

Shared Services: Successes, Failures and Lessons Learned

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About Capital Ambition

- London's Regional Improvement and Efficiency Partnership; one of nine in England, funded to support authorities in their efforts to deliver significant improvements in services, reduce costs and introduce new ways of working
- Efficiency savings of more than £376m have been identified across London in 2008/09. London's local authorities have also set an average council tax of 1.2%, less than half the national average.
- Capital Ambition is part of London Councils and was formed in April 2008 by bringing together the London Centre of Excellence, London Connects, the Improvement and Employment Division of London Councils and what was the old Capital Ambition organisation

Service Evolution and Change

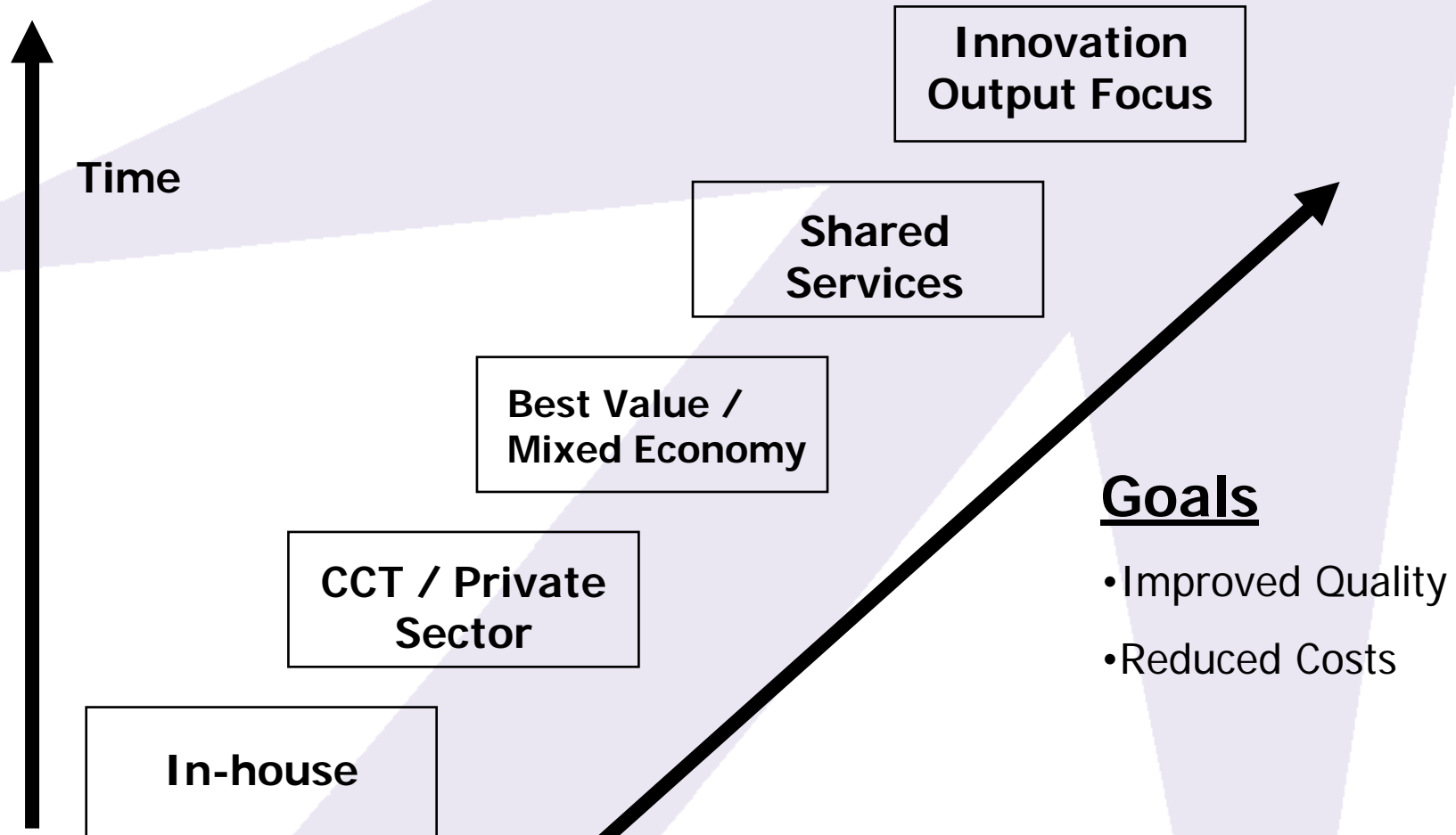
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Origins of Service Provision

- Democratic local accountability
- Designed to meet needs of the community inside a defined geographical boundary
- Things that central government did not want

Stages of Development



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The traditional drivers for change

- Improved return on investment
- Demographic / structural changes
- People's expectations and awareness
- Technology
- Growth of alternative delivery methods and markets
- Skills shortage

The new drivers for change?

- Legislative demands
- 2011/12 – **massive** pressure on public sector budgets and financial settlements

Shared Services – Evolution in the Making

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Typical Shared Service Models

- Multiple organisations (cluster) in one sector
- Two organisations (departmental focus in one sector)
- Outcome /System (e.g. Payroll / Revs and Bens)
- Cross sector organisations (e.g. council / NHS)
- Post-sharing (e.g. shared Highways Manager)
- Outsourcing – some forms

Tendency to Success

- Post Sharing
- Two organisations (departmental focus in one sector) typically larger / smaller Organisations (e.g. County / Districts)
- Cross sector organisations (e.g. council / NHS)
- Outsourcing – some forms

Tendency to Failure

- Multiple Organisations (Cluster in one Sector)
- Outcome /System (e.g. Payroll / Revs and Bens)

Critical Success Factors

- Must have political and CEO buy-in from the outset. Interest ***must*** be maintained
- Action on cultural and change management. People must be involved
- Optimum numbers (2 to 3) to make progress
- Know why you are doing it. Avoid market conditioning
- Keep the model simple and avoid scope creep

Thank you for listening

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