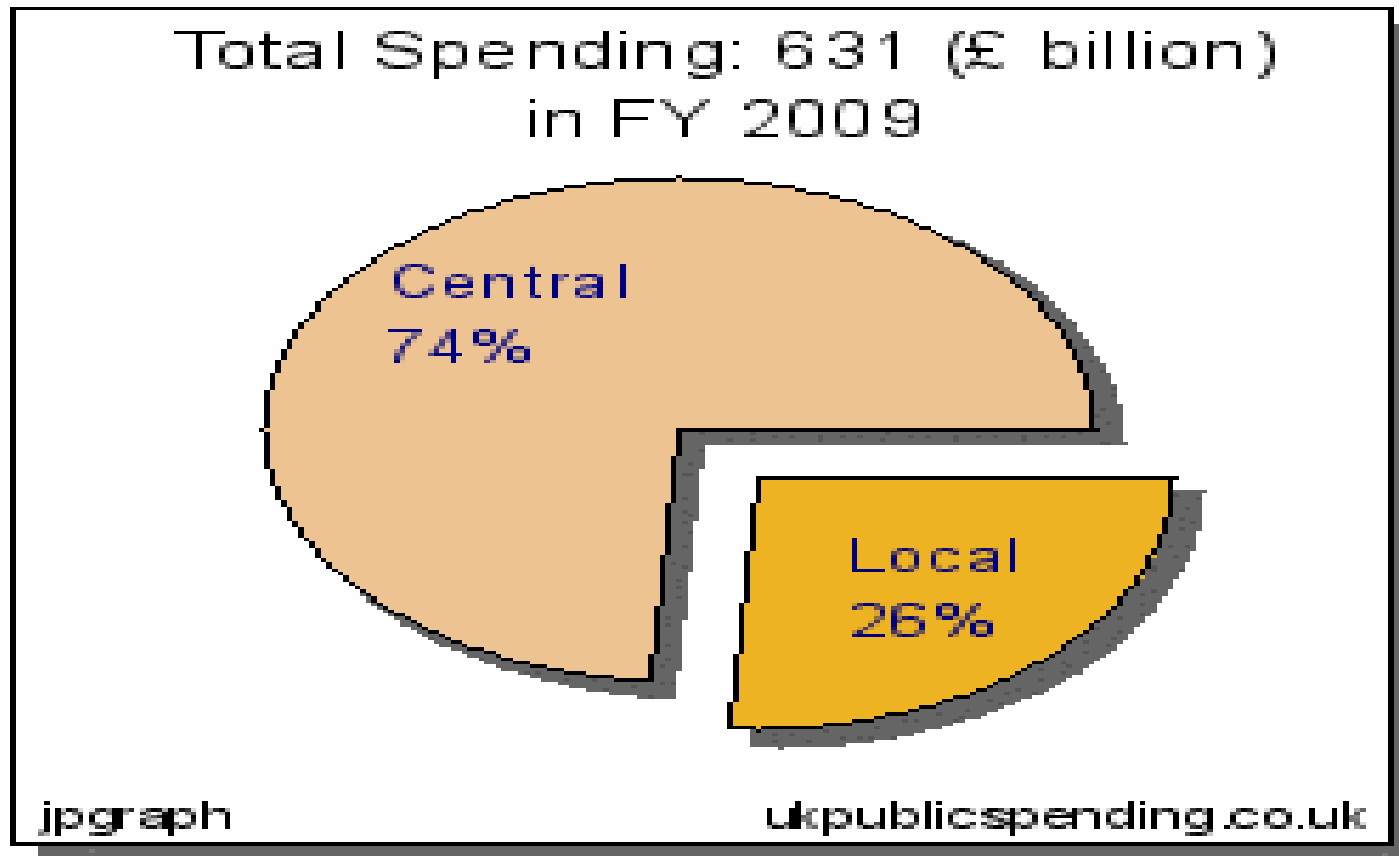
**Professor Colin Talbot, Manchester University Business School and Member of the Treasury Select Committee**

# Who is to blame for the state of public finances?





# Local government spending



# Why are public services important?



- The public sector as an important economic driver – supply chains.
- Demand for services in a downturn – impact on vulnerable people and on communities.
- Investment in public services – economic multipliers.
- The role of the public sector in helping with the recovery.
- Maintenance of public sector employment, wages and pensions.
- Public value – the delivery of innovative, responsive, high quality public services.

# The value of public employment



## Public value and the purpose of direct public employment - hypothesis

- Value to the local economy.
- Value in shaping places.
- Value in managing costs and transactions.
- Value in sustaining democratic networks and accountability.
- Value in realising the potential of the local workforce.



# 3. So why do we need benchmarking anyway?

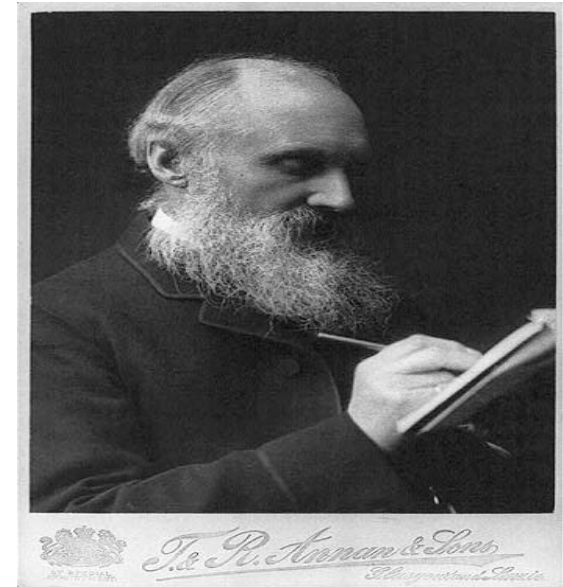


# Why bother?



“If you cannot measure it, you cannot improve it.”

“To measure is to know”.



**William Thomson (Lord Kelvin) 1824 - 1907**

# 1. We all need reference points



## 2. We all operate in an increasingly competitive environment



**TESCO**



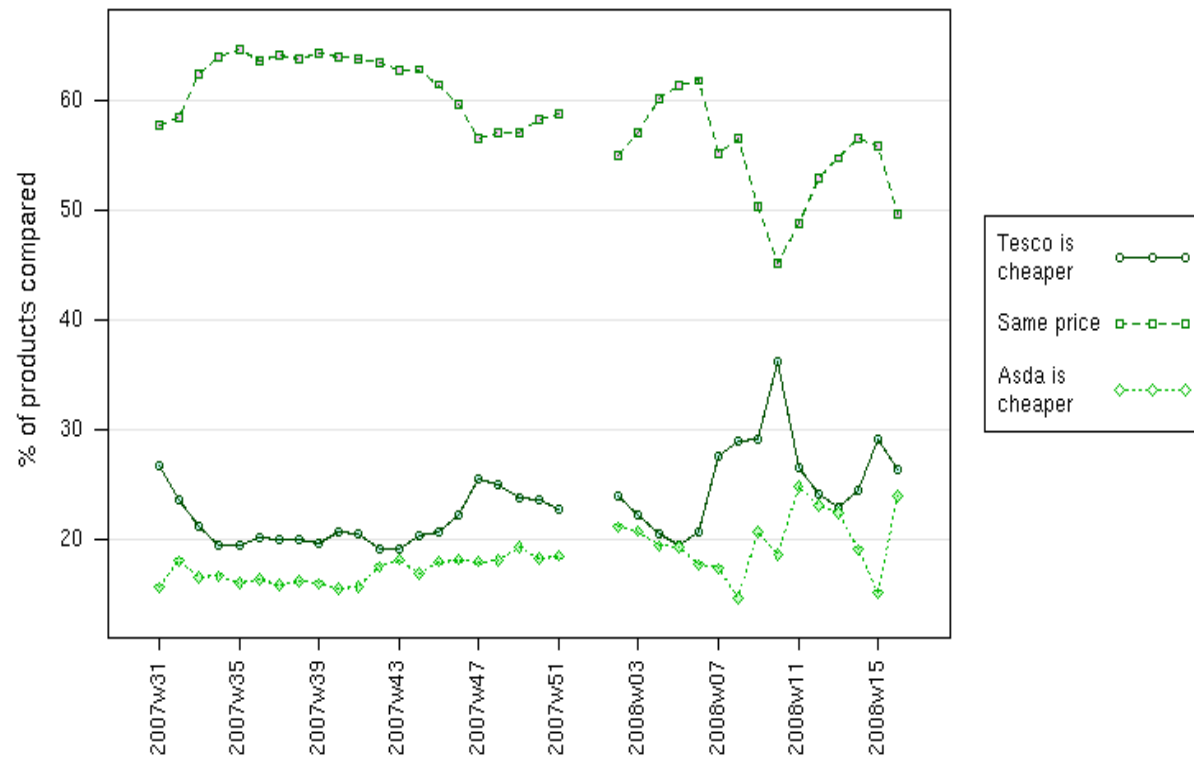
*Every little helps*



**Price watch - Ocado**

[www.apse.org.uk](http://www.apse.org.uk)

Cheaper Products: Tesco vs Asda



Source: Author's calculations using data from Tesco Price Checker - [www.tesco.com](http://www.tesco.com)

[blog.dubito.me.uk](http://blog.dubito.me.uk)

### 3. We all want to learn from best practice and aspire to excellence





**4. We all work within an institutional and Political Environment which focuses on performance and improvement.**



# CLG – Creating Strong, safe and Prosperous Communities (July 2008)



- The guidance recommends that the competitiveness of services should be “regularly and rigorously assessed” against other public bodies, local authorities and service providers. And that where in comparison with others they are found to be underperforming they should re-evaluate the “need and priorities for that service”. Where service improvement cannot be achieved within a realistic timescale or where it cannot match the performance of other providers, then they should consider alternative means of provision through “fair and open competition”.

# H.M Treasury – Operational Efficiencies Programme April 2009



Four key themes:

- Consistent and comparable data.
- Incentives.
- Structures and tools.
- Accountability and performance management



# **4. USING PERFORMANCE INFORMATION EFFECTIVELY**



# Using the data

- How is my service performing?
- Learning from good performers
- Where are we going?
- How does this relate to the targets?
- What is the trend?

**Table 1 Eight Purposes for Measuring Performance, Robert Behn  
(adapted to fit UK public services)**



<b>Evaluate</b>	How well is my service performing?
<b>Control</b>	How can I ensure that my staff do the right thing?
<b>Budget</b>	How should my service spend public money?
<b>Motivate</b>	How can I motivate staff, middle managers, contractors, partners, stakeholders, and service users to do the things necessary to improve performance?
<b>Promote</b>	How can I convince elected members, auditors and inspectors, senior managers, citizens, and other stakeholders that my service is doing a good job?
<b>Celebrate</b>	What aspects of our performance can we celebrate?
<b>Learn</b>	Why are things working or not working?
<b>Improve</b>	What exactly should who do differently to improve performance?

# Where is APSE coming from?



- Trustworthy, secure and reliable source of Performance Information.
- 11 years in the making – trends, direction of travel.
- Recognition in national performance frameworks.
- An important component of local performance management.
- Assessing the competitiveness of services – value for money.
- A resource, learning tool, an improvement network.

**LOCAL SERVICES**

**LOCAL SOLUTIONS**





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